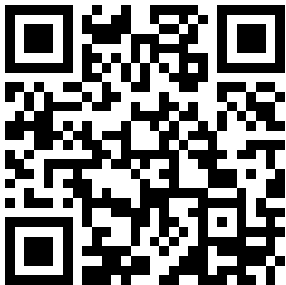
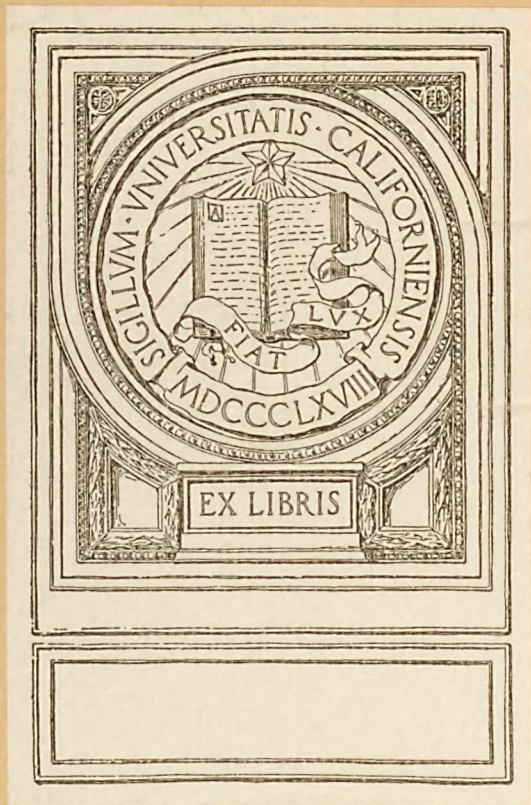

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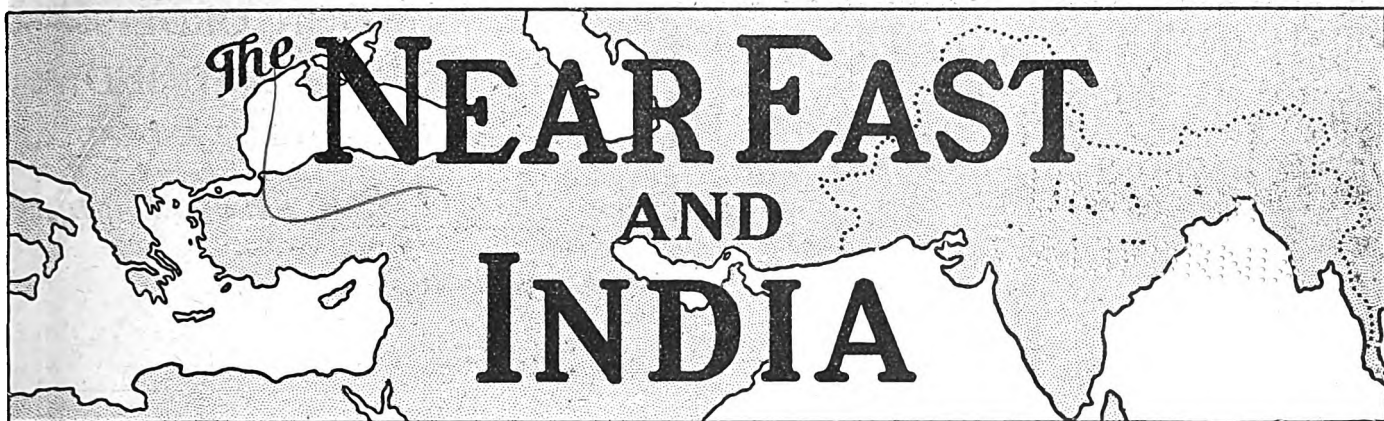
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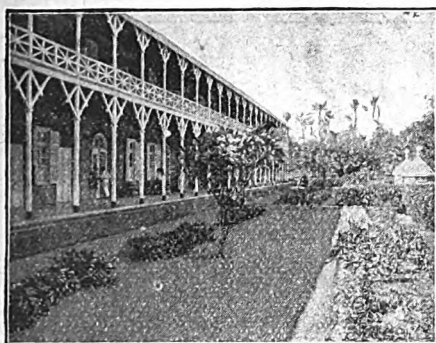
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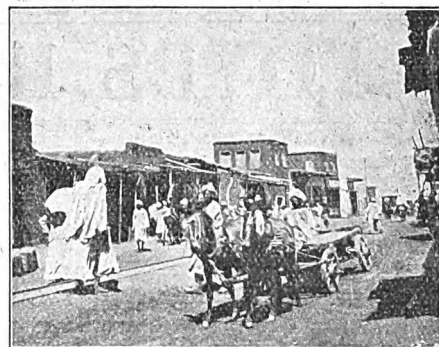
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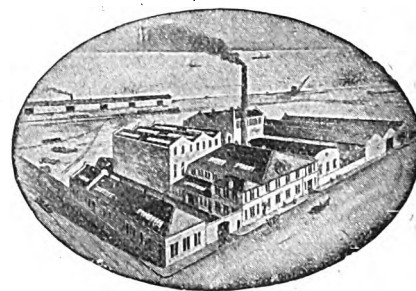
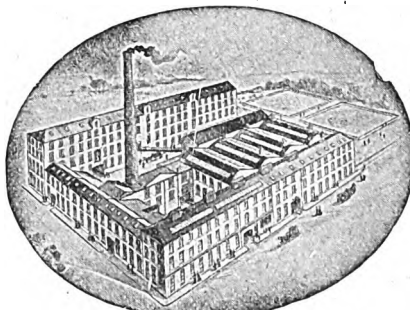
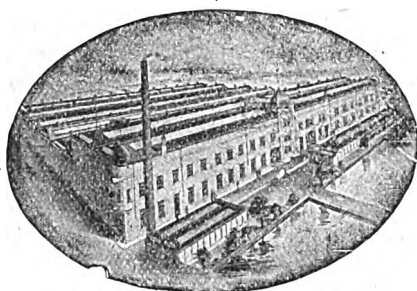
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THE NEAR EAST AND INDIA.

No. 816.—VOL. XXXI.

THURSDAY, JANUARY 6, 1927.

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NOTES OF THE WEEK.

NEAR AND MIDDLE EAST.

Tangled Politics in Yugoslavia.

M. Ouzounovitch's heroic efforts to form a Government, in order to avoid a fresh General Election during the winter, are not meeting with much success. After several weeks of negotiation during which every possible grouping of parties in the Yugoslav Parliament was attempted with a view to providing some Government with a working and more or less stable majority, M. Ouzounovitch found himself obliged to accept the help of the Croat Peasant Party again, and once more a Radical-Raditchist Cabinet took office. The new Ministry, however, differed from its predecessor in two important particulars; the offer to the Slovene Clericals to participate remained open, and two portfolios were left unallotted for that party, under Dr. Koroshetz, to fill. At the same time an attempt was made to meet the country's more urgent needs of the moment, by introducing a business or "expert" element into the Cabinet. A bank director was appointed Minister of Finance and a military officer who had been Director of Transport on the General Staff became Minister of Railways. Unfortunately, neither the nation nor the Radicals have yet taken fully to heart the truth of the adage that union is strength. From inside his own party the Prime Minister has been assailed for continuing the alliance with M. Raditch, regardless of the fact that no other combination presented itself to give him the necessary majority in the Skupshtina; from outside, and indeed on all sides, he has been taken to task for appointing as Ministers four men who are not members of Parliament, and in the case of the Minister of Railways a soldier still on the active list. It is conceivable that M. Ouzounovitch would be able to deal with criticisms from one quarter at a time, but the combined attack threatens to cut short an interesting ex-

periment which it would have done the country no harm to make.

Party or Country?

The trouble in the Radical Party arises from the problem of filling the vacancy left by M. Pashitch. In spite of the fact that M. Ouzounovitch was his own nominee for the Presidency of the Ministerial Council, the veteran leader allowed it to be inferred, before he died, that he did not see eye to eye with his lieutenant on all political questions. There has, accordingly, arisen in the Radical Party a "Pashitch group" which is inclined to give M. Ouzounovitch very lukewarm support, when it is not actually at pains to thwart him. Such a state of affairs is very heartening to the other parties and makes them the less inclined, in the fluid condition of Yugoslav politics, to commit themselves to co-operation with the Radicals. Outside partisan circles the appointment of General Milosavljevitch as Minister of Railways is regarded as a stroke of genius; for in the welter of conflicting interests, with their reaction on the political world, there was a danger not only of necessary railway construction being held up, but also of the requirements of existing lines being subordinated to expenditure of a higher political value. The new Minister of Railways, it was thought, would give the railways a chance of coming into their own, to the material advantage of the country as a whole. Against this view of the appointment has had to be set the fear lest, in the hopeless tangle in which political parties appear to have become involved, the presence of a military officer in the Government might encourage the Army to emulate the Greek example of trying to purge party politics by unconstitutional means. The dilemma remains. Two of M. Ouzounovitch's Radical Ministers have resigned; the Radical President of the Skupshtina has registered his vote against the Cabinet as constituted; but from no political quarter does the harassed Prime Minister seem to receive any constructive advice. It is, perhaps, symptomatic of the confusion of thought into which the Yugoslav political world has been

thrown that prominent politicians are found to coquet with the idea that in a *rapprochement* towards Russia Yugoslavia may find a suitable offset to the Italo-Albanian Treaty. M. Stepan Raditch was first in the field with the suggestion, but it was hardly to be expected that any other leader of a party would seriously support his suggestion.

The Greek Army and Politics.

There would seem to be a large number of Greek Military officers who have learned nothing from the disaster to Greek arms in Asia Minor in 1922. The basic cause of the Greek defeat was the demoralising effect of the interference of politics with military affairs. It is immaterial which way that interference worked, whether the greater degree of incompetence rested with Venizelist or anti-Venizelist officers; whichever party happened to be in power could call only upon its section of the nation, with the result that Greece both in conducting the administration of the country and in waging war had to rely exclusively upon half the intelligence and knowledge that would otherwise have been available. General Pangalos may have acted unwisely in many ways, but at least he took the first steps in breaking down the watertight doors that had hitherto kept the two sections of the Greek people apart, and thanks to his high-handed methods Greek politicians have seen the viciousness of their former attitude and have now come together in a Coalition Government under a non-party Prime Minister. One of the first concerns of this Government is, very rightly, to eliminate the leaven of politics which has made the Greek Army a by-word among European armies and little short of a scandal to a gallant, but easy-going, people. The method proposed for accomplishing this is a perfectly reasonable one; it is to reinstate in the Army the officers who were removed on purely political grounds, and then to overhaul the whole Officers' Corps, without any political bias, solely from the point of view of military efficiency. So strongly, however, is the curse of politics established in a section of the Officers' Corps that this body of men has seen fit to form a new military league, known as the Republican Sentinel, pledged to prevent the Government from carrying through its intentions. The position is naturally embarrassing for the new Coalition Government; but in the light of past experience it is clear that, if drastic measures are not taken at once with the Republican Sentinel, the moral and

material rehabilitation of Greece will still be a long way off.

Communism in Bulgaria.

It would be interesting to know why Communism has proved a plant of harder growth in Bulgaria than anywhere else in South-Eastern Europe. At first sight Roumania, with its record of peasant risings and its Jewish problem, might seem to offer a more favourable field; both Yugoslavia and Greece have more populated industrial centres. For one reason or another, however, Soviet propaganda has fastened on Bulgaria, where eighty per cent. of the population consisted at one time of peasant proprietors, who, it might be imagined, would be the last people to adopt Communist theories. Possibly the influx of destitute refugees and the personal bitterness that has been engendered in the country since the later portion of the Stambolisky régime are responsible for the spread of a movement that is generally given the label of Communism. The latest manifestation of Communist activity is described as a secret organisation with headquarters at Philippopolis, under the direction of a central committee in Sofia. The police appear to have learned of what was going on before any definite plot could be hatched, and the sensational Press in Europe was left to fill in the more picturesque details from its own imagination or its recollection of the general lines of the last conspiracy. From the fact that bombs, revolvers and rifles are said to have been seized, it may be inferred that the organisers of the conspiracy were hopeful of being able to find a few desperate Bulgarians ready to do the work from which they themselves would shrink. The position of the Bulgarian authorities is difficult; but it is to be hoped that they will not lose sight of the fact that the best defence against Communism is a contented people. The economic crisis through which Bulgaria is passing makes the lavish expenditure of Bolshevik money a terrible temptation, and from this situation escape must necessarily be slow. On the other hand the existence of the temptation provides a reason for avoiding extreme measures of repression, as it is safe to infer that the movement will die out as soon as the foreign stimulus has been withdrawn.

New Year Honours.

Among the New Year Honours the Near and Middle East, which so often suffers from being, as it were, nobody's child, has this time not been altogether overlooked. To what extent that particular sphere can claim for its own Sir Charles Greenway, who now receives a well-merited barony, against the world-wide interests that have made the Anglo-Persian Oil Company under his Chairmanship an Imperial institution may be left an open question. The Honorary G.C.M.G. conferred upon King Faisal is a reminder that, although Iraq stands "on its own" in treaty alliance with Great Britain, a personal relationship has been established between the latter and Iraq's ruler, which finds fitting expression in His Majesty's inclusion among those whom the King, with the nation's approval, delighteth to honour. It is right that the British representative at the Persian Court should bear the status of knighthood. As Assistant Under-Secretary of State Sir Charles Montgomery has a wider sphere to cover in the Foreign Office; but his earlier steps in official promotion were associated with the Near East. Unofficial approval will be registered none the less readily for the official selection that has picked out for inclusion in the Honour List Colonel Charles Cox, Chief British Representative in Transjordan, Mr. Arthur Huddleston, one of the ablest of the officials in the excellent Sudan Civil Service, and Mr. W. S. Edmonds, Consul-General in Constantinople. One day, we may hope, recognition will be accorded to representatives of the British business world in the Near and Middle East—men who by upholding the traditions of honourable dealing, clean living and business success among other peoples perform well their share of promoting British interests in a part of the world of some importance to the Empire.

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EGYPT IN 1926.

For Egypt at the present stage of its history every day, however devoid of incident, is eventful; still more so a whole year, even though the waters of development flow on with nothing more serious than surface rufflings. It may be, indeed, that the past year will prove the more conspicuous landmark, because it has not been characterised by "alarms and excursions" without or within; for the steeds that are yoked to chariots of independence are of necessity fiery, and it is a greater achievement that they are being held in than that they should be given free rein. During the greater part of 1925 the nationalism of Zaghloul Pasha remained within the shadow of the murder of Sir Lee Stack; towards the end of the year a new Electoral Law provided it with an opportunity to reassert itself. Opposition to this Law came to a head before the new year was many weeks old, and by the middle of February Ziwar Pasha, the Prime Minister, found it necessary to bow before the storm by withdrawing the offending measure. The elections of May 22, which were held under the Law of 1924, providing for direct voting and universal manhood suffrage, resulted in an overwhelming victory for the Nationalists, and Zaghloul Pasha became once more the central figure on the stage. From this point all interest in the Egyptian drama hinged on his actions. The first indication of the possibility of stormy times ahead came within three days of the Elections, when the Court that had been trying seven men charged with complicity in the series of murders of British officials in 1922 delivered its verdict, acquitting all but the one prisoner who had confessed to his crime. The verdict was a majority one, that of two Egyptian judges against the British President of the Court, Judge Kershaw, who resigned his post on the ground that the weight of evidence against four of the prisoners acquitted was so great that the verdict constituted a grave miscarriage of justice. The immediate effect of the acquittal had been a marked accession of self-confidence among the Zaghloulists, already considerably elated by their successes at the elections. Among the accused had been a Minister in Zaghloul Pasha's Cabinet, and an Under-Secretary of State; three other ex-Ministers had been Counsel for their defence. Zaghloul Pasha, who until then had been credited with the resolve not to take office, changed his mind under pressure of his more extreme followers and announced his intention to form a Government. Expectation at this point ran high in all circles and sections throughout Egypt; anything, it was confidently believed, might now happen.

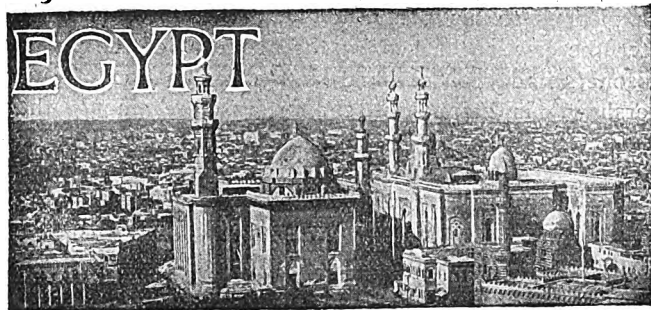
Egypt's good fortune, however, did not desert the country; it was the unexpected that took place. On May 30 Zaghloul Pasha called at the British Residency and had a long conversation with Lord Lloyd. No official

account of what took place at the meeting was published; but it was generally believed that Zaghloul Pasha had taken advantage of the opportunity to make himself acquainted with all the difficulties that would attend his personal assumption of the Premiership in the light of his pledges to his party. When, therefore, two days later the election caused by the acquittal of the political prisoners had been checked by the resignation of Judge Kershaw, his staunchest supporters were among those who urged Zaghloul Pasha not to take office. Yielding to these counsels of moderation, he abandoned the idea of leading a Cabinet and promised his support to Adly Pasha, who on June 5 formed a new Ministry, in which Sarwat Pasha, also a Liberal, took the portfolio of Foreign Affairs. When the Chamber of Deputies met Zaghloul Pasha was elected President. Throughout a session which was prolonged well into the middle of the summer, the Nationalist leader handled the Chamber with all the tact and shrewdness of which he shows himself at times a past master. It was inevitable that, with the result of the Elections what it had been there should be much pent-up steam to be worked off in Parliament. To Zaghloul Pasha belongs the credit that it was diverted along safety openings. The spectacle of a victorious party embarking upon a personal vendetta against a political opponent who had served his country well and honourably at a critical time was not a happy one in British eyes; but the veteran leader, doubtless, knew his followers, and Ziwar Pasha is probably philosophical enough to realise that gratitude is not an ingredient of party politics. Zaghloul Pasha's hold upon his party and consequently upon the country proved as striking in the winter as in the summer session. The fear that the holding-in of the extremists would not last until the end of the year has been entirely belied by the event. When Parliament re-assembled a noticeable feature of the Speech from the Throne was the friendly spirit of the reference to Anglo-Egyptian relations and of its acceptance by the Chamber.

A year that has witnessed such a test of Egyptian self-control and statesmanship cannot be dismissed as unimportant in the country's annals. Problems of grave delicacy still await solution, but the Egyptians have no reason to be ashamed of their first essays in statecraft. In the circumstances it was inevitable that domestic politics should monopolise the stage throughout the year. Two notable achievements, however, in other directions may be recorded. The temptation to undo all the work of the Ziwar Cabinet was resisted in the case of the agreement with Italy over the Jarabub oasis. Although the Italians had occupied Jarabub in February under the convention of the previous December, the agreement had not been ratified, and serious differences of opinion had arisen in the mixed Commission appointed to settle questions of detail. In October, however, a further agreement was signed which brought the two countries within sight of a settlement satisfactory to both. Of equally good augury was the submission in May of the Report of the Nile Waters Commission signed in complete agreement by the Egyptians and the British members of the Commission after the death of the neutral Chairman. Egyptian anxiety in regard to the Sudan has a genuine background in the Nile Water question, and the report of the Commission represents a useful advance towards a fuller understanding of the subject on the part of the Egyptians. The Caliphate Conference held in Cairo in May was overshadowed by the more important Congress due to take place two months later in Mecca, and the tendency to regard it as a mild challenge to Sultan Ibn Saoud's leadership of the Moslem world found some support in the disturbance that subsequently occurred between the Egyptian pilgrims and the Wahhabis. Here again good will on both sides was not lacking, and the visit to Egypt in August of the Amir Saoud served to restore good relations between the two countries.

The Near and Middle East*

From Our Own Correspondents.



Cairo, December 25.

Port Fuad.

The inauguration of Port Fuad at the beginning of the week was an unqualified success. Everything went according to programme, and, what is equally important, all the guests—and there were many hundreds of them—behaved themselves. Very often, and particularly in this country, the best of organised shows are spoilt by the manner in which those bidden to attend disregard instructions and create incidents by their impatience and their lack of consideration. But on this occasion there was none of these features. A hearty vote of thanks is due to the Navigation Congress Committee and the Suez Canal Company, who shared the responsibilities of organisation. To the Company we are indebted for the open-handed hospitality which we received at Port Said, Port Fuad and Ismailia.

Whoever conceived the idea of holding the inauguration of Port Fuad at the present juncture was thrice happily inspired. In the first place it constituted an incomparable *clou* to the International Navigation Congress. The delegates and the members, already enchanted by their reception and the excellent arrangements made for them, regarded their participation in this Royal ceremony as one of the most interesting of their many interesting experiences in Egypt. Secondly, by taking advantage of the presence in Egypt of this Congress the organisers of the inauguration made sure of the attendance at that ceremony of an international assembly such as they could not otherwise have secured. Thirdly, the nature of the ceremony was consequently completely in accordance with the traditions associated with this historic waterway, and thus the attention of the world has been drawn in an exceptional manner to an event which may in time prove to have been the starting point of an important development in inter-continental communications.

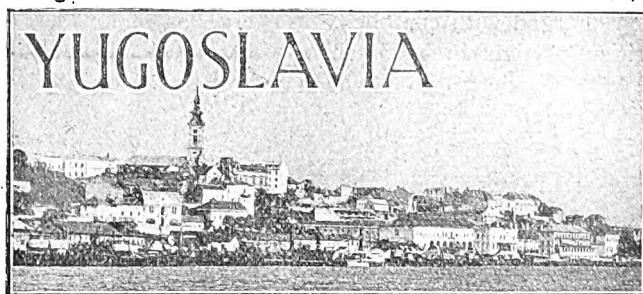
Everyone was most charmed with the aspect of this new city. It reminded many forcibly of the beginning of

Heliopolis. The villas in the best quarter have a delightful appearance, and are surrounded already with most promising gardens. The *jardin public* is, indeed, most attractive. In the less well-to-do quarters the houses are all well designed and look most comfortable, and in the so-called native quarters all the needs of the workers have been provided for, while sacrificing nothing of the æsthetic character of the whole scheme. It is a most laudable enterprise and deserves all the success which promises to attend its accomplishment. Port Fuad is to serve as an overflow residential quarter for Port Said, and it may quite conceivably come to constitute a welcome alternative summer resort to Cairo. Its ultimate success must, however, to a great extent depend on whether the terminus of the Palestine railway is transferred thither from Kantara.

Draft Laws.

Two interesting draft laws are about to go before Parliament. The first provides for a change in the financial year. At present it begins on April 1. The Constitution lays down that the annual budget must be submitted to Parliament three months before the new financial year starts, and the Government finds it exceedingly difficult to obtain in time all the estimates from the various Departments. The explanation is that the annual leave season, which extends to the end of October, provides insufficient time for heads of Departments to submit their proposals to the Ministry of Finance and for the latter to discuss them before January 1. In order to provide the extra time required it is now proposed that the financial year start on June 1, which will mean that the budget need not be presented to Parliament before March 1.

The second law concerns a proposal put forward by Parliament for the creation of an independent audit of the State Accounts. The law establishes this Department with an official at its head having the rank of Minister. He will be entirely independent of the Government, will have access to all information he may require, and will be responsible, and report directly, to Parliament, by whom he will be appointed for periods of five years.



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Yugoslavia and the Italo-Albanian Treaty.

On December 1, Italy published the Treaty which was signed on November 27 at Tirana by her Diplomatic Representative and the Albanian Minister for Foreign Affairs. This Italo-Albanian Treaty greatly disturbed public opinion in Belgrade, and, indeed, throughout Yugoslavia. This is not surprising, as the Treaty contains stipulations calculated to cause Yugoslavia justifiable anxiety. Italy and Albania bind themselves to safeguard the political rights and territorial *status quo* of Albania. Furthermore, the two States pledge them-

*Under this heading appear weekly or at regular intervals, communications from correspondents in Egypt, the Sudan, Roumania, Yugoslavia, Greece, Bulgaria, Albania, Turkey, Palestine, Iraq, and Persia.

selves mutually not to conclude any political or strategic treaties prejudicial to the other contracting party. Hereby Albania has conceded Italy an immense advantage as regards political influence over her, and the Treaty, which is for five years, is regarded in Yugoslavia as tantamount to establishing an Italian protectorate over Albania. But this is not all. Along with her obligation to preserve Albania's integrity, Italy secured the right to intervene in case of internal dissensions and to safeguard the régime of Ahmed Beg. Situations calling for intervention are, however, open to divers interpretations; they can even be engineered to occur at suitable moments, and the consequences of the exercise of the right to intervene would be incalculable. Yugoslavia regards the Italo-Albanian Treaty as a practical advance of the Italian frontier to the line of the Drina.

Taken all round, this new Treaty would appear to be opposed to the interests of Yugoslavia. Her principle is: The Balkans for the Balkan peoples. Let the latter manage their own affairs and neither be the tools of other European Powers, nor serve these Powers in their attempts mutually to get the better of one another. Thus Belgrade cannot by any means be satisfied that Albania—in any case a very sensitive spot in the Balkans—should pass under the protectorate of Italy. For this reason, the Italo-Albanian Treaty is regarded in Yugoslavia as the beginning of Italian imperialistic expansion in the Balkans; and of this Yugoslavia, as the central Balkan State, can in no wise approve.

If Yugoslav public opinion has been disturbed by the Tirana Treaty, there was good reason for this even from the purely formal point of view. A treaty of friendship had just been concluded between Italy and Yugoslavia, whereby both States bound themselves to act in loyal and friendly fashion in all matters that might arise between them. This pact of friendship has special reference to Albania, whose territorial integrity is guaranteed by both States. During the last rebellion in northern Albania, the Governments at Rome and Belgrade issued joint *communiqués*, in which they definitely assumed the standpoint of joint and friendly obligations and co-operation in the progress of Albania. At the last Little Entente Conference (at Bled, in June, 1926) Dr. Nintchitch, then Yugoslav Minister for Foreign Affairs, made a public statement to the effect that the Little Entente, and Yugoslavia in particular, would undertake nothing without previously advising Italy. In face of the oppression suffered by the Yugoslav minority in Italy under the Fascist policy, Dr. Nintchitch found it hard to carry out a policy on these lines towards Italy; but he did carry it out, and in this respect no Italian critic can reproach him with the slightest lapse. Dr. Nintchitch justly earned for himself the reputation of being the most peace-loving diplomat in South-Eastern Europe.

Dr. Nintchitch's Resignation.

The Italo-Albanian Treaty, however, gave a shock to Italo-Yugoslav friendship, as unexpected as it was sharp. Italy had prepared this pact with Albania without advising the Yugoslav Government of the fact, as she was really bound to do, in view of the *communiqués* already referred to. Furthermore, Italy undertook, by the Treaty, to guarantee Albania politically, her territory and her rights, although she already shared this obligation with Yugoslavia. The pact which she has now concluded is—according to opinion here—aimed at Yugoslavia, the very State which she professed to regard as friendly. For of the fact that the Tirana Treaty is aimed at Yugoslavia, there are no two opinions in the Kingdom.

The opponents of Dr. Nintchitch had now a powerful argument for their contention that Italy did not take her friendship with Yugoslavia seriously—that she was not loyal to Yugoslavia, but worked covertly against her, just as she gives a free hand to Fascist fanatics around Trieste and Gorizia. What Dr. Nintchitch calls loyalty to the neighbour State was blamed by his countrymen as unjustifiable pliancy, which Italy fails to repay in kind. Dr. Nintchitch obstinately rebutted these charges and

remained faithful to his conception of a loyal attitude towards Italy.

But the Italo-Albanian Treaty tripped him up. All unexpectedly it was clear that his conception of friendship between his country and Italy was mistaken, and there was not enough loyalty on both sides. The whole system of his pacifist policy crumbled, and he had no option but to resign. On December 7, a week after the publication of the Treaty, the report of the resignation came from Belgrade. That Dr. Nintchitch's resignation should entail that of all the rest of the Cabinet, is immaterial here. He himself gave as reason for his resignation the fact that he had been mistaken in his belief in the loyalty of the other contracting party.

The further development of Italo-Yugoslav relations it is impossible to predict. But whoever he may be, Dr. Nintchitch's successor will find it difficult to resume the course of the ex-Minister for Foreign Affairs, who failed through no fault of his own. Yugoslav public opinion demands a fresh orientation in her foreign policy. She desires a strengthening of her relations with France and the establishment of yet other ties which are dependent upon a change of venue. Truly, Dr. Ninko Peritch, the new Minister for Foreign Affairs, has plenty of difficult work before him.

December 30.

Pashitch and After.

Dr. Nintchitch's resignation was followed by that of the entire Government of the Kingdom of Serbs, Croats, and Slovenes, a Government still consisting of a coalition of the two strongest of the parliamentary parties, i.e., the Radicals and the Raditchists. The resignation of the Cabinet was not a consequence of disturbed public opinion on account of the failure of Dr. Nintchitch's policy, but only technically in connexion with it. The Prime Minister, M. Nikola Ouzounovitch, simply took advantage of his colleague's resignation to hand in his own in order to make use of the opportunity to reconstruct the Government. The "R.R." Coalition, although an alliance of the two most powerful parties in the State, has proved quite unworkable. There are too much distrust between the partners and too much dissension and disharmony within the ranks of each of them. So M. Ouzounovitch, as head of the Government, thought to improve matters by extending the coalition so as to include the Democrat Party under M. Liuba Davidovitch, with whose help he hoped to get the whip-hand of the unruly elements in the Raditch Party. But M. Ouzounovitch planned this alliance without the knowledge of the aged Nikola Pashitch, who had returned to the capital and was prepared once more to take an active part in the field of politics whence he had been ousted against his will. In this he was completely successful. Once more his influence was paramount in the Radical Club, and the latter issued a special pronouncement to the effect that as regards future conjunctions it would agree only to such of M. Ouzounovitch's decisions as had the approval of M. Pashitch. Hereby Nikola Pashitch at one stroke regained his former predominant and absolutely decisive position in the party and in the State. But he was not fated to give outward effect to his restoration. On the morning of December 10, 1926, suddenly and unexpectedly, the greatest Yugoslav statesman passed away.

The death of Nikola Pashitch overshadowed all other events—Dr. Nintchitch's resignation and its cause, M. Ouzounovitch's resignation and the possible new con-

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junctions—all this became news of secondary importance. All thoughts were riveted on the personality of Pashitch, who had now for ever quitted the world of politics in which he had laboured for over fifty years, and for the most part as leader.

Impartial critics of Nikola Pashitch's political career agree in pronouncing him the most remarkable Serbian—and hence also Yugoslav—statesman of our day. He was first elected to the Serbian National Skupstina in 1878; and became chief of the Serbian Radical Party, the constitution of which is largely his work. It is due to him and to several notable adherents and colleagues of his that Serbia became a constitutional monarchy. The first period of his political activity shows him an extremist who with his radical slogans won over the greater part of the populace. He did not fear to appeal to revolutionary methods against the autocratic regime of King Milan Obrenovitch. When the Radical Party scored a majority at the polls, and the King nevertheless refused to entrust it with the Government, he sought to coerce the King into giving way. In 1883 the Timok rebellion broke out in eastern Serbia. But the rebellion was put down: many Radicals were sentenced to death, Pashitch being one of them, and he only just managed to escape to Bulgaria in time. Eventually pardoned, he returned to his native country, where he followed a more or less opportunist policy until the exit of the Obrenovitches.

With the turn of events in 1903 which brought the Karageorge dynasty to the throne and the Radical Party to the helm, began the period of Pashitch's historic successes. Serbia's policy was, in the main, in his hands throughout the trying years of the tariff war with Austria, throughout the Annexation Crisis, the Balkan wars, and, finally, through the Great World War with its disasters and ultimate triumph. He continued chief of the Government in the greatly enlarged post-War State—the Kingdom of Yugoslavia. The halo of success endowed the ageing statesman with prestige, not only at home, but abroad, nay, throughout the world.

Nikola Pashitch never theorised about politics, not even in his last and most successful period. He wrote practically no articles nor books. He was exceptionally silent and not remarkable as a public speaker. He was a man of action. He was, moreover, an admirable tactician, who could adapt himself to any situation and make the best of it for his own ends, those of his party and of his country. As an old hand at the game, he was a shrewd observer, always well-informed as regards the position at home and abroad—in a word, he was a first-class politician in the true sense of the word.

By his death Yugoslavia's political life has entered upon a difficult legacy. Within his party he left no heir capable of taking up the leadership after him. So the urgent question has arisen, whether there is a personality strong enough to keep together the National Radical Party in whose ranks so many rifts have appeared of late. Just now there is no one great authoritative personality in Yugoslavia who might, as a statesman, take the place of the deceased veteran. But this statement must not be misunderstood. New times bring new needs. To-day it is necessary for the younger men to come to the fore in Yugoslavia, with present-day principles and demands, to take the helm in party and State. Authority will come with the need for it.

Of course, not at once. M. Ouzounovitch has constructed another Government (which, by the way, has the approval of M. Stepan Raditch), but unquestionably on the old lines, and with old hands, although the country is insisting more and more upon a working Government and the *de-politisation* of the State executive. These are the lines on which Yugoslav political life must develop after the passing of Pashitch, and this is also the wish of the supreme representative of the State.

Five pictures, the work of Roumania's most famous artist, Grigoresco, have disappeared mysteriously from the National Museum at Bucharest. The Grigoresco collection was the property of the nation.

CONFLICT IN ZIONIST POLICY.

Under the heading "The Present Conflict in Zionist Policy," the *Menorah Journal* of October-November publishes two vigorous articles on "The Case for Revisionism," by Johnson J. Smertanko, and "Revisionism: A Rejoinder," by Emanuel Neumann. To all students of Palestinian affairs these essays, the one in defiance of Dr. Weizmann's policy, and the other in defence of it, have a peculiar value. The Revisionist lays it definitely down that if the Jewish Homeland is to have any meaning at all, the Jews must be not a dependent minority but a dominant majority, and, because signs at present do not point to this consummation, he heartily blames not only the British Government but also the Zionist leaders. The "Moderate" asserts that for the time being there is little more to be accomplished in the political sphere, and that the responsibility for success now rests with the Jewish people.

AN IMPERIAL JOURNAL.

With the advent of the New Year we have to welcome a new journal in London, called the *London Weekly*. This publication, which is edited by Dr. L. Haden Guest, M.P., is to be devoted to Imperial affairs, and in co-ordinating interests that have hitherto been either unrealised or separate, it should do a very considerable service. It is notable that it has a really practical aim: the development of Imperial resources. Moreover, the Editor writes: "Our object in assisting to popularise knowledge of Empire affairs is thus not a theoretical interest in political or economic speculation, but a practical interest in helping our people to a happier individual and social condition."

MISSIONARY REVIEWS.

The January issue of the *International Review of Missions*, which is under the able editorship of Dr. J. H. Oldham, contains articles of particular interest to readers of THE NEAR EAST AND INDIA. Among these may be mentioned "Some Present-Day Trends in the Life of the Orient," by J. R. Mott; "The Indigenous Church," by William Paton; and "Can I Give My Life to Christian Missions?" by R. C. Hutchison. And, as usual, there is excellent reading to be found in the reviews of books.

The last number (December) of *World Dominion*, an international review of Christian progress, has much that is likely to interest students of Islam and of the East generally. For the most part the articles are short and rather suggestive than informative, but some idea of the ground covered can be obtained from a list of some of their titles: "The New Diocese of the Upper Nile," "An Intimate View of Abyssinia," "Present Conditions in Palestine," "Islam in Africa To-day," "London Hears the Muezzin," and so on.

The latest addition to the stamp-issuing countries of the world, says *The Times*, is the Arab Imamate of the Yaman, whence emanate two postage labels of crude design and local workmanship, the outstanding feature of which is two curved daggers, crossed. The inscriptions in Arabic read:—"Sanaa, Government of Yaman, by the will of Allah, Postage (values) and Yahya Protected by Allah," the last portion being the name of the ruling Imam of Sanaa. Their values and colours are 5 bucksha black on orange, 10b. black on white. A Bucksha is one-eightieth part of the Maria Theresa dollar, which is the common currency of the Yaman.

CORRESPONDENCE

The columns of THE NEAR EAST AND INDIA are open for the discussion of subjects of general interest to its readers. The publication of such letters must not be taken, however, as indicating that the views expressed by the writers are those of THE NEAR EAST AND INDIA.

PALESTINE, RUSSIA, AND THE JEWS.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—May I be allowed to say a word or two on the article which appears in your issue of December 23 under the heading "Palestine, Russia, and the Jews"?

It seems to me, if I may respectfully say so, that you have not, perhaps, fully appreciated the *New Judea's* point. The *New Judea* was commenting on the leading article which appeared in your issue of December 2. In this article you remarked, with perfect justice, that Palestine is passing through a period of temporary depression, and you proceeded to observe that

"It is from such a background of doubt, if not of fear, that Zionists are turning their attention to another—and we cannot help thinking a rival—scheme for the colonisation of the Jews: we mean the scheme of the Moscow Government for the settlement of Jews in Southern Russia."

The *New Judea* not unnaturally denied with some emphasis that Zionists were doing anything of the kind. The burden of the article to which you refer is that Zionists, whatever their opinions about Jewish colonisation in Russia or elsewhere as a measure of economic relief, know nothing of any "alternative Zionism." In your issue of December 9 you explain that when you wrote "Zionists," you really meant "Jews." But the *New Judea* is hardly to be blamed for assuming that you meant what you said, which was—in effect—that there was a tendency among supporters of the Zionist movement to lose interest in Palestine in favour of the Crimea. It goes without saying that no such tendency exists, and your own disclaimer in your issue of December 9 is in itself sufficient to show that the *New Judea's* comments were not as unreasonable as you now suggest.

The main contention of your article of December 23 is one which the *New Judea* has never challenged. You argue that the Crimean proposals are a "Soviet plan for competing with Palestine." Of course they are; that is precisely why Zionists—and for that matter a good many Jews who are not Zionists—have been inclined to fight shy of them. The *New Judea* itself refers to M. Kalinin's recent utterances and comments appropriately on his childish gibe about "bourgeois Palestine" and his equally childish suggestion that Palestine has nothing but exploitation to offer the Jewish masses. M. Kalinin's proposals and their motives are one thing; the Jewish response is quite another, and the extracts which you print from his speeches throw no light on the question how far the Jews have, in fact, been persuaded to accept the Crimea as an alternative to Palestine.

On this point you draw attention to an article in an Anglo-Jewish paper in which it is stated that English money has been sent to Russia for the furtherance of the colonisation scheme, but you omit to mention (what was subsequently pointed out by the *New Judea*) that the

allusion is to a sum of some twenty odd pounds collected at a meeting in the East End of London, as compared with the £27,000 recently contributed by the Jews of Great Britain in a single month to the Palestine Foundation Fund. I am far from suggesting that this is the measure of the financial support which the Russian colonisation scheme is receiving in various parts of the Jewish world. Substantial sums of money have been and are being contributed for this purpose, more especially in the United States. But it does not follow that they have been contributed because the Crimea is regarded as a substitute for Palestine as the Jewish National Home. As you rightly point out, one of the leaders of the Russian colonisation movement in the United States is the distinguished President of the American Jewish Committee, Mr. Louis Marshall. You have, however, apparently omitted to observe that Mr. Marshall is also an active supporter of Jewish colonisation in Palestine, that he and his associates are in close and friendly contact with the Zionist Organisation, and that they have been at pains to make it clear that if they view with favour the settlement of Jews on the land in Russia, they are at the same time fully determined to take their share in the regeneration of Palestine.

The two movements are, in fact, incommensurable. The Jewish public realises that those who sup with the Bolsheviks must have a long spoon. Precisely because of their underlying motives, to which you rightly draw attention, many Jews regard the Russian proposals with a considerable measure of distrust. There is, however, no Zionist, however enthusiastic, who does not realise that Palestine has at present only a limited capacity of absorption, and that if means can be found of relieving the indescribable misery of the Jewish urban masses in Russia by transferring even a fraction of them to the land, it is not for the Zionist Organisation to stand in the way. Individual Zionists may have their own views as to the merits or demerits of the Russian scheme, but the standpoint of the Zionist Organisation, as such, is perfectly clear. It does not and cannot oppose Jewish agricultural colonisation in Russia, but it adheres firmly to the view that such colonisation cannot be a solution of the Jewish problem as Zionism conceives of it—a problem which can only be solved by the establishment of the Jewish National Home in Palestine. There may possibly be Jews who, not as Zionists but as anti-Zionists, are inclined to favour the Russian scheme as a means of diverting the Jewish imagination from Palestine to the Crimea, but so far as the great mass of Jews are concerned, all the evidence goes to show that such hopes are illusory, and that if they are cherished, as they may be, by the Soviet Government, it has—and not for the first time—miscalculated the forces with which it has to deal.

I must apologise for troubling you at such length, but THE NEAR EAST AND INDIA has so high a reputation for accuracy and fairness that I feel sure you would not desire to do the *New Judea* an injustice.—I am, etc.,

LEONARD STEIN.

The Zionist Organisation, 77, Great Russell Street, W.C.1, December 24.

[We will pursue this discussion no further. It would perhaps be a redundant "explanation of an explanation" if

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we still expressed adherence to our implied statement that there are Zionists whose confidence in the success of the Palestine scheme is not so full as that of the officials of the Organisation. We will, therefore, content ourselves with remarking the apparent contrast in the description of the Soviet colonisation scheme contained in the Zionist Organisation's first letter to us—wherein that plan was said to be "intended solely for the amelioration of the economic conditions of the Jews in Russia," and that contained in this second letter from the Organisation, the third paragraph of which seems to include a quite different interpretation of the Soviet scheme.—Ed.]

ALBANIA, YUGOSLAVIA, AND ITALY.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—With reference to your Notes of the Week in your issue dated December 16, may I point out that it is quite untrue, as you state, that I take it for granted in my letter, which appears in the same issue, that the genesis of the recent insurrection in Albania must be sought in Yugoslavia? I neither said nor hinted anything of the kind. I said that the genesis of the rumours to the effect that the rising had been aided and abetted in Italy must be sought in Yugoslavia. This is an entirely different matter.

The point of my letter was to repudiate emphatically any such insinuation. In your Notes of the Week to which my letter took exception, such an insinuation was given currency. It was also therein implied that Monsignor Fan Noli was at the bottom of the trouble and that Monsignor Fan Noli was resident in Italy. My letter pointed out the additional fact that Monsignor Fan Noli is not and has not been resident in Italy since his exile.

I gave no opinion as to the cause of the rising. I do not believe, as a matter of fact, that Monsignor Fan Noli had anything to do with it. I am, moreover, quite convinced that the other, predominant group of the Albanian Opposition, those who have indeed taken refuge in Italy, have likewise had nothing to do with the rising. Whether Yugoslavia, officially or unofficially, prompted the rising, I have no means of judging.

The correctness of Italy's position in the matter is demonstrated by Signor Mussolini's recent declaration that nothing would give him greater pleasure than if Yugoslavia entered into a similar treaty with Albania.

One word more: I really think it is going a bit too far to suggest that Italy might have negotiated the Albanian Treaty with the Yugoslav Government "in the know." Yet this is the tenour of your comment in your issue dated December 9. To anyone who knows the Balkans, let alone fallen human nature generally, such an idea can only be described as a joke.—I am, etc.,

Trieste, December 23.

J. S. BARNES.

[We regret that in our comments upon our Correspondent's former letter we read more into it than the words actually conveyed. It was not our intention to suggest that Italy should carry out the negotiations with Albania in the presence, so to speak, of Yugoslavia; but that, in view of the Italo-Yugoslav Pact of friendly intentions regarding Albania, Italy might have notified the Yugoslav Government of the conclusion of the Treaty before the news could reach Belgrade from any other source.—Ed.]

THE PROBLEM IN SYRIA.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—With reference to "The Problem in Syria" appearing in your issue of December 2, the cause of the Druse revolt was the repudiation by the Mandatory Power in April, 1925, of the special agreement made between France and the Druses, and signed on her behalf by M. de Caix in March, 1921.

Now that two journalists have lectured to two learned British societies on Syrian affairs, would not another learned Society invite one of the Syrian Nationalist leaders to address them, so that they might hear the Nationalist side of the question?

Among the most prominent members of the Syrian Nationalist Party are Dr. Shahbander, Amir Shakib Arslan, Ihsan el Jabri, and Riad Solh.—I am, etc.,

Beyrout, December 19.

J. J.

[We have vivid recollections of a lecture which was given (and reported in our columns) a year or two ago by Dr. Shahbander to the Near and Middle East Association.—Ed.]

NEWS IN BRIEF.

Mr. E. J. Talbot, Curator of the British War Cemetery on Mount Scopus, was found suffocated in bed on December 23 in Jerusalem, owing to his use of a charcoal stove in a closed room.

Professor Garstang on December 24 received a striking international tribute of esteem at a gathering promoted by all the Schools of Archaeology and learned institutions in Palestine on his retirement from the post of Director of the Department of Antiquities.

Afghan newspapers have published the text of the Russo-Afghan treaty of neutrality and mutual non-aggression, signed at King Amanullah's summer palace at Paghman on August 31, and the treaty of friendship of September 14, 1926.

Mr. Edward Henry Day, of Iddersleigh, Watts Avenue, Rochester, and of Assiut, Egypt, who died on October 3, left estate of the gross value of £57,320, with net personalty £57,063. Among other bequests he left £500 Egyptian Unified Stock to the Egyptian Sudan Diocesan Fund; £300 stock to the Cairo Brotherhood Waifs and Strays Society; and £200 such stock to the Alexandria Merchant Seamen's Homes..

M. Panta Gavrilovitch, the Yugoslav Minister who played so large a part in the recent negotiations about the Yugoslav Free Zone in Salonika, died in Athens on December 22 of meningitis following influenza. Admiral Kounduriotis, the President of the Republic, conferred the Grand Cross of the Order of the Redeemer as a posthumous recognition of his services.

According to the Rome Correspondent of the *Morning Post*, Ahmed Bey Zogu, the President of the Albanian Republic, accompanied by his Minister for Foreign Affairs, will pay a visit to Italy, probably in January. They will be the guests of the King. It is stated that the visit has no determined scope other than "the desire always expressed by Zogu to know Italy at close quarters and to express to the Capo dello Stato and the Government of Italy Albania's most cordial sentiments."

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THE NEW YEAR HONOURS

Among the recipients of awards in the New Year Honours List which are of especial interest to THE NEAR EAST AND INDIA are the following :—

BARON.

Sir Charles Greenway, Bt.—Sir Charles Greenway is President of the Anglo-Persian Oil Company and Chairman of numerous other associated undertakings. He is also a senior partner in the firms of Shaw, Wallace, and Co., in India, and R. G. Shaw and Co., London. Between 1895 and 1908 he spent most of this time in India, and has taken a prominent part in the commercial and industrial development of that country. Since his return he has been actively engaged in banking and commerce here, and has taken an especial interest in all affairs relating to Persia.

PRIVY COUNCILLOR.

The Hon. William George Arthur Ormesby-Gore, J.P., D.L., M.P.—Mr. Ormesby-Gore during the Great War was Intelligence Officer at the Arab Bureau, and began his Parliamentary career as Private Secretary to Viscount Milner. He was Under-Secretary for the Colonies in the Conservative Government of 1922, and resumed the office when Mr. Baldwin again became Prime Minister in 1924. He sat for Denbigh during the War Parliament, and has since represented Stafford. He is the first Under-Secretary to make official tours of the Colonies, and has visited in this way the West Indies and the West and East Coasts of Africa.

KNIGHT.

Walter James Franklin Williamson, C.M.G.—Late Financial Adviser to Siamese Government. Mr. Williamson entered the Indian Financial Department in 1890, and from 1891 to 1900 was Assistant Accountant-General, United Provinces, Bengal, and Madras.

KNIGHTS (INDIA).

Richard Burn, C.S.I., Indian Civil Service.—Lately temporary Member of the Executive Council of the Governor of the United Provinces.

John William Anderson Bell.—President, Bengal Chamber of Commerce.

David Thomas Chadwick, C.S.I., C.I.E.—Indian Civil Service, lately Secretary to the Government of India in the Commerce Department.

Norman McIver Murray.—Managing Governor of the Imperial Bank of India.

Joseph Aspden Kay.—Member of the Bombay Legislative Council, Managing Director, Messrs. W. H. Brady and Company, Limited, Bombay.

Joseph Augustus Maung Gyi.—Member of the Executive Council of the Governor of Burma.

Sardar Bomanji Ardeshir Dalal.—Member of the Legislative Assembly, First Class Sardar, Bombay.

Mr. Justice Cheruvuri Krishnan, Diwan Bahadur, Puisne Judge of the High Court of Judicature, Madras.

Rao Bahadur Ramanbhai Mahipatram Nilkanth, Bombay.

ORDER OF THE BATH.

G.C.B. (Military).

General Sir George Francis Milne, G.C.M.G., K.C.B., D.S.O., A.D.C. General to the King. Colonel Commandant, Royal Artillery, Chief of the Imperial General Staff, the War Office. Sir George Milne, who left the Eastern Command to succeed the Earl of Cavan as Chief of the Imperial General Staff, commanded the British Salonika Force and Army of the Black Sea in the Great War. His earlier service included the Sudan Campaign (1898), including Khartoum, and South Africa (1899-1902.)

K.C.B. (Military).

Lieut.-Gen. Alexander Richard Hamilton Hutchinson, C.B., C.M.G., D.S.O., Royal Marines.—Lieutenant-

General A. R. H. Hutchison, Adjutant-General to the Royal Marines since 1924, served with distinction during the South African and European Wars, being at Gallipoli with R.N.D., 1915-16, and in France from 1916 to 1918. He is A.D.C. to the King.

Maj.-Gen. Harry Christopher Tytler, C.B., C.M.G., C.I.E., D.S.O., Indian Army, General Officer Commanding, Burma Independent District.

C.B. (Military).

Ordnance Officer 1st Class and Col. Robert Henry McVittie, C.M.G., C.B.E., Royal Army Ordnance Services, the British Troops in Egypt.

Col. Walter Edward Wilson-Johnston, C.I.E., C.B.E., D.S.O., Indian Army.—General Staff Officer 1st Grade, India Office.

Col. (temporary Colonel Commandant) Cyril Rodney Harbord, C.M.G., D.S.O., Indian Army.—Brigade Commander, 2nd Indian Cavalry Brigade, Sialkot, India.

Col. Corrie Hudson, C.I.E., D.S.O., F.R.C.S. Edin., Indian Medical Service.—Assistant Director of Medical Services, Aden Brigade, Aden.

ROYAL VICTORIAN ORDER.

G.C.V.O.

Right Hon. Rowland Thomas, Earl of Cromer, G.C.I.E., C.V.O.—The Earl of Cromer entered the Diplomatic Service in 1900, and served in Cairo, Teheran, and Petrograd. Transferring to the Foreign Office in 1907, he became Private Secretary to the permanent Under-Secretary for Foreign Affairs. After resigning his appointment at the Foreign Office he became a director of Baring Brothers, Ltd. In 1915-1916 he was A.D.C. to the Viceroy of India; he was also Chief of Staff to the Duke of Connaught on his Indian Mission, 1920-21, and to the Prince of Wales's visit to India and the Crown Colonies, 1921-22. He has been Lord Chamberlain of His Majesty's Household since 1922.

FOREIGN OFFICE LIST.

K.C.M.G.

Aretas, Viscount Chilston, C.M.G.—His Majesty's Envoy Extraordinary and Minister Plenipotentiary at Vienna. Viscount Chilston, who succeeded to the Peerage last year, entered the Diplomatic Service in 1898, and has served at Constantinople, Athens, Sofia, and elsewhere. He was Diplomatic Secretary to the Secretary for Foreign Affairs for two years before going to Vienna. Educated at Eton, he was formerly a Captain in the 3rd Royal Scots.

Robert Henry Clive, C.M.G.—His Majesty's Envoy Extraordinary and Minister Plenipotentiary at Teheran. Mr. Clive, who was born in 1877, became an Attaché in the Diplomatic Service in 1902, and Counsellor of Embassy in 1920. He has served, among other places, at Cairo and Morocco.

Charles Hubert Montgomery, C.B., C.V.O.—Assistant Under-Secretary of State, Foreign Office. Mr. Montgomery, who was born in 1876, entered the Foreign Office in 1900, and became Secretary of the Earl Marshal's Office for the Coronation of King George, 1911: Marshal of the Ceremonies, 1913-20; and Vice-Marshal of the Diplomatic Corps, 1920. He was attached to the staff of the Earl of Reading, Special Ambassador to the United States in 1918, and in 1922 was appointed an Assistant Under-Secretary of State.

C.M.G.

George Nevile Maltby Bland.—Private Secretary to the Permanent Under-Secretary of State, Foreign Office.

William Stanley Edmonds, O.B.E.—Consul-General attached, with the local rank of First Secretary, to His Majesty's Embassy in Turkey.

Arthur James Croft Huddleston, O.B.E.—Governor of the Blue Nile Province, Sudan.

COLONIAL OFFICE LIST. HONORARY G.C.M.G.

His Majesty King Faisal of Iraq.

C.M.G.

Lieut.-General Charles Henry Fortnom Cox, R.A.,
D.S.O.—Chief British Representative in Transjordan.

ORDER OF THE STAR OF INDIA.

K.C.S.I.

His Highness Maharaja Gulab Singh Bahadur, Maharaja of Rewa, Central India.

C.S.I.

Archibald Young Gipps Campbell, C.I.E., C.B.E.,
V.D., Indian Civil Service, Chief Secretary to Government, Madras.

Lieut.-Col. Stewart Blakely Agnew Patterson, C.I.E.,
Indian Army, Political Department, Agent to the Governor-General in Rajputana.

John Thomas Marten, Indian Civil Service, Member
of the Executive Council of the Governor of the Central Provinces.

Blanchford Foley, Indian Civil Service, Member of the
Board of Revenue, Bihar and Orissa.

Alexander Langley, C.I.E., Indian Civil Service, Commissioner, Lahore, Punjab.

ORDER OF THE INDIAN EMPIRE.

K.C.I.E.

William Pell Barton, C.S.I., C.I.E.—Indian Civil
Service, Political Department, Resident at Hyderabad.

C.I.E.

Howard Denning.—Indian Civil Service, Controller of
the Currency, Calcutta, Bengal.

William Browne Brander, C.B.E.—Indian Civil Service,
Chief Secretary to Government, Burma.

George Washington Hatch.—Indian Civil Service,
Commissioner, Central Division, Bombay.

Cecil Upton Wills.—Indian Civil Service, Commissioner,
Nagpur Division, Central Provinces.

Herbert Allardyce Lane.—Indian Civil Service,
Revenue and Judicial Secretary to Government, United Provinces.

Kaikhosru Sorabji Framji.—Acting Chief Engineer
and Joint Secretary to Government, Public Works Department, Bombay.

Colonel William Harry Evans, D.S.O.—Deputy Chief
Engineer, Northern Command.

George Ernest Fawcus, O.B.E. V.D.—Director of
Public Instruction, Bihar and Orissa.

Frank Armitage, Inspector-General of Police, Madras.

Trevor Claude Simpson.—Inspector-General of Police,
Bengal.

Lieut.-Col. Alexander Charles Tancock.—Indian Army,
Inspecting Officer, Frontier Corps, North-West Frontier Province.

Brevet Lieut.-Col. Henry Lawrence Haughton, 11th
Sikhs.—Commandant, Prince of Wales Royal Indian
Military College, Dehra Dun.

Lieut.-Col. Hannath Douglas Marshall, O.B.E., V.D.
—Aide-de-Camp, Commandant, Surma Valley Light
Horse, Silchar, Assam.

Henry Duncan Graves Law.—Indian Civil Service, His
Majesty's Consul at Kerman, Persian Gulf.

Rupert Willoughby Hanson.—Postmaster-General,
Madras Circle.

Hector Russell Wilkinson.—Indian Civil Service,
Private Secretary to His Excellency the Governor of
Bengal.

Lieut.-Col. John Wolfran Cornwall, M.D.—Indian
Medical Service, lately Director, Southern India Pasteur
Institute, Coonoor, India.

Rudolph David Anstead.—Director of Agriculture,
Madras.

David Miine.—Director of Agriculture, Punjab.

William Roche.—Executive Engineer, Public Works
Department, United Provinces.

Rai Biswambhar Rai Bahadur, M.B.E.—Government
Pleader, Krishnagar, Nadia District, Bengal.

Rai Tara Prasanna Mukharji Bahadur.—Pleader, Vice-
Chairman of the Burdwan District Board, Bengal.

Gopal Krishna Devadhar.—Vice-President of the
Servants of India Society, Bombay.

Chaudhri Chhaju Ram.—Of Alakhpura, Hissar District,
Punjab.

Shaikh Abdur Rahman, brother of Shaikh Said, who
was executed for his share in the Kurdish insurrection of
1925, has been captured by the Turks, who accuse him
of conspiring to start a new insurrection in the Eastern
vilayats.

Major-General Sir W. Hastings Anderson, late G.O.C.,
Baluchistan District, the Quartermaster-General-designate,
has left India for Ceylon, and is expected to arrive
in England early in February. He had just completed an
extensive tour of the North-West Frontier from Malakand
to Dera Ismail Khan, by way of Peshawar, Kohat, Bannu,
Razmak, and Jandola.

Speaking in the Bulgarian Sobranie recently, M.
Liaptcheff, Prime Minister, assured the Opposition that
the Government had no intention of negotiating for a
coalition or a concentration of parties before the General
Election. All that the Opposition could demand was the
freedom of the elections, and this he promised them.

It is officially announced in Geneva that the British
and Sudan Governments have not only approved the
decision of the Council of the League to prolong for six
months the mandate of the Commission on Sleeping Sick-
ness in Equatorial Africa which has its headquarters
at the moment at Entebbe, Uganda, but that they have
also agreed to continue their financial assistance in con-
nexion with the work of this Commission.

A memorial signed by Lord Dawson of Penn, Lord
Lee of Fareham, Viscount Grey, Lord Burnham, Sir
Oliver Lodge, Sir Alfred Mond, Sir Michael Sadler, Sir
Charles Sherrington, Sir Arthur Shipley, Mr. J. A.
Spender, and many others has been submitted to the
Viceroy expressing appreciation of the work achieved at
Sir J. C. Bose's Research Institute at Calcutta and urg-
ing the Government of India to continue to give help to
the Institute.



No. 58. Jan. 96 pp.

PRICE—ONE SHILLING.

BLUE PETER

(Illustrated)

THE MAGAZINE OF SEA-TRAVEL.

Ship "Medway"	Painted by J. Spurling
tales from Hakluyt: XVIII. Sir Francis Drake's	Described by Basil Lubbock
Voyage Round the World Comder. R. B. Bodilly, R.N.	
The Charms of Cyprus Major E. W. Polson Newman,	
	F.R.G.S.
A Shoemaker of Zanzibar	Arthur Lamsley
Bush Magic	Elaa Dickson
Sea Cameos—	
The Southern Cross	Bill Charter
Sea Cat	S.R.
An Armed Liner's Quest Capt. D. Arnold-Foster,	
	C.M.G., R.N.
Sir Walter Raleigh	J. A. Brendon
Morning in Upper Burma	D. Boyle
Father Point's Vigil	H. P. Feeney
Baby Masters	Arthur Mason
Then there were four	Amos
Ghosts	W. D. Hambly, B.Sc.
Book Reviews: Correspondence: Notes.	

The "Blue Peter" is published monthly at
its Offices, 12, St. Mary Ave, E.C.3,
and may be had from W. H. Smith & Son, Wyman & Sons,
Ltd., and other chief Newsagents at home and abroad.



PERSONAL AND GENERAL

TO-DAY

January 6, 1927 (New Style).
 December 24, 1926 (Old Style).
 Rajab 2, 1345 A.H., of the Muslim Calendar.
 Shebat 3, 5687, of the Jewish Calendar.

The Roumanian Minister has returned to London from Paris.

Sir Milne and Lady Cheetham left Claridge's Hotel last week for Copenhagen.

Mrs. Arthur Walter left London on December 31 for Ceylon and India, and will be away till Whitsuntide.

Sir Malcolm McIlwraith arrived last week at the First Avenue Hotel, Hove, from 36, Stanhope Gardens, S.W.

The Turkish Ambassador will return to London about the middle of this month, from Turkey.

Earl and Countess Winterton are expected to arrive in England about the middle of February on their return from India.

Viscount and Viscountess Goschen last week left Mandalay, where they had been spending Christmas, on their return to Madras.

The High Commissioner for India and Lady Chatterjee will return to 131, Ashley Gardens at the end of this month, from Italy.

The Master of Elibank and the Hon. Mrs. Gideon Murray have returned to St. James's Court from the country.

Sir Herbert and Lady Samuel have taken a lease of No. 35 Porchester Terrace, W.2., which will now be their permanent address.

Sir Archibald Boyd-Carpenter left London on December 30 by the P. and O. special train to join the Razmak at Marseilles for Port Said.

Mr. F. Hedges Butler left England on December 31 by the P. and O. liner Chitral for the Sudan *en route* for Khartoum and the Blue Nile.

The christening took place on December 29, at the Parish Church, Hurst Green, of the infant daughter of Sir Edward and Lady Boyle, of 63, Queen's Gate, S.W., and Dekham, Hurst Green.

The India Society has invited Mlle. Suzanne Karpelès to lecture at 21, Cromwell Road to-day (Thursday) at 9.30 p.m., on "The Influences of Indian Civilisation in Further India." Sir Francis Younghusband will preside.

The Hon. David Lloyd, son of Lord and Lady Lloyd, arrived at Cairo last week to spend the Christmas holidays with his parents. Mrs. Malcolm Pilkington, Lord Lloyd's sister, and her two sons are also staying at the Residency.

Field-Marshal Viscount Allenby having resigned the Captaincy of Deal Castle, the Marquess of Reading has been appointed his successor by the Lord Warden of the Cinque Ports (Earl Beauchamp).

The Countess of Sefton, Lady Glanusk, and Viscount Elveden, M.P., and Viscountess Elveden left London on December 30 for Marseilles, where they embarked on the Razmak for Bombay.

M. Dimitri Stancioff, former Bulgarian Minister to the Court of St. James's, and Mme. and Mlle. Fedora Stancioff have arrived in London from Bulgaria for the winter, and are staying at 62, Courtfield Gardens, S.W. They spent Christmas with Sir Kay and Lady Muir in Northamptonshire.

Sir Arthur Churchman, M.P., and Miss Churchman left England last week for Cairo and expect to be away until the latter part of January.

NEWS IN BRIEF.

The first battalion Dorsetshire Regiment arrived last week at Bombay from Malta.

The League of Nations Information Section has published a summary of the work of the League during the year 1926.

The King has signified his approval of the Indian Capital now being built at Raisina, outside Delhi, being named New Delhi.

A Beyrout message states that the Customs agreement between Syria and Turkey, concerning which negotiations have been proceeding for several months, has been signed.

Mr. Davar, the Bombay Parsi who is endeavouring to cycle round the world, arrived recently at Lagos on his way to the Gold Coast, after crossing the Sahara desert from Algeria and having traversed Nigeria.

The Royal Free Hospital Centenary Appeal Fund has been started by a New Year's gift of £1,000 from Mr. H. M. Phipson, in memory of his late wife, Dr. Edith Pechey Phipson, one of the pioneers of the Indian Medical Service for Women.

The death occurred while tent-pegging at Arrah, India, of Captain Henry Rivett Cecil Guise, of the Indian Police, aged 43. During the War he served with the Indian Contingent on the European front, and was awarded the Military Cross and the O.B.E.. He was the son of the late Mr. Rivett Francis Guise, of the Bengal Police.

The King has approved of the award of the Royal Red Cross, First Class, to Miss Mary Wilson Campbell, late Matron, Princess Mary's Royal Air Force Nursing Service, in recognition of the exceptional devotion and competency displayed by her in the nursing and care of the sick in Air Force Hospitals at home and in Iraq.

Field-Marshal Sir Arthur Arnold Barrett, G.C.B., G.C.S.I., K.C.V.O., of Sharnbrook, Beds., formerly Commander of the Northern Army of India, who saw much active service on the North-West Frontier, and who died on October 20, 1926, aged 69, left estate of the gross value of £35,403, with net personalty £30,592. He gave his General's sword to the United Services Club, London.

A Parliamentary delegation handed the Bulgarian Sobranje's Address in reply to the Speech from the Throne to the King of Bulgaria on December 30. The King discussed the situation of the country with the political leaders, and later received at the Palace all the members of the Sobranje.

The Air Ministry regrets to announce that Flying Officer (Hon. Flight-Lieutenant) Alastair Neil MacNeal the pilot of the aircraft, and No. 362,102 L.A.C. Cyril Arthur Overy died of injuries on December 29, as the result of an accident at Ambala, India, to a Bristol Fighter of No. 28 Squadron, R.A.F., Ambala, on that day.

Where to stay in the East

Write for particulars of attractive offer
for Advertising Hotels on this page.

ALEXANDRIA—Windsor Hotel.

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JAFFA—Hotel Jerusalem.

JERUSALEM—

St. John's Hotel,

H. & F. Fast, Managers.

KYRENIA, Cyprus—

Sea-View Hotel.

PORT SAID—

Casino Palace Hotel.

Grand Hotel de la Poste.

Marina Palace and Savoy Hotels.

THE WEEK AT HOME.

London, Tuesday Morning.

The New Year.

There never has been a year, one supposes, of which the start did not promise well. We are always going to do better than we have done in the past; gone are the old enmities and rivalries which kept us back in former days; turned are our faces to the new light. And yet, and yet, the Millennium does not arrive. . . . But who, at the beginning of a new year, cares to take the long view?

Certainly for those who think in terms of mere decades the New Year of 1927 opened very auspiciously. Talk is widespread of booming trade, good will in our national industries, the inevitable prosperity which comes from non-interference with economics, and so on. All this may be quite true, and in fact, to the limited extent of the impossibility of a repetition of last year's great trade disputes, it is manifestly true. Therefore, let those who can at once take heart and cash be cheerful: the which, to do them justice, they certainly are doing.

Of the spheres of the national life which are not covered wholly by the blessed word prosperity, it is not more easy to speak than it was a year ago. The religious life, which is still, presumably, one of the land's most important assets (a presumption that will of course be vigorously disputed) is still a problem of the most baffling nature. It remained unsolved for two years though the *Daily Express* (I think it was) endeavoured to discover for its readers the ultimate truth; nor does it seem likely to be solved now that the *Morning Post* has taken in hand this amazing task. England seems to have lost her key to this particular door.

Politically, the new year seems safe enough for the Conservative Party. By-elections may, and probably will, go against it, but its majority is sufficient to stand the loss of a considerable number of seats. It was inevitable that its policy of non-intervention in the Coal Lock-out should cost it many votes, but, curiously enough, the personal popularity of its head stands; if anything, higher than it did before the great test came. Apart from Mr. Baldwin's personal influence, I should not say that anyone in the Conservative Party has had great effect on domestic politics.

The Liberals are still in the most obscure of quandaries, and many moons are likely to pass before they again see the star in the East. Nor is the Labour Party very rigidly

prepared to take over from the present Government. The amount of internal dissension in the Party has been skillfully covered up, but its existence cannot be denied. Mr. A. J. Cook, for instance, whose freedom to speak is, one thinks, yet one of the most powerful assets of the Conservative Party at the present time, has no words bad enough for the more "moderate" leaders, and they, although they know by this time how to cloak their feelings in parliamentary language, have not minced matters in their description of the sort of people who talk about revolution in England by any means, from the bomb to the ballot-box. In other words, the political situation in 1927 promises to be at least as interesting as it was in 1926.

Easton Lodge.

One of the minor effects of the failure of the Trade Unions to force their terms on the nation in the recent dispute is to be seen in the rejection by the Labour Party of the offer, made by Lady Warwick, of Easton Lodge as a centre of university teaching for working men. It is true that there are in the Labour Party many people opposed to such a scheme as this, which would, it is thought by them, make for snobbery and others things which are supposed to be the monopoly of another class. But it was, I am told, really the depletion of the Union funds which made it impossible for the Party to levy even a penny a member for the realisation of the scheme. Lady Warwick has now withdrawn her offer.

It is improbable, however, that she is the last aristocrat who will have made an offer like this to the Labour Party for the education of working men. The time will almost certainly come again when the Labour Party, in a rather better financial condition than it now enjoys, will accept such an offer. For education is a bait that very few people seem to know how to refuse. Only those people, apparently, who can lay some claim to it, or, alternatively, have to confess to its possession, are aware of how, for the purely practical purposes of the modern world, its value is grossly exaggerated. It is hardly open to debate now that, as the direction of the modern world is, those without education, at least without university education, are by no means handicapped for what is curiously but with uncommon pertinence called life's race. If, on the other hand, it be eventually realised that the real purpose of education is not practical, then the necessity to build an exclusively working men's university would seem to disappear. But this is a problem for the increasing number of aristocrats or plutocrats who are joining the Labour Party.

What is Good for Others.

There is, as I have said, considerable confusion in the minds of those who advocate education as the infallible cure for our ills. It is quite open to question whether the judgment of what is called an educated person is always to be preferred to that of the uneducated. Now it happens that a series of discussions has just been taking place at University College, London, in which this point indirectly arose.

The question at issue was "The choice of what is good for others." Authority, it was pointed out, is now everywhere challenged, and the problem was whether it was best to let people have unlimited opportunities for finding out for themselves, or whether the authorities ought to restrict and to compel. The path of freedom led to such results as could be seen to-day in the cinema; and as for educated people, there were literally thousands who prefer, say, Chaminade to Chopin. Does the best choice really depend upon education?

The Honours List.

No one often gets excited, or writes longer leading articles than they are obliged, about the modern Honours Lists: probably because so few people really care for such things nowadays. But at least it is possible to praise the New Year Honours in a negative fashion, for the list



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contains the names of men and women whose main claim to recognition is not merely the performing of routine duties in the Conservative interest. Much of the work that has been recognised here is, in fact, non-political; and if all lists were like this one, there would be far less of the dark hints of corruption or its modern equivalent in which men now indulge—at least, in their conversation.

Books.

It is a remarkable fact that, despite the coal dispute, only 403 fewer books were published than in the previous year. One will surely remember this fact when one hears again the eternal plaint of the publisher that he is losing money; and the publisher is likely now to be classed with the theatrical manager, the farmer, and the other perennial sufferers. It is interesting—perhaps more interesting than instructive—to see the greatest number of books published classified respectively as Fiction, the Fine Arts, History, Science, and Technology. There was a falling off in "Juvenile," Religion, Sociology, and Biography.

But even now one is not quite sure what the public does really read. It is said by the statisticians that the public likes best Fiction, Juvenile, and Religion. But that statement would, I imagine, take considerable proving.

"Sultan after Sultan."

Another of London's snows of yester-year is soon to be melted: for the demolition fiends are at work on the Empire Theatre, which, if you please (or even if you do not), is shortly to be turned into a super-cinema, capable of holding 3,500 people. These are assuredly the signs of our modern time: once more I ask you, "Do you like them?"

An echo reaches me over the thousands of miles traversed by THE NEAR EAST AND INDIA: "Ah! For the good old Prom!"

The Sea's Encroachment.

It was, I think, in O'Neill's play "Anna Christie" that the memorable phrase occurred: "that old devil, sea"; and one is reminded of it in reading of the Bill which the Board of Trade has at last prepared for the protection of the coasts of England. The fact of coastal erosion is, of course, well known in this country, but few people seem to realise what inroads this enemy to our land has really made. In Yorkshire, from Scarborough to Spurn Head the North Sea is taking from us an average of nine feet a year; and the filching of land on such coasts as those of Norfolk and Suffolk and Sussex is very considerable.

For long it has been urged that the burden of defending the country from marine attack should be borne, not by individuals or localities, but by the country in general, for the growth of long stretches of low-lying and profitless beach—the aftermath of the sea's victory—is a matter of more than local interest and importance. There are places, of course, particularly in Suffolk, the defence of which is probably impracticable; but quite certainly much could be done to save ground from the greedy and insatiable sea.

Social Services.

It is commonly said—but with uncommon inaccuracy—that the Conservative Party is opposed to Reform. The truth is that in the spending of public moneys there is not very much to choose between Tory and Radical. It happens that the Parliamentary returns giving the totals of expenditure on public services for various years were published recently; and it is a remarkable record. In 1891 the cost of social services was 20 millions; in 1901 it was 31 millions; in 1911 it was 55 millions; and in 1925 it was 338 millions.

Now it seems to be generally agreed that, quite apart from War requirements, the cost of social services is on the up grade. That implies either the existence of a greater sense of responsibility on the part of the State to the individual, or a definite trend towards Socialism. Whether either (or both) of these things is bad I leave to

readers to determine, but it seems fairly obvious that in History the influence of Mr. Lloyd George upon social legislation will be picked out as one of the most notable features of our time. The puzzle is: Why should the Conservatives have so largely continued or adopted his point of view?

ALTER EGO.

R.A.F. APPOINTMENTS.

The following appointments in the Royal Air Force are notified:—

GENERAL DUTIES BRANCH.

Squadron-Leaders.—A. N. Gallehawk, A.F.C., to No. 14 Squadron, Palestine (December 2, 1926); J. Everidge M.C., to No. 2 Armoured Car Company and Repair Section, Palestine (December 2, 1926).

Flying Officers.—(Hon. Flight-Lt.) L. P. Winters to Headquarters, Iraq (December, 7, 1926).

STORES BRANCH.

Flight-Lieutenant.—W. Thorne to Aircraft Depot, Iraq (December 4, 1926).

MEDICAL BRANCH.

Flight-Lieutenant.—B. F. Haythornwaite, M.B., B.A., to Basrah Combined Hospital, Iraq (December 4, 1926).

CHAPLAINS BRANCH.

The Rev. W. P. Hughes to R.A.F. Depot, Egypt (November 23, 1926).

The death is announced from Patna of Mr. H. F. E. B. Foster, Additional Judge, High Court, Patna, of heart failure.

Miss Gertrude Margaret Lowthian Bell, C.B.E., F.R.G.S., Rounton Grange, Northallerton, formerly Liaison Officer of the Arab Bureau in Iraq, afterwards Assistant Political Officer at Baghdad, and latterly Oriental Secretary to the High Commissioner for Iraq, left unsettled property in her own disposition of the gross value of £25,604, with net personality £19,535. Miss Bell gave £6,000 to the British School of Archaeology in Iraq, upon trust for investment, and to apply the income in archaeological work in Iraq; but if this school should not have been founded at her death, the bequest is to revert to the British Museum upon trust for similar purposes. She left a selection of her books to the said school.

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Book Reviews

OSMAN DIGNA.

"OSMAN DIGNA." By H. C. Jackson With a Preface by General Sir Reginald Wingate. (London: Methuen and Co. 12s. 6d. net.)

This is an extraordinarily timely publication, the coincidence of its issue with the death of its subject being notable. Unhappily, however, Mr. Jackson's work suffers from having been written at intervals, over a long period, and it is too diffuse and disconnected, and in places discrepant. It is indeed unfortunate that the author, having taken so long to compile the book, did not find time to revise it, shorten it, and omit from it some of the excrescences which bear little relation to the story he is telling, and which serve only to irritate the reader.

At the same time there is much in the book that is good. The author has been at great pains to consult his authorities and has included much information that is new, particularly that obtained from Mohammed Bey Ahmed, formerly Commandant of the Suakin Police, and other native sources.

Mr. Jackson has drawn a convincing picture of the corruption, cowardice, and futility of the Turco-Egyptian Government, and the mistaken and hesitating policy of the British Government to which the success of the Mahdi and Osman Digna, his chief lieutenant in the Eastern Sudan, was so largely due. He also brings out clearly the difficulties with which Osman Digna had to contend in keeping together his following among the scattered unenthusiastic and independence-loving Beja tribes of the Red Sea littoral.

Altogether the book is a valuable addition to our knowledge of the period of Osman Digna's prominence from 1883 to 1898.

NON-OFFICIAL LEGISLATORS.

"EUROPEAN NON-OFFICIALS IN THE INDIAN LEGISLATURE." By Edwin Howard. (Pioneer Press. Allahabad.)

It is explained, in the Introduction, that this little book is a "chronicle of the efforts contributed by British members of the Legislative Assembly towards establishing a responsible Government for India": efforts of which it is certainly very desirable that an account should be put on record. For, as Sir Hubert Carr, the writer of the Introduction, goes on to say, "politics have no attraction for the average British civil population in India where, until the advent of the Reforms, they could leave their political interests to be safeguarded by Government; but members of the British community have awakened to the fact that India will be increasingly governed by Indians and, on the double score of self-interest and friendship, they are not going to be left out of the new order, but are ready to assist." One cannot help thinking that the very real and important assistance, that has been given by British non-official members of the Legislatures, might have been more adequately presented if the writer of the brochure had cast it in narrative form, bringing out the points that he considered specially worthy of emphasis, rather than in the form of a scissors-and-paste collection of verbatim extracts from speeches—which, as he remarks, if not remarkable for their eloquence, were at least packed with commonsense, good feeling and frankness. One may also be excused for thinking that, on another score, the British non-official members have not been too fortunate in their author, whose English is not infrequently slipshod; as, for instance, when he speaks of "abundantly disproving the fallacy of the view that the Reforms were unreal and unsubstantial"; or when, in apologising for being unable to find enough matter for his scissors in the debates of the Council of State—the Upper House of the Central Legislature of India—he says that "a recital of the doings of the Europeans in the Council of State cannot be interwoven with their col-

leagues' performances in the Legislative Assembly." But it may be hoped that those who read the book in its present form will "see the truth between," and will find it of sufficient interest to justify the appearance of a second edition, cast in a more attractive form; for it is undeniable that the British non-official members have done most valuable work, with little public recognition, and have given a fine example to those who will follow them. As the author puts it, "their community has reason to be grateful to the little band of men who thus manfully sailed an uncharted sea and kept the ship steady on her course."

THE PROBLEM OF AUSTRIA.

"THE SOCIAL REVOLUTION IN AUSTRIA." By C. A. Macartney (Cambridge University Press. 8s. 6d. net.)

This is quite the most important work on present-day Austria which has been given to the world, and we think it hardly probable that Mr. Macartney's achievement will be surpassed. In fewer than 300 pages he gives us an outline of the steps leading from the general position of centre of affairs under the Habsburg Empire to that of a small group of mountain lands, evenly balanced against a huge world-city. Few desired the birth of this little new State and few either hoped for or anticipated its survival as an independent unit. Its infancy has been attended by maladies of every kind, but it has so far survived, is convalescent, and Mr. Macartney cheers us with the hope that it has a useful and healthy life in prospect.

Although THE NEAR EAST AND INDIA does not profess to follow the intricacies of Austrian republican politics, its readers are well aware how closely Austrian affairs impinge on those of the Near East. It is, therefore, of the first importance that students of Near Eastern countries should make themselves thoroughly acquainted with the circumstances and the currents of thought (political and otherwise) prevailing in Austria. This book is their opportunity. Ably planned and impartial, the fruit of years of personal study on the spot, well and entertainingly written (with more than a touch of Viennese quietly ironical wit), it presents a picture of Republican Austria which is of the greatest interest. It will also be of permanent value.

C. S-W.

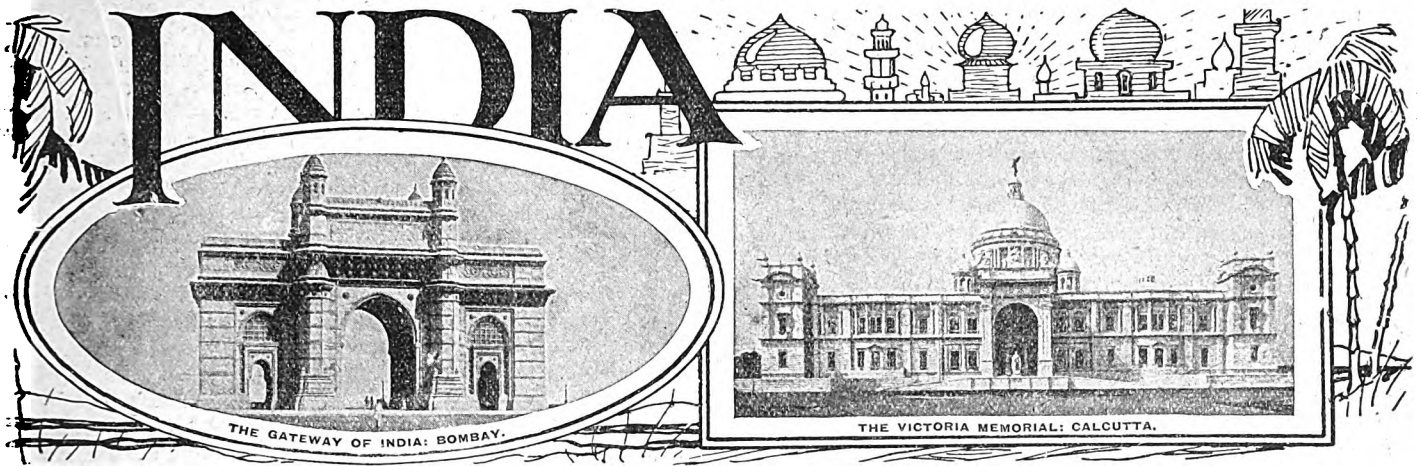
THE PERFECT HERO.

"AT GOVERNMENT HOUSE." By Arden Beaman. (London: Mill and Boon. 7s. 6d. net.)

"Being some incidents in the career of Captain and Brevet-Major the Hon. Rollo Dennistoun, V.C., M.C., during his office as Military Secretary to His Excellency the Governor of Mahdipur." There are fourteen of Rollie Dennistoun's exploits in all, and in each of them he shows a genius for spotting a villain and unravelling a plot, and in each he behaves with the most perfect coolness and courage. They are told by his friend Jumbo Carstairs, who commands the Mahdipur Bodyguard. He is as brave as Rollie and occasionally resourceful, but generally he acts as Watson to his friend's Holmes.

It is an achievement to have made Rollie human and extremely likeable and at the same time to make us believe such statements as "there is a sort of glamour about Rollie, a strange splendour in his presence, an overmastering power in his eye which other men have not." Major Beaman's plots are thrilling and the background, though purposely highly coloured, is fairly convincing. The reader will go on from one episode to the next, eager to see what fresh ingenuity the author has devised and with a lively expectation of enjoying Rollie's nonchalance and gallantry.

J. B. Ainslie.



EUROPEANS AND THE REFORMS.

The European Association held its fourth annual conference at Cawnpore on December 4, when two political resolutions of special importance were discussed and passed. The first of these was: "This Conference is of opinion that the time has come when the Council of the European Association should investigate the possibility of formulating a definite policy for the future political development of India on lines of co-operation with the leaders of Indian opinion who have a real stake in the country and who are anxious to see India progress as an integral part of the British Empire, with a stable Government suited to the traditions of the people of India." The second: "This Conference favours the exclusion, from the Statutory Commission to be appointed under the Government of India Act, of past or present members of official or non-official communities in India; but it is strongly of opinion that the Council of the European Association should press for the inclusion of a member of the non-official British community, should any communal representative be appointed on the Commission."

The mover of the first of these two resolutions made it clear that the British non-official community recognises that there can be no return to the old system of a paternal autocracy; that India has been started on the path of democracy and that the only practical question is, the method on which she shall proceed on that path. He held that, while the parliamentary system of government must be developed, its development must begin in the Provinces, and by the evolution there of "a stable and intelligent electorate." As for the Imperial Indian Parliament of the present, he considered that this ought properly to be confined to "an enlarged Council of State, composed of representatives from every Indian Province and State"—the existing popular body, the Legislative Assembly, being abolished altogether. In favour of this radical alteration he stated the plain fact that the traditional form of Indian government is autocratic, and that it is only proper that the Central Government should remain so in appearance as well as in fact. At present, the "popular" Legislative Assembly is only apparently a parliamentary body; for, though elected on a popular basis, its duties are, in fact, only advisory—the Government of India is in no way bound by its decisions, though naturally desirous of treating them with respect, whenever it is possible for it to do so. The result of the superficial resemblance of the Legislative Assembly to a House of Commons is that the Council of State has, in public opinion, become something less important than any Upper House ought to be; and it is probably true that it can be rehabilitated only by the abolition of its rival. This is a very drastic proposal, but one for which there is a great deal to be said: as the mover of the resolution pointed out, such a Central "House of Parliament" would really speak with authority, and its opinion would carry the greatest possible weight with the Executive Government. As for the Provinces, where the real attempt to introduce parliamentary government ought to be made,

it is admitted by all dispassionate observers that the existing electorate has failed completely, on three successive occasions, to justify its possession of the vote; but it is reasonable to think that one cause of this is that the electors are expected to vote on matters that are too high for them, and it is not unlikely that, if it were possible, by some recasting of method, to allow a wide franchise for local "electoral colleges," much better practical results might be obtained without any restriction of the total number of persons entitled to the suffrage. Indeed, if some such scheme were introduced the number of primary voters might even be considerably increased. The discussion on the resolution is very inadequately reported by the leading Anglo-Indian newspapers; all that they say is, that several members of the Conference "sympathised with its underlying idea." But it does seem that the British non-officials have seriously decided to make their opinions heard, in regard to the future political form of India's government: and this is a great step in advance. It has been quite truly pointed out that the British non-official community is specially well adapted to take a comprehensive and impartial view, as it is at once free from communal prejudices and from pre-conceived ideas; and that it should now have openly recognised this fact itself is an important step towards impressing it upon others—one that should be followed by the best results.

The second resolution suggests that the British non-official community has been impressed with the probable correctness of the forecast, referred to in last week's issue of *THE NEAR EAST AND INDIA*, that the personnel of the Statutory Commission will be decided in the course of the next few months, preparatory to a commencement of work in the autumn. It is, one fears, a counsel of perfection to urge a demand for a completely "impartial" Commission, though it is quite correctly pointed out that the idea in the Government of India Act is that the Statutory Commission shall be exclusively a Parliamentary body, and that its duty shall be to report its own conclusions, as such, to Parliament. The *Englishman* argues that, as India's goal is Dominion status, the "proconsular talent" to be found in both Houses of Parliament should be drawn upon for the Commission; but, if this suggestion were followed, it would mean that the House of Lords would be unduly represented, even if all those of its members who had had Indian gubernatorial experience were rigidly excluded: the paper suggests Lord Jellicoe, Byng and Buxton as a suitable nucleus. Among the members of the House of Commons, there are a number who can claim Indian experience, thought not, perhaps, "proconsular" experience; but one would certainly be pleased to see all of them set on one side, and an attempt made to confine the personnel of the Commission to men of outside authority. The inclusion of Indians, however distinguished, would certainly mean—as a correspondent of the *Englishman* points out—the condemnation of some as "creatures of Government" and the irresistible temptation to others to write minority reports. The inclusion of British-Indian officials or ex-officials would, with equal certainty, achieve

the first of these results, though doubtless not the second. The European Association's resolution is, therefore, a self-denying one, on conditions: the Association hopes that the Commission will consist solely of persons of outside authority, altogether unconnected with India. If this is not possible, it hopes that the members will be entirely British and will not include any who are or have been officials of the Government of India. Only if this too is impossible, and it is considered necessary to include "past or present members of official or non-official communities in India," whether Indian or British, does the Association demand that it also shall be represented. One can think of a number of members of the British non-official community whom one would like to see on the Commission, where one believes that their work would be most valuable; but one can heartily echo the Association's hope that the need for the enlistment of their services will not arise.

CALCUTTA LETTER.

(From Our Own Correspondent.)

Calcutta, December 16.

The Viceroy's Visit.

His Excellency Lord Irwin, Viceroy and Governor-General of India, duly arrived in Calcutta on Friday last, and the novel arrangement for him to drive through the Indian portion of the city in journeying from the station to Government House turned out to be a complete success. The writer went out an hour before the arrival and walked a mile along the portions of the route through the area of the communal riots and thence through the most densely populated section of the city, finally to see the procession itself at what has become to be regarded as the centre of the danger points in the city. Although the route was effectively guarded and there were plenty of what *Forward* calls "bright bayonets gleaming on the sun," the fact remains that the crowd ran into tens of thousands and at times it was almost impossible to pass. The middle-class Hindu element was sparsely represented, but they were not missed. The usual silence, the greatest sign of respect in an Indian crowd, was broken by bursts of hand-clapping at a number of points—a strange mixture of East and West—and the writer was particularly struck with the fact that in a number of temples conch shells were being blown and prayers being offered for His Excellency as he drove by. The procession itself was perfectly done and it was a brilliant show. Reviewing the whole in a word, it was encouraging.

The Attitude of the Corporation.

The Government declared a holiday for the day, which, of course, would have enabled the Indian staffs of European firms to watch the procession, if they felt so inclined; if they were there, however, they were not conspicuous. The Corporation, with the distorted outlook on events which prevented it from exercising the customary courtesy of presenting an address of welcome, declined to close its offices, and in addition some one had thought fit to placard the route with posters seeking to explain the Corporation's action. With the triple crown on the head of the Mayor, the Corporation itself must accept the responsibility of this childish waste of money. Neither these posters, nor those showing Mr. S. C. Bose behind some black lines supposed to represent prison bars, attracted the slightest notice so far as the writer could see. The effect of the S. C. Bose poster, however, on the recent elections was remarkable, and had there been no general desire to watch the procession, it might easily have done much to interfere with the attitude of the public. A level-headed and honest moderate Indian remarked during the elections that the poster had so appealed to his heart that he must vote for the innocent behind the bars of steel, even though he fully realised that this meant the non-representation of North Calcutta on the Councils. This is the kind of the thing that sways the Indian electors.

The Political Fog.

The present political situation does not become any clearer with the approach of the Congress which is being held at the beginning of the new year. Mrs. C. R. Das has declined to accept the Presidency of the Bengal Provincial Council and Mr. J. M. Sen-Gupta has reiterated his refusal to take office for another year. All parties hesitate to commit themselves as to what is going to happen in the new Councils, and the most active canvassing is taking place between the various groups who will be sitting in them. Up to the present the only clear result has been the consolidation of the largest section of the Moslem Party, but an attempt to combine all Moslems as such in the Council has failed. It is once again the old story of personal jealousy. Extremist ideas in regard to the 1929 Commission have been rudely shaken by the suggestion of the President of the European Association that its earlier appointment would be welcomed, as the members would immediately appreciate in good time the complete failure of the Reforms Scheme. In both extremist and moderate organs there are guarded references to the possibility that a trial might be given to self-government on indigenous principles, that is through the village councils and working up from there through district boards to the central legislative bodies. Strenuous efforts would be made in such a case to capture the machinery, but the task of a lawyer politician would be a very difficult one in such circumstances. It will be interesting to see how far this idea will be developed in the next few weeks.

Europeans at Dinner.

The Annual Dinner at the European Association has come to be looked upon very much as a kind of Lord Mayor's Banquet, and the company which assembled at the Saturday Club on Tuesday was a brilliant one. Mr. John Langford James, the President for the year, proposed the Viceroy's health in a speech which reflected his own views very frankly, and although it may appeal to many, it has given ample material for pungent comments in all sections of the Indian Press. The Viceroy in reply touched on little more than one sentence in the speech, when he invited the European Association not to join the ranks of the communal disputants. His Excellency's speech was as plain spoken as the proposer's, but he struck an entirely different note; he said that the Reforms experiment had been made, because no nation with the history and traditions of the British could do anything else than make it, and he called upon every European to remember this fact. Lord Irwin's first appearance in Calcutta has fully borne out the reports that we are to be governed for the next five years by an English gentleman of high character and liberal traditions.

Men and Things.

The rupee agitation still continues, and Sir Basil Blackett's last speech attributes the present weakening of exchange to this fact. He says that traders are, in fact, speculating on the result of the agitation, and consequently the natural levels have been disturbed; the sooner the matter is settled the better it will be for both sides.

Major-General Ward, our G.O.C., has been addressing the Rotary Club and regretting the disappointing results to date of the Reserve of Officers scheme. It would rather look as if the nominal leaders of local European opinion have misled the military authorities; very definite doubts exist in many minds as to the soundness of a scheme which relies upon an immediate withdrawal of a substantial proportion of the civil population from their normal work before mobilization can take place. Civil staffs in India do not as a rule carry any spares, and possibly some of the representatives of the larger and more wealthy corporations are apt to overlook the point of view of the small firms to whom money does not flow in quite so easily.

Full reports have been cabled out of Lord Inchcape's speech at the annual meeting of the P. and O. Company.

His remarks in regard to the probable increase of fares are about as welcome here as his suggestions, that the passengers steal the Company's linen at the end of the voyage.

Toc H's lamp for India was duly lighted at St. Paul's Cathedral last night at a most impressive service perfectly conducted by Padre Cyril Pearson; he has just returned from Home, and Calcutta is fortunate in being able to attract such a man from the preferment which would undoubtedly be his at Home for the asking.

Lady Tegart, the wife of our popular Police Commissioner, had a bad fall at the first paperchase last week. It is good to learn that she is progressing favourably and that no permanent damage is likely to result.

The New Woman is said to have arrived in Bengal and is the subject of many self-revealing letters in the Press; obviously many Indian husbands are scared by the fact that the Indian woman is beginning to think.

The Trivial Round.

The December Meeting was continued last Saturday, when there was a complete change from the previous week, as in most races the favourites won. The weather was rather unseasonably warm, but this did not interfere with the display of dresses which are obviously going to be as brilliant this year as they are brief.

The M.C.C. are now working their way across India, having finished up in Bombay by giving the Presidency an innings beating. The local games at the week-end produced exciting finishes, the European Schools beating the Anglo-Indian Schools at Ballygunge close on time, while at the Eden Gardens, where the Bengal Gymkhana sportingly declared at 8 wickets for 190, Calcutta knocked up the runs in two hours, a four off the last ball giving a victory by one run. This is cricket.

The Mannequin Parade duly came off at Mrs. Arthur Page's, when the house was uncomfortably crowded and many saw but little of the dresses. There should be much money from the gate, but one hears the sales were few, and in comparatively small societies such as ours this is not to be wondered at.

The paperchasing season has begun, and Captain W. Leatham won the opening meeting in good time; the thrusters are keener than ever this year.

The Army Polo team has started practice in Calcutta, and it looks as if the principal difficulty will be to find teams strong enough to extend them. They will be a tough crowd when their ponies have settled down.

The South Calcutta Tennis Tournament has produced first-class play, and, as usual, the Japanese are showing up strongly, as the finals approach.

The Quaints have finished a most successful season at the Empire, and we now have the Stravinsky Dancers, a Russian Company which is putting up a mixture of classical and modern ballets; their show is excellent.

The first singing festival of the European Schools took place on Saturday last, when 350 children gave a fascinating afternoon to those fortunate enough to hear them. Mr. de Bois Shrosbree, the conductor of the Symphony Orchestra, was doing the same for them, and the happiness on the stage infected the audience to such an extent that in the carols at the end the whole house became a single choir; it was a delightful experience.

The Symphony Orchestra held its second concert on Sunday, and concluded with the César Franck Symphony in D. Minor; the house was crowded and the reception of the work at the end was, considering that it was new to most of the audience, astonishing. The Calcutta Symphony Orchestra has passed far beyond the experimental stage, and M. Sandre and the School of Music must be delighted with the result of many years of persistence and hard work.

Markets.

Jute has remained very steady during the week under review, and any small drop in price has at once attracted buyers and brought prices back to previous levels. Inquiry for gunnies has strengthened considerably, with rates exceeding those of a week ago, and having

every appearance of going higher. Speculation in this market is on the increase, especially for the forward positions for which business has been done as far ahead as for the end of 1927. The better tendency in the piece-goods market apparent last week has not been maintained, and the volume of business transacted has fallen considerably short of that anticipated; there have been a few small failures in the local market.

Tea prices at the sale here showed an easier tendency all round in sympathy with the London market on the previous day; the second sale, however, displayed a better tone, and the opinion here is that, so far as Calcutta sales are concerned, prices are unlikely to fall. With regard to outturn, November produced an excess of about six million pounds over that of the same month last year, bringing the total increase up to about 32 million pounds. In December last, however, the crop amounted to 7½ million pounds, as against nil for this month on account of plucking having ceased from the 20th of last month; the position in regard to the whole year is that the crop is between 24 and 25 million pounds in excess of that of last year.

On the Stock Exchange, very few deals have been transacted in Government Securities, and prices have remained quothably unchanged, with the exception of 3½ per cent Paper and the New Loan which both show increases on heavy buying orders from Bombay; jutes have gone further ahead, and a number of the most popular scrip are difficult to pick up at the moment. Coals, rubbers and tins have shown a downward tendency, especially the first-named which are now almost back to previous levels. Rubber shares are lower all round, mostly on excessive speculation on the part of the operators, who expected a reaction as soon as the reduction of 80 per cent. of standard came into force.

The Exchange market has been neglected, and rates have remained stationary. Money has been in slightly better demand and Call money may be quoted at 1 per cent.

THE GOVERNORSHIP OF BURMA.

The Rangoon correspondent of the *Statesman* says that it is generally believed that the present Governor, Sir Harcourt Butler, is likely to be appointed to the India Council early next year; and adds that his probable successor will be Sir Frederick Whyte, the late President of the Legislative Assembly. Burma, says the correspondent, is individual in her interests, is racially homogeneous, her national patriotism is intact, and her potential wealth is far greater than that of any other Province of the Indian Empire. The Burmese people profess a different religion, speak a different language, acknowledge a separate history and have descended from an anthropological division distinct from that of India; so it is not surprising that her needs should be different. What is

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surprising is that, after the enumeration of this catalogue, the correspondent should press the claims of Sir Frederick Whyte "not only because of his deep knowledge of Indian affairs as President of the Legislative Assembly, but also because of his dignified and impartial outlook on the racial and political kaleidoscope of India." Perhaps recognising some flaw in this argument, the correspondent is careful to add that in Sir Frederick Whyte the Burmese recognise a man of calm and impartial judgment, unlikely to be predisposed by any impressions he may have formed in India as to the peculiar claims of Burma. Commenting on this letter, the *Englishman* expresses the opinion that "to put it bluntly, the appointment of Sir Frederick Whyte would be a scandalous piece of jobbery, such as we hesitate to believe the Secretary of State would commit."

This opinion is not expressed in any spirit of personal antagonism to Sir Frederick Whyte, but in the interests of the Indian Civil Service, to whom the appointment of any outsider would, the paper considers, be a slap in the face. The baton that the Indian Civilian has always carried in his knapsack has been the Governorship of a Province; and, though his legitimate ambitions have been reduced by the transfer of Bengal from a "civilian" to a "political" Governorship, it is but fair to remember that they have been increased by the erection, into Governorships, of the Chief Commissionerships of the Central Provinces and Assam, so that the I.C.S. are still one up on the deal. When discussing the outlook regarding Indian Governorships consequent on the almost simultaneous termination of a number of terms during 1927, one expressed the opinion, a few months ago, that the United Provinces would probably become a "political" Governorship when the present incumbent left. A valued and very highly qualified friend wrote to say that he thought this forecast was wrong: and that, if any of the Provinces of India should receive an "outside" Governor, it would almost certainly be Burma. The reasons for this belief, though not stated by one's correspondent, are pretty obvious: that the future of Burma is quite manifestly destined to be separate from that of India, and that, for a good many years past, no Burma Civilian has been thought worthy to be head of his own Province; which, by thus becoming accustomed to the appointment of outside Civilians, may be expected complacently to receive an outside politician. The only valid argument against such a change lies in the fact that the salary of the Governor of the United Provinces is that of a "political" Governor—Rs.120,000: while that of Burma remains at the "civilian" figure of Rs.100,000: and, if it is intended to make Burma a political Governorship, it will become practically necessary to raise the emoluments accordingly, while the Civilian Governor of the United Provinces retains an indefensible advantage over his Civilian brother of the Punjab.

If, then, one agrees with the *Englishman* in championing the claims of the Indian Civil Service to the Governorship of Burma, one would be inclined to go a step further, and champion those of the Burma Civilians to the Governorship of their own Province: and, if one agrees that a political appointment is desirable, one would suggest that Burma is likely to be better served by one who has no Indian bias—not even such a "deep knowledge of Indian affairs" as may be attributed, by a log-rolling campaign that failed a few months ago but has now bobbed up again, to a temporary official who has gained it through his association with politically-minded Indians in the Legislative Assembly at Simla and Delhi.

INDIAN MAIL.

The General Election.

When the last mail left India, the general election was not yet complete, though nearly so; but, except in the cases of Bengal and Madras, it has not been easy to discover what the political prospects are in the various

Provinces. The result appears to have been, in general, to leave things very much as they were before; with the Swarajists still the only disciplined party, their rivals mostly suffering from the familiar complaint of having too many generals and too few privates. The search for exact figures is hampered by two considerations: the first being that it is not at all unusual for an Indian legislator, elected under one ticket, to take his seat under a different one: the second, that the leading Anglo-Indian newspapers which produce a weekly mail edition seem to discriminate, in their presentment of news, in favour of those English readers who take but a superficial interest in matters Indian. Last mail week, for instance, saw two very important conferences at Cawnpore, in the United Provinces—those of the European Association and of the Associated Chambers of Commerce of India and Ceylon. Yet the leading English newspaper of the Province devoted considerably more space to a report of the Viceroy's speech to the latter than to the whole of their own very important discussions; and its account of the proceedings of the former is contained in $2\frac{1}{2}$ columns of print, while that of the speech, with which the Finance Member favoured the conference, occupies $6\frac{1}{2}$ columns. Those observers in England who realise the great and growing importance of the British non-official community in India would welcome a full statement of the opinions of its members on occasions such as these; but would be content with a brief résumé of official pronouncements: and it is hard to resist a feeling of exasperation when one finds that the contrary is the case. In the matter of the elections, the position is somewhat similar: one finds plenty of pronouncements by leading Indian politicians, which are of the smallest possible interest to the earnest student in England; but a conspicuous dearth of facts on which he might be able to base an opinion of his own.

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NOTES AND NEWS.

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The New Year Honours.

As usual under the present Administration the New Year Honours List is somewhat brief. It includes, however, a number of noteworthy awards, among them several of special interest to the world of commerce. The barony conferred on Sir Charles Greenway, Bart., Chairman of the Anglo-Persian Oil Company, who recently announced his prospective retirement from that position and who is to take the newly-created office of President of the Company, is the outstanding feature in the list. Sir Charles Greenway has been privileged to control the destinies of the Anglo-Persian Oil Company through a long and important period, and the proud position reached by the Company under his Chairmanship makes this a thoroughly well deserved honour. Among the other honours mention may be made of the knight-hoods conferred upon Mr. D. T. Chadwick, C.S.I., C.I.E., lately Secretary to the Government of India in the Commerce Department, Mr. N. M. Murray, Managing Governor of the Imperial Bank of India, and Mr. A. J. Law.

British Finance.

In view of the position as revealed in the latest figures it is impossible for anyone to look forward with any confidence to the closing of the financial year. It may be taken for granted that there will be a deficit, and the only point of interest lies in the extent to which the final figures will fail to come up to the estimates. If the gap is large, increased taxation in the coming Budget is assured; probably it is in any case, for it must be remembered that the real incidence of the industrial strife of 1926 will only be reflected in the company returns in the coming twelve months, and the Chancellor will have to budget for a marked decline in the yield of the income tax on the present basis. Admittedly the position is not happy, and from Mr. Churchill's point of view it is rendered more difficult by the fact that all the ordinary resources of taxation have been exploited to the fullest extent. It is clearly impossible to increase the income tax, and the alternative is to find new sources of taxation, and that is easier said than done. The tragedy of the situation is that it is imperative that commerce and industry should receive a remission of taxation to further the revival of trade. That, of course, is out of the question, though it is just barely possible that the Chancellor, relying on the improvement of conditions, might decide to adhere to the *status quo*. That, while it would be a great relief, is such an improbable contingency that it may be almost dismissed out of the reckoning.

The New 4 Per Cent. Loan.

The terms of the new Government Loan will no doubt be the subject of detailed comment elsewhere in these columns, and I shall only refer briefly to it here. During

the War Great Britain found it possible to raise money at 5 per cent., but now, roughly eight years after the Armistice, the rate necessary to attract new loans is 4 per cent. for a loan issued at 82, which means in plain English that the rate for money is now a shade over £4 14s. per cent. That does not reveal any startling advance since the War, but of course the truth of the matter is that conditions here have been such that the country has literally not had a chance to recover. If there had been a total freedom from industrial disturbances it is unthinkable that the position now would be such as to necessitate the offer of such terms for a new loan. Briefly the terms are the repercussion of the events of the past. There is no getting away from the fact that we are now paying for the follies of our industrial situation. The other point to which I wish to refer is the usual provision with regard to a sinking fund. At the time of writing it is impossible even remotely to estimate the amount of new money that will be forthcoming, but it would seem *prima facie* that the allocation of a sinking fund of £10,000,000 a year for the first ten years is distinctly on the side of generosity. There is a further point that is not clear. Is the sinking fund to be an additional sinking fund, and, if so, where is the money to come from?

The Trade Outlook.

It is quite refreshing to turn from the somewhat depressing scene of State finance to the gradual revival of British industry and commerce. I am not sure, indeed, if gradual is quite the right word; if it is so now it will not be for long, for in practically every industry throughout the land there are now signs of activity which herald something approaching a trade boom. In the last week or two our readers will have noticed references to the increasing number of contracts coming to our firms for the Near and Middle East and India, and in the current issue quite a large number of contracts are recorded. These orders are only symptomatic of the development of trade which was bound to follow the conclusion of the disastrous coal dispute. Given a year or so of industrial peace, the position of this country will be radically

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altered. In a very few weeks now we shall have the opening of the British Industries Fair at the White City and at Birmingham, and the demand for space at these sections and the encouraging reports with regard to the probable attendance of buyers from overseas are alike indications of a belief in a pending improvement in the world trade outlook. It is eminently satisfactory to know that the Near East is taking a special interest in the Fair, and that Greece, to name only one country, will be well represented among the buyers. It is not unnatural to attach special importance to the attendance of representatives from the Balkans, as that is an outlet to which we must look for trade and where the competition is certain to be particularly severe. The Fair, it may be hoped, will herald the commencement of a period of greater enterprise on the part of our traders in the Near East and other markets where in the past we have occupied a back place.

The Near East Market.

A supplement to *Lloyd's List* contains a comprehensive review of world trade last year by Sir Max Muspratt, Bart., President of the Federation of British Industries and Chairman of the United Alkali Company. With his general remarks I am not concerned, but he devotes a good deal of attention to the Near Eastern market, and what he has to say calls for a little comment. It is rather surprising to find this outlet referred to as "an appanage of the British exporter" before the War. The position varied, of course, in the different countries, but except for

cotton goods the incidence of foreign competition was very much felt by our traders in most of the outlets. Of the past year Sir Max Muspratt has little that is encouraging to say. As he points out, trade with the Near East has been quiet, while in the Balkans commerce "has been in a very depressed state throughout the year, owing to the straitened finances of the peasants, due largely to the high cost of living and to the difficulty of finding remunerative export outlets for their products." The export question is, of course, the great problem which the Balkan countries have to solve, and the surest way to arrive at that end is to establish a reputation among the world trading circles.

Diala Cotton Plantations.

Full details with regard to the proposed changes in respect of this company have already appeared in these columns, and the meeting (a report of which will be found in another column), at which the proposals were unanimously approved, does not therefore call for extended comment. Sir Edward Manville, the Chairman, dealing in detail with the proposals, mentioned that the members of the small committee of shareholders nominated at the extraordinary general meeting of March 31 last to assist the Board in deciding the course to be adopted, found themselves unable to spare the time to act. Colonel Stanley, a director of Eastern Irrigations, Ltd., was subsequently approached by the Board, and he held protracted negotiations in Baghdad with the representatives of the Government of Iraq. Three or four alternative proposals

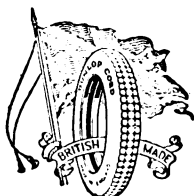
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DUNLOP RUBBER COMPANY LIMITED, FORT DUNLOP, BIRMINGHAM, ENGLAND.
Branches throughout the World.

were examined, and it was ultimately decided that the Latifiyah project gave greater prospect of restoring the fortunes of the company. The estate is on the Euphrates, and there is no question about an adequate supply of water. Further, it was pointed out, the estate is of a character which would permit crops of many descriptions to be grown.

The Rubber Market in 1927.

It would be surprising if those who are interested in rubber were not looking forward with considerable satisfaction to the approaching months. Two months ago the rubber quota was reduced by 20 per cent., and on February 1 there will be a further reduction to 70 per cent. if the price of the commodity for the quarter has not averaged 1s. 9d. per lb. How likely this is to happen can be judged from the fact that the average for November and December was only fractionally over 1s. 7d. We have therefore the position that for this the last month of the quarter the price must be in the neighbourhood of 2s. per lb. It is not impossible that this should be so if America at last decides to enter the market extensively as a buyer, but I think we may take it for granted that 70 per cent. will be the figure on February 1. If that happens it will mean that from that time onwards we shall see rapid inroads being made in the large London stocks of rubber, and it will not be long before we are again at a period of rapidly rising prices with its consequent effect on the share market. It is small wonder that a lively interest is being taken in the situation.

COMMENTATOR.



Exports and Imports

To assist its customers, the Westminster Bank has prepared a booklet explaining the many ways in which the commercial man may use the Bank for the furtherance of his business, how he should proceed in order to take the utmost advantage of interest, rebate, discount, rates of exchange, etc., and so combine security and caution with progress and enterprise

Copies will be issued on application to the Secretary at Head Office

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NEWS FROM ALL SOURCES.

Mohammed Fehmy Aly, who was found guilty of the murder of the Sirdar, Sir Lee Stack, was hanged in Cairo on December 30.

The will of Major Harold Alexander Ravenshaw (late Bengal Staff Corps) (69), of Broomrigg, Parkstone, Dorset (net personalty £48,189) has been proved at £50,771.

The King has approved the appointment of Mr. W. A. C. Goodchild, an Assistant Secretary in the Scottish Office, as British Secretary and Assistant Delegate to the Reparations Commission, in place of Sir Basil Kamball-Cook, K.C.M.G., C.B., who has resigned.

The death is announced of Major-General Sir Reginald Thomas Thynne, K.C.B., at the age of 84. Born in 1843, Sir Reginald served during the Zulu War (1879), in Egypt and the Sudan, for which he received the medal, the order of the Osmanieh, and the Khedive's Star.

The contract with the British Naval Mission has been initialled in Athens. The contract begins on March 15, and lasts for two years unless either party desires an earlier termination. British officers may not assist Greece in case of war. The Mission consists of Captain Turle and four other officers.

It is estimated that the area under tobacco in Palestine in the current year amounted to 8,971 dunums as compared with 11,676 dunums in 1925; 7,301 dunums were planted with Turkish tobacco, 1,184 dunums with Bafadi tobacco, and the remainder with tobacc and Heisheh tobacco. The yield of the 1926 crop is estimated at 555 tons.

The cereal crop in Bulgaria this year gave a total yield of 25.42 millions of centals, against 29.06 million centals last year. The decline is partly to be attributed to the smaller area under cultivation, but it mainly due to the wet weather during the summer. The yield of wheat was only 11.11 million centals, against 13.51 centals a years ago; while that of maize was 7.37 million centals, against 7.15 million centals.

The seaplane Pelican, which was to have opened the Khartoum-Kisumu air service last week, met with an accident while undergoing an engine test on the Blue Nile at Khartoum. Examination showed that the bow port float was stove in and ripped open. It is presumed that the seaplane struck some submerged object. The damage done necessitates new parts being obtained from England.

We much regret to announce the death, in his fifty-fourth year, of Mr. S. M. Edwardes. He was an eminent Orientalist and criminologist. Particularly upon Western India was he an authority. Ill-health necessitated his retirement from service in India in 1916, but his interest in India and in crime never flagged. He was first Secretary of the Indo-British Association, and last summer was selected to succeed Miss Ella Sykes as Secretary of the Royal Asiatic Society.

Major and Bt. Lt.-Col. H. W. McCall, C.M.G., D.S.O., has been promoted to command the 1st Battalion of the Green Howards, in the place of Lt.-Col. M. D. Carey, whose tenure of command expired on December 31. Brevet Lt.-Col. Hugh W. McCall was associated with the 60th Division when it formed part of the central force for home defence and he remained on its staff when that formation went to France and Salonika. In Egypt he was on the staff at Alexandria and also with the 3rd Division of the Egyptian Expeditionary Force, and received the Order of the Nile and the Legion of Honour. He is the senior major of the Green Howards and thus the batalion command remains within the regiment.

Yugoslav Supplement

(Continued from page 765)

YUGOSLAVIA'S FOREIGN TRADE.

I.—Trade Balance.

Yugoslav imports during the third quarter of 1926 amounted to 329,938 tons, valued at 172,220,460 dinars (gold). The total foreign trade during the first nine months of 1926 amounted to 1,026,626,730 dinars (gold), as compared with 1,067,183,405 dinars (gold) in 1925, imports accounting for 517,374,498 dinars as compared with 585,748,303 dinars in 1925, and exports 509,252,232 dinars, as compared with 581,435,102 dinars in 1925.

II.—Chief Articles of Import and Export.

During the first nine months of this year the chief imports of Yugoslavia were as follows:—

Article	Million gold dinars	Percentage
Cotton fabrics	74.3	14.36
Woollen fabrics	37.2	7.20
Machinery and apparatus	25.4	4.91
Cotton yarn	22.1	4.28
Various iron goods	21.9	4.23
Raw coffee	15.3	2.95
Raw hides (domestic)	14.5	2.81
Coal	13.6	2.63
Vehicles	11.6	2.23
Raw cotton	10.8	2.09
Cooking salt	10.7	2.08
Electro technical machines, etc.	8.5	1.64
Wool	7.9	1.52
Shelled rice	7.1	1.38
Unwrought and half-wrought iron	6.1	1.18
Rails, rly. material	5.7	1.10
Sheet iron	5.5	1.06
Petroleum	5.5	1.06
Vegetable oils	5.5	1.06
Benzine	5.4	1.05
Copper sulphate	4.6	0.88
Printing paper	4.5	0.87
Sacks	4.5	0.86
Leather footwear (not sandals or top boots)	4.1	0.79
Woollen yarn	3.9	0.76
Other goods	181.2	35.02
	517.4	100 p.c.

The chief articles of export during the first nine months were:—

Article	Million gold dinars	Percentage
Maize	101.7	19.97
Wood: building	58.4	11.47
fuel	4.7	0.92
Corn: wheat	54.2	10.65
other	4.5	0.89
Eggs	46.9	9.21
Live cattle	21.5	4.22
Meat a. fresh	19.6	3.85
b. meat products	2.2	0.44
Raw copper	18.1	3.54
Pigs	17.6	3.46
Wheat flour	9.8	1.93
Cement	9.2	1.80
Horses	7.9	1.56
Sheet lead	6.8	1.33
Hemp	6.6	1.29
Prunes	6.1	1.20
Hops	5.9	1.15
Calcium cyanide	4.5	0.89
Lamb and kid skins	4.1	0.79
Tanning extracts	3.7	0.72
Oak railway sleepers	3.6	0.70
Opium	3.5	0.69
All other	88.1	17.33
	509.2	100 p.c.

III.—Chief Trading Countries.

The chief countries which traded with Yugoslavia during the first nine months of 1926 were:—

IMPORTS—

Country of origin	Million gold dinars	Percentage.
Austria	102.7	19.85
Czechoslovakia	97.8	18.90
Italy	74.2	14.34
Germany	63.1	12.21
Great Britain	30.6	5.92
France	25.0	4.77
Hungary	23.7	4.59
Roumania	21.7	4.20
U.S.A.	20.6	3.99
Brazil	11.8	2.28
Greece	10.1	1.96
Poland	6.5	1.25
Switzerland	5.5	1.06
Belgium	4.8	0.94
India (British)	4.3	0.84
Holland	4.1	0.80
Argentina	1.8	0.36
Tunis	1.3	0.25
Turkey	1.1	0.22
Canada	1.0	0.18
Other Countries	5.7	1.09
	517.4	100 p.c.

EXPORTS—

Country of destination	Millions gold dinars	Percentage.
Italy	142.4	27.97
Austria	94.5	18.56
Roumania & via Braila	62.2	12.22
Czechoslovakia	52.6	10.33
Germany	40.9	8.04
Greece	31.2	6.12
Hungary	22.5	4.43
Switzerland	22.2	4.36
France	15.2	2.99
Great Britain	5.1	0.99
Egypt	4.1	0.80
U.S.A.	3.4	0.67
Holland	1.9	0.36
Turkey	1.7	0.34
Belgium	1.4	0.29
Poland	1.3	0.25
Spain	1.2	0.23
Argentina	1.2	0.23
India	1.1	0.21
Albania	0.5	0.10
Other countries	2.6	0.51
	509.2	100 p.c.

The above countries appear regularly as the chief countries of Yugoslavia's import and export trade, and always in almost the same order.

IV.—Exports.

Exports from the S.H.S. Kingdom during the first 10 months of this and last year amounted to:—

	Tons	Million Gold Dinars
1st 10 months 1925	3,666,907	658.8
1st 10 months 1926	4,085,151	584.1

an increase in 1926 of 418,244 tons (11.40 per cent.) in weight, and a decrease of 74.7 million dinars (11.34 per cent.) in value over the corresponding figures for 1925. The decrease in value is due to two causes: first, the fall in prices since last autumn of agricultural products on the world markets, which affected Yugoslavia adversely, her exports being mainly agricultural; and secondly, the improved value of the dinar this year. The improvement during 10 months of this year amounted to 4.70 per cent. as compared with the value of the dinar during the first 10 months of last year.

THE MONOPOLY ADMINISTRATION.

For the six months ending September 30, 1926, the Yugoslav Monopoly Administration shows receipts amounting to 1,283,877,441 dinars, as compared with 1,239,687,384 dinars for the corresponding period in 1925, and an estimated revenue of 1,212,250,000 dinars. To the total the Tobacco Monopoly contributed 904,852,145 dinars; salt, 164,483,842 dinars; kerosene, 67,123,226 dinars; matches, 70,501,338 dinars; and cigarette papers, 74,091,649 dinars.

The statement of revenue and expenditure issued by the Monopoly Administration for the first six months of the financial year was as follows:—

REVENUE.		EXPENDITURE.	
	Dinars.		Dinars.
Monopolies (Sep.)	221,021,755	5% Loan (1913)	35,406,548
(April—Aug.)	1,059,855,686	Blair Loan (1922)	34,629,222
Customs (September)	161,968,220	Administration Expenses	376,371,935
(April—Aug.)	685,377,800	Current a/c. (Min. of Finance)	2,207,833,428
Stamps & Duties (Sep.)	85,020,958	Sundry a/cs. & Cash in Hand	27,854,631
" (April—Aug.)	465,851,345		
	2,682,095,764		2,682,095,764

THE NATIONAL BANK OF THE S.H.S KINGDOM.

Belgrade, December 15, 1926.

ASSETS.		
Cash—		
Gold	85,712,122 —	
Silver	17,513,342 —	
Foreign Bank Notes	543,686 —	
At Call in Foreign Countries	329,548,445 —	433,317,595 —
Portfolio Bills	1,155,815,130 —	
Advances on Securities	249,421,036 —	1,405,236,166 —
Account of the Conversion of Crown Bank Notes		1,150,923,315 —
Account of the Prov. Exchange Advances to the State—		332,626,555 —
Treasury Bonds discounted for Budgetary purposes	966,355,034 —	
Extraordinary advances guaranteed by Treasury Bonds	2,000,000,000 —	2,966,355,034 —
State Domains—		
For cover of Bank notes issued for conversion of Crown notes	2,138,377,163 —	
Sundries	680,895,374 —	
		9,107,731,202 —

LIABILITIES.

Capital dinars 50,000,000 in gold of which paid up	30,000,000 —
Legal Reserve	8,032,698 —
Bank Notes in Circulation	5,727,727,860 —
Account of the Prov. Exchange Government's Accounts—	332,626,555 —
Sundry Accounts	146,272,283 —
Sundry Obligations—	
Current Accounts	425,460,738.51
Special Accounts	216,178,034.67
	641,638,773 —
Account of the State Domains	2,138,377,163 —
Agio for the purchases of gold for Capital and Funds	83,055,870 —
Sundry Accounts	
	9,107,731,202 —

Under the heading "Cash" a gold dinar is reckoned as a dinar an English pound as 25 dinars, a dollar as 5 dinars, an Italian lira as one dinar, a Swiss or French franc as a dinar, a coined silver dinar as one dinar, etc.

Discount rate: 6 per cent. Loans on securities: 8 per cent.

OTTOMAN LOANS SECURED ON THE EGYPTIAN TRIBUTE.

Messrs. N. M. Rothschild and Sons have to announce that in the application made to the Chancery Division of the High Court of Justice in London regarding the disposal of the sums awarded by the Mixed Court of Appeal in Egypt representing interest on overdue instalments for the service of the Ottoman Four per Cent. 1891 and Three and a Half per Cent. 1894 Loans, the Court declared that the amount received should be applied in payment of

the costs, charges, expenses, and liabilities paid and incurred in connexion with the actions in the Egyptian Courts and the proceedings in this country.

The costs, charges, expenses, and liabilities so incurred have now been duly allowed and certified by the Court. The certified amount is in excess of the sums received; there is consequently no balance remaining to be dealt with.

NEWS FROM ALL SOURCES.

The latest forecast of the Indian cotton crop gives an estimated yield of 5,000,000 bales.

An order has been placed by the Burmah Oil Company with a Sunderland firm for an oil tanker.

The Chartered Bank of India, Australia and China announce that an agency will shortly be opened at Kuala Kangsar (Perak).

A Reuter message states that blocks of ice have begun to form on the Danube. Navigation is being continued, with precautions, as far as Braila.

It is estimated that the maize crop in Roumania this year will yield 5,165,715 tons, which would represent an increase of 1,006,570 tons on the 1925 crop.

Mr. J. Y. Munro has retired after 41 years' service with the National Bank of India, and Mr. W. J. K. Hegarty has been appointed London Manager in his place.

The Egyptian State Railways have placed an order with Gwilym Owen and Co. for the supply of 50,000 tons of Welsh locomotive coal for delivery during February, March and April.

Messrs. Hick, Hargreaves and Co., Ltd., of Bolton, have received a contract for five plants, each capable of dealing with 56,000 lb. of water per hour for the Anglo-Persian Oil Company, for power stations in Persia.

Miniature cord tyres to fit two-inch and three-inch wheels are now being made at Fort Dunlop as part of the equipment of Meccano motor-cars for boys. They cost fourpence and sixpence each.

The traffic receipts of the Egyptian Delta Light Railways for the ten days ended December 10, amounted to £E10,288 making the total from April 1 £E232,049. The figures for the corresponding periods of 1925 were: £E13,559 and £E240,738.

Orders have been received by the Sentinel Waggon Works, Shrewsbury, for their "Sentinel" locomotives for the Orki Division P.W.D., India, and for the Upper Chenat Canal irrigation works, India, and for three double-articulated coaches for the Great Indian Peninsula Railway.

A recently issued Roumanian Customs Circular revokes previous Circulars regarding the tariff classification of waterproof cloth on importation into Roumania. Textile stuffs, threads, bands and ribbons of all kinds of textile materials, except silk, covered on one surface with a thick layer of rubber so that neither the design nor the fabric on which it is applied can be seen, or such articles made of two materials with an intermediate layer of rubber, are to be assessed for duty under Tariff No. 460 (a). Materials, bands and ribbons of silk, or containing silk, covered with a thick layer of rubber so that neither the design nor the fabric on which it is applied can be seen, and such articles made of two materials with an intermediate layer of rubber, are to be dutiable under No. 460 (b). If the material of whatever kind is covered with a thin layer of rubber so that the design and the material can be seen on the surface the articles are dutiable at the rate applicable to the textile material of which they are composed.

Shipping Intelligence.

THE TREND OF DESIGN IN MARINE MOTORS.

(Contributed.)

During the last ten years there has been remarkable progress in the evolution of the internal combustion engine, not only in motor car work but also in marine work. That such evolution progressed relatively slowly at first is all to the good and there are few scientific productions of industrial value which have so rapidly secured the confidence of the commercial world.

The trend of design in marine motor engines for 1927 will be on the same sound lines: the indications offer nothing revolutionary, but rather steady progression towards the ideals of simplicity, efficiency and above all light weight-to-power ratio. The weight-to-power ratio is of foremost importance to users, inasmuch as it strikes at the root of the two great problems of the boat owner—to obtain the maximum speed and at the same time to make as much as possible of the limited space available in his craft.

Much good work on these lines is gradually becoming apparent and 1927 will see the product of advanced design which makes possible motors capable of heavy duty performance and yet of very reasonable weight and small dimensions. In detail it will be found that such engines will obtain the maximum stiffness of construction by the use of block castings which comprise both the crankcase and the cylinders. There will also be increases in the scantlings of the crankshaft to meet the higher working stresses, while in all but the smallest engines not less than three crankshaft bearings will be used.

Such engines will probably run at considerably higher revolutions than have hitherto been associated with heavy duty motors, the conflicting desiderata of high revolutions for the engine and low revolutions for the propeller being cared for by the use of reduction gears.

The increase in the use of these reduction gears during 1926 has confirmed in a very definite manner the tendencies foreshadowed for that year, the designs of the leading makers, such as Messrs. Thornycroft and Co., Ltd., and the Ailsa Craig Motor Co., Ltd., having proved their efficiency in all classes of heavy commercial, fishing, and trawling work.

There has again been a steady increase in popular favour of overhead valve motors, a preference to be expected, following the demand for higher efficiency. To

the motor car must be ascribed the distinct tendency towards six cylinder engines for marine work; there is no doubt that in the larger sizes the six cylinder is rapidly replacing the four cylinder where the utmost luxury and smooth running are desired. For the same reason two cylinder motors are losing favour and even in small sizes they are being ousted by four cylinder models.

Improved designs of paraffin vaporisers will be found leading to greater flexibility and a more economical use of fuel: the best of such vaporisers will enable engines to run for long periods on half throttle or even slower without any adverse effects. As to general appearance, it will be found that greater attention will be paid to pleasing and graceful lines and that exterior gadgets are being eliminated, thus making the engine not only more compact but also more easy to keep clean.

FORTHCOMING SAILINGS.

The following are the sailings for the Near East and India, the ports of departure and closing dates for cargo being given in parentheses:—

Anchor Line.—S.s. Castalia for Bombay (Birkenhead, January 8). (For passenger sailings and dates see advertisement.)

Anchor Brocklebank Line.—S.s. Mahratta for Port Said, Colombo, Madras, and Calcutta (London, January 8).

Bibby Line.—S.s. Yorkshire for Port Said, Colombo, and Rangoon (Birkenhead, January 12).

British India Line.—S.s. Manora for Colombo, Madras, and Calcutta (London, January 15); s.s. Dumana for Bombay and Karachi (London, January 22).

Cunard Line.—S.s. Phrygia for Gibraltar, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Venice, Trieste, and Fiume, also Corfu, Gruz, and Ancona if inducement (Liverpool January 22, Swansea January 25); s.s. Brescia for Gibraltar, Malta, Patras, Piræus, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza, also Algiers and Volo if inducement offers (Glasgow, Swansea, and Liverpool, January 29).

Johnston Line.—S.s. Aviemore for Piræus, Volo, Salonika, Bourgas, Varna, and Constantza (Liverpool, January 12); s.s. Quernmore for Piræus, Volo, Salonika, Smyrna, Constantinople, Bourgas, Varna, Constantza, Sulina, Galatz, and Braila (first steamer of the season for the Danube) (Liverpool, February 5).

P. and O. Line.—S.s. Rajputana for Bombay (London, January 14; s.s. Nagoya for Colombo, Madras, and Calcutta (London, January 22).

Prince Line.—S.s. Egyptian Prince for Tunis, Malta, Alexandria, Jaffa, Haifa, Beyrout, and Cyprus (Manchester, January 11); s.s. Sicilian Prince for Tunis, Malta, Alexandria, Jaffa, Haifa, Beyrout, and Cyprus (Manchester, January 25).

Ellerman and Papayanni Lines.—S.s. Grodno for Gibraltar, Genoa, Leghorn, Naples, Palermo, Messina, Catani, Bari, Gravosa, Ancona*, Venice, Trieste, and Fiume (Liverpool January 8, Swansea January 11); s.s. Mardinian for Malta, Alexandria, Jaffa*, and Haifa* (Liverpool, January 12); s.s. Dido for Gibraltar, Malta, Alexandria, Jaffa*, and Haifa* (Liverpool, January 10); s.s. Bavarian for Algiers, Malta, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, and Varna (Liverpool January 22, Swansea January 22); s.s. Gerano for Gibraltar, Malta, Patras, Smyrna, and Constantinople (Liverpool, February 12). * Subject to sufficient inducement. Transshipments.—Algerian ports via Algiers; Moroccan ports via Gibraltar; Tripoli (Barbary) via Malta; Syria and Cyprus via Alexandria; Greek outports via Piræus or other convenient port; Fiume via Trieste.

On instructions from Cairo, the Egyptian Legation in London has refused to visa the passport of Mr. Shapurji Saklatvala, M.P., after he had obtained the British endorsement to visit Egypt. He wrote protesting, and the Legation have replied that their action is in accordance with regulations. Mr. Saklatvala sailed last week by the P. and O. steamer Rajmak for India via Marseilles. His idea is to spend a few weeks in Egypt on his way back from India next March. He has circularised members of Parliament asking them to raise the question of this refusal of passport in the House of Commons.

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THE WEEK'S FINANCE.

(By Our Financial Expert.)

London, January 4.

Though few will bemoan the passing of 1926, brokers and jobbers, and investors too, have much to be thankful for. Business turnover, except in special sections, has been restricted throughout a great part of the year, but the comparative firmness of prices has been remarkable in view of the troubles of a harassing period. Now we pass the threshold of a new year into the atmosphere of renewed optimism which customarily characterises this season, and experts are inclined to expect a period of brighter markets. There is, however, a disposition to call attention to two or three sobering factors. One is that industrial shares in many cases are higher than before the coal dispute began, and that when the bad results of 1926 come to be published any renewed optimism may be nipped in the bud. Another is that before many weeks are over the fear of increased taxation in the Budget will begin to exert a restraining influence.

Of recent events the issue of the prospectus of a British Government 4 per cent. loan at 85 is of course the outstanding point. On the whole its reception has been favourable, and, as soon as the terms were known, existing British Government stocks improved in quotation. The ingenious, and rather novel sinking fund arrangements in connexion with the new loan, which is, of course, purely for conversion purposes, are regarded as sufficiently attractive to ensure a good response. A further point in favour of the immediate market outlook is the rather confident expectation that Bank Rate, which has stood at 5 per cent. for over a year, will shortly be reduced.

Home Railway Dividend Prospects.

The weekly traffic returns of the four great British railway companies afford all the information we shall get as to the operations of the companies during the past year until the annual reports are published towards the end of February. These traffic returns show a decline in the gross receipts of the four companies of £27½ mil-

lions, or 15 per cent., as compared with 1925, and although a partial offset to this has been secured by the reductions in staff which followed the general strike, there can be no doubt that net revenue will show a very heavy decline. The rates of dividend which will be declared next month on the ordinary stocks will therefore depend on the extent to which the directors are prepared to make further withdrawals from reserves. In the last balance sheets the general reserves amounted to £22½ millions and the railway depreciation funds to £57 millions. The four companies withdrew £6½ millions a year ago in order to pay dividends, but unless a much larger amount is taken this time the rates of dividend cannot be maintained. The rates paid for 1925 were: London, Midland and Scottish ordinary, 6 per cent.; Great Western ordinary, 7 per cent.; London and North Eastern Deferred, 1 per cent.; Southern Deferred, 3½ per cent. At midsummer the interim dividends on London Midland and Scottish and Great Western ordinary stocks were reduced from 5 and 5½ per cent. respectively to 3 per cent. per annum. The Southern paid the full rate on its preferred ordinary stock, but the North Eastern paid nothing on the preferred, consideration of the matter being deferred until the full year's results had been ascertained. In 1925 the latter company failed to earn its preference and guaranteed stock dividends by £1½ millions, and as gross receipts have fallen by nearly £10 millions, the chances of any distribution on the deferred stock for 1926 are not promising. The Southern, on the other hand, shows a comparatively small decline in receipts—less than £2 millions—and as only £200,000 was withdrawn from reserves a year ago to pay 3½ per cent. on the deferred stock the cut in the dividend, if any, is not likely to be large.

While the immediate outlook for the junior stocks is rather gloomy, more distant prospects are more promising, in view of the coming into force of the rates provisions of the Railways Acts, which should enable the companies to secure something approaching the standard revenues fixed by the Railway Rates Tribunal, partly by judicious manipulation of rates and partly by economies resulting from a permanent reduction in staffs and from the improvement in organisation arising from the amalgamations, which is only now beginning to show its full effect.

A Shipping Investment.

There are some who are decidedly optimistic regarding the shipping outlook for the New Year, so that investors may be tempted to take an interest in shipping shares. On several occasions, it will be recalled, we have sounded a note of caution in this connexion and we must repeat that the prospect is still by no means re-assuring. Nevertheless, if the investor desires a good shipping share which, though at present giving a comparatively modest return, has reasonable prospects of early benefits from an improvement in the shipping industry, he should consider the ordinary shares of Furness, Withy and Co.

The company occupies a position of exceptional strength. It has an excellent profit and dividend record, even during the recent years of very severe depression. Thus profits have been as follows: 1920-21, £782,944; 1921-22, £655,207; 1922-23, £552,511; 1923-24, £572,443; 1924-25, £528,742; and 1925-26, £523,044. For 1920-21 to 1921-22, the total distribution to the ordinary shareholders was at the rate of 10 per cent. per annum tax free, and since then the rate has been 7½ per cent. tax free. The balance sheet discloses a very sound position. Of assets totalling £11,460,679, no less than £3,706,616 is accounted for by investments in British and Colonial Government securities, etc. The revenue from these investments alone is practically sufficient to maintain the 7½ per cent. tax free distribution. Moreover, steamships, investments, etc., are very conservatively valued at £4,781,465. At present the ordinary shares give a return of approximately £4 8s. per cent. tax free, while the 5 per cent. cumulative preference shares, in denominations of £10 each, and yielding £5 12s. per cent., are not without attractions.

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THE DRIED FRUIT MARKET IN 1926.

Messrs. J. C. Houghton and Co., of Liverpool, have issued a comprehensive review of the dried fruit trade in 1926, from which we take the following:—

The period under review embraced, unfortunately, two outstanding events, the consequences arising therefrom having influenced enormously the course of business and crippled the purchasing power of the public. We refer in the first place to the general strike, of extreme severity but of comparatively short duration, thanks in a great measure to the commonsense of the vast majority of the general public who wholeheartedly supported the Government in its endeavour to grapple with the situation in a very efficient manner. Certainly while it lasted the general strike caused the utmost interference with trade. The second event, the coal strike, although less serious in itself, was in the long run of greater importance on account of its long drawn out character and disastrous and cumulative far-reaching consequences.

Currants.

S.s. Esneh, with about 600 tons, inaugurated the new season on September 17, followed by Lesbian on the 29th, and considering the adverse economic conditions under which we were working, a fair demand was experienced, buyers recognising that the usual activity associated with the opening of the Christmas trade would not be possible this year. Quality, colour, and condition were good, Pyrgos opening 32s. 6d., Amalias 33s. 6d., Patras 35s. to 36s., Gulf 37s. Prices eased slightly as the month progressed, showing about 1s. per cwt. decline. During October we were well catered for, Phrygia, Cypria, Andalusian, Roumelian and Karnak bringing a good selection. The firmness of the Greek market had a stimulating effect on holders, and helped to counteract the paralysing effect of the coal strike and its influence on trade generally. Values remained stationary, although progress was difficult in the medium grades. A few parcels of Vostizza showing outstanding merit realised 60s., and some particularly attractive parcels of Gulf sold at 50s.

The improved position in Greece developed strength during November, the main influence contributing to the rise being the confirmation of the estimates of a considerable shrinkage in the harvest, in comparison with the 1925 crop.

In December the outstanding feature has been the continued strength of the Greek market, rising daily. Latest cables quote for shipment at prices equivalent to 38s. for Pyrgos, and the year closes with very little offering under that figure. Closing values:—Pyrgos and Amalias 36s. 6d. to 37s. 6d.; Patras 37s. 6d. to 38s.; Zante 37s. 6d.; Gulf and Panariti 40s. to 50s.; Vostizza 40s. to 60s.

Sultanas.

The early satisfactory reports of the growing Smyrna crop estimated the yield as high as 45,000 tons, good average quality being offered at 43s. c.i.f. for shipment, and holders exhibited a general desire to realize the small remaining stock on spot, so that 60s. to 66s. was accepted for good qualities. Upon arrival of Gerano and Esneh with the first of the 1926 crop prices of Smyrna and Cretan were, for a short period, inclined to ease, but advices from Smyrna restored confidence, and with the knowledge spreading that the harvest was proving considerably below early estimates (latest figures giving the crop as not exceeding 33,000 tons) prices quickly bounded forward, and as there was a strong and active demand supplies were quickly absorbed, realizing 60s. to 63s. for ordinary qualities, 64s. to 70s. for fair to good, and up to 82s. for fine.

October witnessed active trading, and prices forged ahead. Compared with October, there was a big falling off in the amount of business done during November, but the steadiness of the Smyrna market, and the reports that the remaining stock in Smyrna had dwindled to below 10,000 tons owing to Continental purchases, kept prices firm. The year closes with an exceptionally firm

tone in sympathy with strong advices from Smyrna, to the effect that the crop is practically finished, very little fruit now remaining for export.

Greek.—First shipments per Phrygia and Cypria came to hand early in October, and were well competed for at 69s. to 75s., up to 85s. being made for coloury lots. As the season advanced and supplies became more plentiful, easier prices had to be accepted for the lower grades, sales ranging from 64s. to 88s.

Figs.

Business in new crop Naturals, Bags 25s. c.i.f., Genuine 27s. 6d. to 30s. c.i.f., September shipment, took place as early as June, and late in July further sales were done at 26s. 6d. and 27s. c.i.f., for September shipment. Genuines were persistently offered for sales during August as low as 23s. c.i.f. September. The opening of the season by the arrival of Esneh and Gerano was on the whole disappointing, quantity being altogether in excess of demand. Large boxes were most in request at 60s. to 75s., small boxes being difficult of sale at 70s. to 80s. Locoums sold at 100s. to 105s., Pulled 42s. 6d. to 47s. 6d. Trade in Bag Figs was anything but brisk as fair quantities had been sold to arrive, which filled buyers' requirements for the time being. Sales of Primas were made at 28s., and of Genuine at 35s.

October saw more activity, large boxes being particularly active at 58s. to 75s., small boxes selling more slowly at 70s. to 80s.; Locoums 90s. to 102s. 6d., Pulled 42s. 6d. to 47s. 6d. Bags had a dragging sale, good averages 28s. to 31s., Genuine 33s. to 35s., while towards the end of the season skeleton cases were in active request large boxes selling at 66s. to 80s., small boxes 75s. to 85s. Packets 72s. 6d. to 75s., Pulled 40s. to 47s. 6d. Naturals continued slow, genuine 33s. to 34s., good average 30s. to 31s. Stocks of cases are practically exhausted, with the exception of small consignments ex Destro and Karnak, which arrived on the eve of Christmas.

A contract has been obtained by Messrs. Ransomes and Rapier, Ltd., Ipswich, for petrol electric mobile cranes for the R.A.F. depot, Aboukir, Egypt.

Among the subjects to be discussed at the International Cotton Congress in Cairo next month are the proposed reduction of the area under cotton in Egypt, excessive damp in Egyptian cotton, and the presence in it of foreign matter.

The traffic receipts of the South Indian Railway Company for the week ended December 4 amounted to Rs.9,66,462, making the total from April 1 Rs.3,52,60,697. For the corresponding periods of the previous year the figures were Rs.9,52,838 and Rs.3,57,59,422.

A contract has been obtained by Messrs. Braithwaite and Co., Ltd., of West Bromwich and Newport (Mon.), for the supply of a new bridge of six 165 ft. through spans and four 40 ft. approach spans to replace the recently destroyed bridge carrying the Bombay-Calcutta section of the Great Indian Peninsula Railway over the Nerbudda River at Jubbulpore. Orders have also been received by this firm for pressed steel flooring for the Bombay Port Trust, and for jetties and dolphins at Abadan for the Anglo-Persian Oil Company.

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Company Meeting.

DIALA COTTON PLANTATIONS.

Agreement with the Iraq Government.

The ordinary general meeting of the Diala Cotton Plantations, Ltd., was held on December 30 at Winchester House, E.C., Sir Edward Manville (the Chairman) presiding.

The Chairman dealt at length with the proposals outlined in the Board's circular of December 22 for the settlement of all matters outstanding between the Government of Iraq and the company. He recalled that at the extra-ordinary general meeting of March 31 last he had had to disclose a most unsatisfactory state of affairs and to inform the shareholders that it was extremely doubtful whether they could rely on an adequate supply of water for the cultivation of their cotton, notwithstanding the guarantee contained in the concession. The result of that meeting was that, at the request of the Board, a small committee of shareholders was nominated to assist in deciding upon the course to be adopted. Unfortunately, the members of that committee found themselves unable to spare the time to act, and ultimately the Board approached Colonel Stanley, a director of Eastern Irrigations, Ltd., who had great experience concerning land and a knowledge of Iraq, and he volunteered to proceed to Iraq and get in touch with the Government there. In Baghdad he had protracted negotiations with the Government's representatives. Colonel Stanley had to remember that the position was very complicated. Abandoning the concession and putting the company into liquidation would not only mean the irretrievable loss of a great part of the shareholders' money, but claims might be made by the original concessionaires for compensation; on the other hand, if the company continued to hold the concession it involved a heavy outlay on development work.

The Latifiyah Estate.

Colonel Stanley found the Iraq and British officials most anxious to arrive at an amicable solution of the difficulties, and after examination of three or four alternative proposals it was eventually decided that the Latifiyah project, comprising approximately 60,000 acres of the Latifiyah estate gave greater promise of restoring the fortunes of the company. The Latifiyah estate was on the River Euphrates, and close to Baghdad, and the railway between Baghdad and Basra ran through the property. Perhaps the most important aspect was that there was no question about an adequate supply of water. The estate was of a character which permitted crops of many descriptions to be grown; it was suitable for sale to various classes of cultivators, and, the Board believed, eminently marketable. The transfer from the Government to the company involved the payment by the company of about 5s. per acre, but such land could under existing law be transferred free of cost, although the directors were assured that the price in no way represented its value, which as cultivation proceeded would be greatly enhanced. The directors were the more inclined to recommend the scheme because the capital required was within the capacity of the present financial resources of the company, which would enable them to take steps to wipe out the existing liability of 10s. per share.

Agreement with Eastern Irrigations.

It had been necessary to obtain the concurrence of Eastern Irrigations, Ltd., because the arrangement involved the complete cancellation of the concession under which Eastern Irrigations, Ltd., held their rights; also in order that no claim should be made upon Eastern Irrigations, Ltd., by the original concessionaires, an agreement was necessary between that company and the original concessionaires for compensation to the latter. Further, their own company had a liability for £37,500 to Eastern Irrigations in respect of its holding of 50,000 shares in that company, and if the concession were not cancelled Eastern Irrigations might find it necessary to enforce payment. A provisional agreement had been entered into whereby Eastern Irrigations, Ltd., agreed to the cancellation of the concession and the release of this company from all liability in respect of the 50,000 shares which were to be regarded as cancelled, and by way of compensation Eastern Irrigations would receive 60,000 shares of 10s. each, fully paid, in the reduced capital of the company, of which they would hand over 30,000 to the original concessionaires. If the proposals met with the approval of the share-

holders it was proposed to change the name of the company to Latifiyah (Iraq) Estates, Ltd. In the opinion of the Board the proposals submitted offered the best solution to the present difficulties.

The report and accounts were unanimously adopted, and resolutions were also passed unanimously approving of the agreements proposed to be entered into (a) between the Government of Iraq and Eastern Irrigations, Ltd., and the company, and (b) between Eastern Irrigations, Ltd., and the company.

TENDERS INVITED.

Tenders are invited for the following contracts, and must be made by the dates mentioned.

(Particulars of tenders marked D.O.T. are to be obtained from the Department of Overseas Trade, 35, Old Queen Street. S.W.)

EGYPT.

Galvanised Iron Bolts, Etc.—The General Management, Egyptian State Railways, Telegraphs and Telephones, Cairo Station, invites tenders for the supply of 291,800 bolts galvanised wrought iron (not steel) with nuts and two washers. January 22.

Ropes.—The General Management, Egyptian, State Railways Telegraphs and Telephones, Cairo Station, invites tenders for the supply of 5,000 kilos white hemp rope. January 22.

Scientific and Electrical Apparatus, Etc.—The Principal of the Royal School of Engineering, Giza, invites tenders for the supply of scientific and electrical apparatus and machines for testing of materials. February 5.

Semi-Diesel Engines.—The Controller of Technical Education, Sharia Kasr el Aini, Cairo, invites tenders for the supply of tools required for Luxor and Nag Hamadi Trades Schools. February 12.

Uniform Clothing, Etc.—The Egyptian Customs Administration invites tenders for the supply and delivery of uniform clothing and equipment required for the year 1927-28. January 31. (D.O.T.)

Clothing, Etc.—The Department of Health, Cairo, invites tenders for the supply of clothing, equipment, tents and accessories, hardware, glassware, oils and paints, brushes and brooms, furniture and wooden articles, enamelled goods, copperware, etc., for the year 1927-28. January 20. (D.O.T.)

Dynamo, Etc.—The Director-General, Mechanical Department, P.W.M. Cairo, invites tenders for the supply and erection of a dynamo and one internal combustion engine at the Survey Department, Giza. January 10.

Asphalt.—The Director-General, Tanzim Department, Cairo, invites tenders for the supply of 3,700 tons of solid asphalt required for the year 1927-1928. March 1.

Machine Tools.—The Principal of the Royal School of Engineering, Giza, invites tenders for new high-grade machine tools and small tools. February 5.

Equipment.—The Director of Stores, Public Health Department, Cairo, invites tenders for the supply of equipment, clothing, tents, etc., for the period of one year commencing on April 1, 1927. January 20.

Paper and Stationery.—The Ministry of Finance invites tenders for the supply of paper and stationery and office requisites for the financial year 1927-1928. February 24. (D.O.T.)

Paper and Stationery.—The Controller-General, Administration and Central Stores, Ministry of Finance, Cairo, invites tenders for the supply of paper and stationery required for the Ministry for 1927-1928. February 24.

Drugs.—The Director of Stores, Department of Public Health, Cairo, invites tenders for the supply of drugs required for the period of one year commencing April 1, 1927. January 15.

King Fuad, with his suite, is on a short visit at the Winter Palace Hotel, Luxor.

Eight Indian cadets are to join the Royal Military College on February 1. Three of them have qualified through the Prince of Wales's Royal Military College at Dehra Dun in competition for the scholarships given from the Sir Pertab Singh Memorial Fund. These three cadets are the sons of native officers who served in the 3rd Battalion 10th Baluch. Regiment, the 11th Rajputs, and the 11th Battalion 12th Frontier Force Regiment. The other five are sons respectively of an officer of the Salt Department, a landowner, a Gwalior State Forces official, a Fergusson College professor, and a police superintendent.

Cotton and Cotton Goods.

THE LIVERPOOL COTTON MARKET.

Messrs. Reynolds and Gibson report as follows for the week ended December 29:—

Egyptian Futures.—Sakel Contract.—Owing to the holidays intervening, our market has only been open for four sessions since our last report. During these, although trading has been of a rather light description, a steady tone has been in evidence and prices show moderate gains on the week. No special feature of outstanding importance has developed, except perhaps that there has been a hint of a rather better trade demand, and we believe that in some quarters fair lines of yarns have been sold or are in process of negotiation. Normal markets have been experienced in Alexandria during the past few days, fluctuations approximating closely with the movements at this side, and perhaps to a more marked degree in sympathy with the New York Market. With stocks accumulating rapidly, it will take a very decided revival in the Sakel demand, both from this country and the Continent, to counterbalance the present heavy weight of stocks and the continual augmentation of same that is taking place from week to week. The differences between the current positions and later deliveries have again narrowed slightly, but very little deliveries in our premium over the American contract has taken place.

At the moment, we have no very decided view of the outlook, but, as stated last week, we consider that those who are inclined to long commitments would be well advised to hold off until there are more definite signs of active trade support developing, as, should this latter not come into operation during the next two or three weeks, we think that prices will have to revert to the level witnessed in the earlier days of the present month.

Upper Contract.—This option, without attracting much business, continues to show a hardening tendency, prices since our last report showing gains of 7 to 15 points. The demand for Upper cotton, both in this country and abroad, continues on a steady scale and as, basically, values compare favourably with other varieties, we are rather inclined to the opinion that takings will be well maintained, if not increased, as the season progresses. We still consider that prices will appreciate further and would advise purchases on any recessions.

Egyptian Spot.—During the four days under review business has been distinctly quiet and features of interest have been entirely lacking. Here and there a bright spot has appeared, and a better undertone has become apparent, but it is somewhat difficult to find any reason for it other than the perennial New Year's optimism; nevertheless, prices have shown a hardening tendency. To-day, a good general inquiry has been in evidence, but we doubt if the resulting business will exceed two hundred bales for the whole market.

Sakel, 50 on to 50 off; Uppers, 9½d. to 9½d., and Pilon, 11.00d. to 11½d. have been the quotations chiefly in request. Sudan cotton has been rather neglected. C.i.f. business has been done on a small scale only. Estimated sales 600 bales Egyptian and 500 Sudan. Quotations for both Sakel and Upper show an advance of 20 points since our last report. F.G.F. Sakel to-day 13.95d. F.G.F. Upper to-day 9.70d.

TEXTILES.

IF you are dealing in Textile goods, you will be well advised to try K. JEBARA, 52, Princess Street, Manchester. (Established 1887).

Commercial Bookshelf

"ROUND THE WORLD BY P. AND O."

"THE P. AND O. POCKET BOOK." (London: A. and C. Black. 5s.)

Like the Government or the London policeman, the P. and O. is a British institution. Neither the Company nor the public can get away from the fact, and in keeping with those other two institutions it goes on its way strongly and confidently, human enough to be pleased with all the praise that comes to it, and prepared to sift the straw from the chaff of any blame received. Times have changed since the day when in a British community abroad the local uncrowned king or Bombastes Furioso of the comic stage could "bring down the house" by the claim to be "the only man who had ever had a civil answer from the P. and O." Efficiency remains as the Company's watchword, but it is less unbending and far less silent than it used to be. Witness "Blue Peter" and the Pocket Book. The latter, now in its fourth issue, not only tells the story of the P. and O., but is an admirable *vade-mecum* for the traveller as he passes on his circuit round the world. In a series of chapters by well-known authorities the story of different countries touched by the Company's liners is told—Egypt, India, Ceylon, China, Japan, East Africa, Australia, and New Zealand, as well as the Suez and Panama Canals. This is not the conventional guide-book, by any means; there is the happy personal touch which will enable the reader to forget that he is a tourist and for the time being make him feel at home in each country. Here is Shanghai: "Shanghai is a very notable city and has great belief in itself. . . . Shanghai is ruled by a model municipality of which it is very proud. The Shanghai Club at noon is a bewildering combination of commercial transactions and mixed drinks. . . . Shanghai shooting parties welcome strangers, and Shanghai game pie is famous." But the things that count, the things to be seen also find mention in this little book, all well told, attractively enough to make the Pocket Book worth reading at home in an armchair, usefully enough to make the Pocket Book indispensable on an actual tour.

At the end of the Book is an excellent Descriptive Gazetteer; there are 16 page illustrations in colour, 36 maps and plans, and four plates of flags. The whole costs five shillings, and is well worth buying, reading and keeping.

INDIAN PROVINCIAL FINANCE.

"THE EVOLUTION OF PROVINCIAL FINANCE IN BRITISH INDIA." By B. R. Ambedkar. (London: P. S. King and Co. 15s.)

The Indian author of this book traces (with occasional excursions, more or less relevant, into politics) the growth of Indian Provincial finance from its earliest beginnings to its modern importance. He claims that he is the first to produce an authoritative study of his subject, no comprehensive survey of which has hitherto existed—to quote his own explanation of the difficulties that beset a seeker in such a case, "Often there is the apprehension of some error having crept in and, when there is hardly anyone to save the student from it, there is nothing but to smart under a sense of irritating affliction."

After the Mutiny of 1857, the question was debated whether Indian finance should be imperial or federal; and this was—wrongly, as the author holds—decided in favour of the former. The position has altered, by successive stages, until that decision was finally reversed on the introduction of the Reforms. Originally, the Central Government collected the revenues and furnished the Provinces with fixed assignments of money; next, it caused the Provinces to collect their own revenue, but to remit the money to the Central Government, which gave them back what it could spare; next, certain revenues were shared between the Central and Provincial Governments; and finally certain revenues were assigned to the Pro-

vinces, who paid a fixed contribution, out of their receipts from them, to the Central Government. The advantages and disadvantages of the various methods are very fairly stated: it is, however, not easy to agree with the author's political ideas put forward in the course of his financial arguments. He says, for instance, that much larger amounts ought to be obtained from land revenue and customs: explaining that the Indian demand, in opposition to the former, for the extension of the Permanent Settlement at present obtaining in Bengal (in the existence of which he finds the cause of the financial difficulties of that Province) "was derived from the motive of putting a limit on the financial resources of an alien and irresponsible bureaucracy"; while, in regard to customs, he writes, "Everybody knows that the customs revenue is not raised in India because it is feared that under it Indian industries would be protected against English industries. That the whole policy of India has been dictated by the interests of English manufacturers is beyond dispute."

The visit of the British Fleet to Phaleron, which is announced for January 13, has caused very great satisfaction in Athens, says the *Morning Post*, alike in Greek and British circles. It is two years and a half since, at the end of June, 1924, the British Fleet last visited Phaleron. Great preparations are being made already for the reception of the Fleet and for the entertainment of the officers and men.

Colonel Henry Arthur Peyton Lindsay died on December 30, at Western Underwood, Olney, Bucks, at the age of 58. He entered the West India Regiment in 1887, and later transferred to the Indian Army. His first war experience was in the protracted North-West Frontier operations of 1897-8. In the Great War he was with the Indian contingent in France and Belgium, and at the close of 1915 was transferred to Iraq as A.D.S. of the 7th Meerut Division, and later Deputy Director of Supplies and Transport to the 1st Indian Army Corps. He also went through the Afghanistan and Frontier campaign of 1919, and was in the subsequent Waziristan operations, being again mentioned in dispatches and made C.S.I. He retired in 1924.

The death occurred at Tel Aviv on January 2 of Mr. Asher Ginzberg ("Achad Ha'am"). He was one of the most creative intelligences in the modern Zionist movement, says *The Times*. This in its earlier form was exclusively a political device for raising the status of Jews throughout the world, but Mr. Ginzberg gradually transferred its centre of interest towards the conception of a Jewish nucleus in Palestine, where, undistracted by Gentile rivalries and beguilements, the Jews might create a purely Hebrew centre and civilisation based on the Hebrew language and Hebrew literature, art, and science. Such a centre would serve as an inspiration for Jews elsewhere by forming a cultural rallying-point as a preservative against the disintegrating consequences of assimilation. Mr. Ginzberg was born in 1856, near Kieff, and lived in England from 1906 till 1921. He was with Dr. Chaim Weizmann primarily responsible for the activities which culminated in the issue of the Balfour Declaration in 1917. Mr. Ginzberg had resided in Palestine since 1921. He had a deserved reputation as a Hebrew writer and thinker and exerted a profound influence on his generation. A few of his writing have been translated into English by Mr. Leon Simon.

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COMPANY NOTES AND REPORTS.

NATIONAL BANK OF EGYPT.

Position at October 31, 1926, published in conformity with Article 8 of the Statutes. Banking Department, Liabilities: share capital (300,000 fully paid shares of £10 each), £E2,925,000; Reserve Fund: statutory reserve, £E1,462,500; special reserve, £E1,023,750; current, deposit and other accounts, £E13,247,051; Egyptian Government, £E19,553,712; Sudan Government, £E305,136; Mixed Tribunals, £E1,561,898; bankers' accounts, £E388,002; cheques and bills payable, £E193,711; sundry other accounts, £E1,127,733; £E41,788,493. Assets: Government securities and securities guaranteed by the Egyptian Government, £E26,504,811; sundry securities, £E358,485; advances on merchandise, £E997,197; advances on securities, £E2,986,364; advances otherwise secured, £685,935; sundry other advances, £E743,121; bills of exchange, £E2,246,203; local bills discounted; £E379,531; buildings and furniture, £133,796; money at call and at short notice, £E867,750; bankers' accounts, £E3,231,410; sundry other accounts, £E388,255. Cash: notes, £E1,703,595; gold, £E171,898; silver, nickel, etc., £E390,142, £E2,265,635, £E41,788,493. Issue Department: notes issued, £E29,100,000, £E29,100,000; gold, £E3,339,576; *British Treasury Bills, £E11,210,424, £E14,550,000; Securities: Egyptian Government securities and securities guaranteed by Egyptian Government, £1,356,092; British Treasury Bills and National War Bonds, £E13,193,908, £E14,550,000, £E29,100,000.

* By authority of the Egyptian Government these Treasury Bills are deposited in lieu of gold. (See *Journal Officiel* of October 30, 1926.)

OVERSEAS AGENTS FOR THE SALE OF "THE NEAR EAST AND INDIA."

EGYPT.

Alexandria: M. Nacamulli and Co., 12, Rue Sesostri.

Cairo: M. Avatis, 1, Faggala.

Express Book and Stationery Store, P.O. Box 1113;

Port Said: English Agency, P.O. Box 240.

SUDAN.

Port Sudan: The Egyptian Library, Post Office Box No. 44.

PALESTINE.

Jerusalem: B. Y. and W. A. Said, 23-24, Jaffa Road.

SYRIA.

Beyrout: Sarrafian Bros.

IRAQ.

Basrah: Utam Jashan and Co., Bridge Street, Ashar.

INDIA.

Calcutta: Talbots, Ltd., Lyons Court.

Karachi: Standard Bookstall, Elphinstone Street, Karachi.

BULGARIA.

Sofia: Librairie Francaise et Etrangere, 4a, Bvd. Tsar Ostvoboditel.

CYPRUS.

Nicosia: Dick Soultanian, P.O. Box 6.

GREECE.

Athens: "Eleftheroudakis," Librairie Internationale, Place de la Constitution.
Messageries de Journaux and Publications Etrangeres,
24, Rue du Stade.

ROUMANIA.

Bucharest: Librairie Universala, 37, Calca Victoriei.

TURKEY.

Constantinople: H. D. Marianopoulos, Librairie Mondaine, 280, Grande Rue de Pera.

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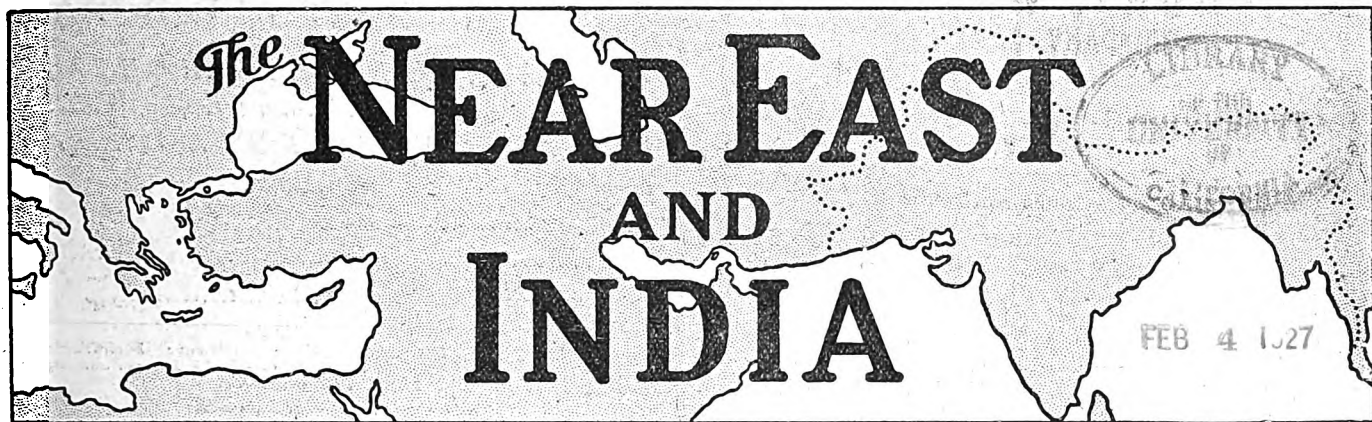
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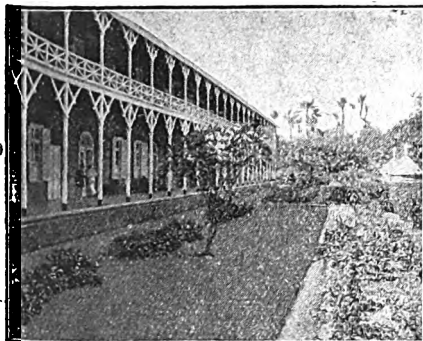
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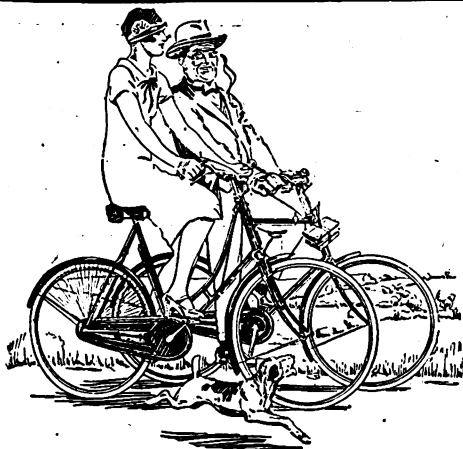
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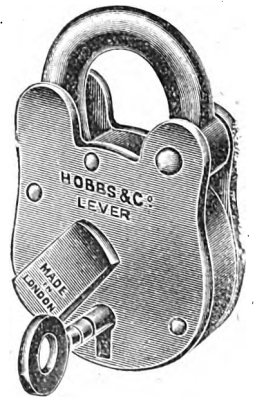
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No. 817.—VOL. XXXI.

THURSDAY, JANUARY 13, 1927.

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NOTES OF THE WEEK.

NEAR AND MIDDLE EAST.

Negotiations with Sultan Ibn Saoud.

The interruption in the negotiations between the British representative in the Hijaz and Sultan Ibn Saoud which have been held on the route to Madina would seem to have given rise in the Hijaz itself to the belief that there had been a set-back in the friendly relationship that has long existed between the Sultan and Great Britain and was confirmed a year ago by the treaties of Bahra and Hadda. This is an entirely mistaken view and one that could only arise from a failure to appreciate the object of Mr. Jordan's visit to Sultan Ibn Saoud. Over a period now exceeding a dozen years more or less close touch has been maintained between the British Government and the Sultan of Najd—a treaty was signed in 1915—and in the opinion of the latter some of the arrangements reached in the past are now out of date and may be found on investigation to call for revision or cancellation. At the time of Sir Gilbert Clayton's visit to him Sultan Ibn Saoud expressed the hope that, after the conclusion of those negotiations, an opportunity would occur for examining the former agreements, and other points of common interest to the Hijaz and Great Britain. Accordingly, as our Jidda Correspondent announced in a letter published in our issue of December 16, Mr. Jordan, British Consul at Jidda, left by car on November 22 for Abyar Ibn Hasani, a group of wells half-way between Rabigh and Madina, in order to meet the King of the Hijaz. There would be nothing improbable in the supposition that in the course of negotiations fresh subjects, outside the questions originally set down for discussion, had been raised by Sultan Ibn Saoud. In these circumstances it would be natural for the British representative to ask for further instructions from his Government, and Mr. Jordan has returned to London to report on the negotiations. Ex-

pectations in the Hijaz, it may be inferred, had been pitched too high, if any pessimistic deductions have been drawn from the interruption of the negotiations. Sultan Ibn Saoud himself appears to have been under no misapprehension on the subject, to judge from the course of events; but in these matters he is, no doubt, in advance of his Hijazis. If, as our Correspondent is informed, he finds the ground that he wishes to cover so varied that it is better to submit his views in writing, he will not have been surprised that the British Government should require time to consider them.

Asir and Yaman.

Outside Arabia there would not be much chance for the success of a military expedition announced so confidently beforehand as that which our Jidda Correspondent states is being prepared by the Idrisi of Asir against the Yaman. The encroachments of the Imam Yahya both to the north and to the south have long been a factor in the politics of South-West Arabia, and it will not be a matter for surprise, if the Idrisi should aspire to recapture some of the territory taken from him. Hitherto he has not felt equal to the task, as the Yamani are formidable opponents in their own sphere. The change in the Idrisi's fortunes is attributed to the potentialities of oil in the Farsan Islands, which lie off the Asir coast opposite Jizan. Whether the story is quite so romantic as that which has reached Jidda is another matter. As in many other parts of the world likely sources of petroleum are being eagerly sought out. Even the richest are not easily come by, and, as is well known, a very considerable fortune had been spent in Persia and failure recorded before the Anglo-Persian oil-fields were established. Oil is found on the Egyptian coast of the Red Sea, and it is natural that other parts of the Red Sea littoral should also be explored for oil. Attention has been paid to the Farsan Islands, which by a treaty of 1917 between Asir and Great Britain were recognised as belonging to the former, and the first of the oil-prospectors in the field was a syndicate which secured a concession over the islands from the Idrisi. As is usual

in such cases the concession carried with it the obligation of payments; when the syndicate failed to make the second instalment on the specified date, the Idrisi held that the concession had lapsed and proceeded to hand it over to the representatives of the Anglo-Saxon Petroleum Company. The new concessionaires have not only been punctual in their payments, but have also lost no time in proceeding to test the oil-bearing potentialities of the Farsan Islands. Things do not seem to have moved quite so rapidly as is reported in Jidda, but boring operations have begun. In the meantime the Idrisi is credited with having spent his windfall in the purchasing of munitions and with contemplating an offensive against the Yamani. This development is, naturally, his own affair, and, if it should add to the romance of oil, it can hardly be charged to the curse which is supposed in some quarters to attend that commodity.

The Situation in Yugoslavia.

The incidence of the Christmas Holidays—under the rites of the Orthodox Church—has given M. Ouzounovitch, Prime Minister of Yugoslavia, breathing space in his arduous task of Cabinet-building, or rather of the creation of a Government majority in the Skupshtina. Almost immediately the names of the new Ministers were announced, two of them—members of the Radical Party—resigned, in accordance, no doubt, with the wish or dictation of the section in the party that is challenging M. Ouzounovitch's inheritance—whether carefully sought or unwillingly accepted is not clear—of M. Pashitch's mantle. King Alexander refused to accept the resignations, and the holiday season intervened to allow the harassed Prime Minister to carry on his work with less publicity. One development is likely to attract more attention within Yugoslavia than outside. The *Obzana*, or special regulation issued in December 1924 under the Defence of the Realm Act proscribing the Croat Peasant Party, decreeing its dissolution, prohibiting its meetings and confiscating its archives, publications and correspondence, has been formally repealed. It will be news to many people abroad that this Order in Council should still have remained nominally in force, even after the Raditch Party was represented in the Cabinet; and the Croat Ministers cannot be regarded as guilty of political blackmail if at last they insisted on the removal from the Statute Book of an Order, which at the time of its promulgation carried little conviction in regard to the proofs of the Party's guilt carefully set forth in attempted justification of the measure. In all the circumstances the best that M. Ouzounovitch can hope to attain is to carry

on by hook or by crook with the present Skupshtina until the spring, when in all probability a fresh attempt will have to be made to find a majority in Parliament for a party or parties with a clearly defined policy bearing some relation to the more pressing needs of the country.

The Balkans for the Balkan Peoples.

The *Matin* has published a highly sensational statement regarding the part alleged to have been played by the British Government in the events that led up to the signature of the Italo-Albanian Treaty. In order that the statement should attain its full effect, it is necessary to read an *arrière pensée* into the Tirana Agreement. If that document should prove to be merely a mild echo of Locarno, in spite of Italy's anxiety to go bail for the present Albanian régime for the next five years, any encouragement given to Signor Mussolini to spread around friendly relations does not appear to be a very serious crime. The *Matin* statement bears on the face of it a laboured attempt to say what France thinks of Italy and to give an air of verisimilitude to the reports that have undoubtedly found credence in Albania, that the treaty with Italy carried Great Britain's blessing. On this point Albania can easily be reassured. She made the treaty with her eyes open—at least with Ahmed Beg Zogu's eyes open—and if it promotes Albania's internal peace and material development and the domestic harmony of the Balkans, it carries with it Britain's warmest approval; if, on the other hand, it is going to lead to unrest in Albania, Italian interference, and strained relations or worse between Italy and Yugoslavia, then the Treaty will be strongly and rightly condemned in this and many other countries. As a straightforward document intended to mean what it says, the Treaty is harmless; but if it should be found to carry with it any other interpretation, it is likely to prove dangerous and pernicious. In this latter case the chief sufferer will be Albania, or Ahmed Beg Zogu. Until then there is little need for France, Yugoslavia or any other country to shed tears over spilt milk. The fears at first entertained in Yugoslavia have, it is clear, been in some measure removed by the obviously truthful assurance of the Bulgarian Foreign Minister that "no Great Power had called upon the Bulgarian Government to enter into special engagements outside the obligations entailed by the Peace Treaty." It was feared in Belgrade that the Italo-Albanian Treaty followed upon a similar understanding between Italy and Bulgaria, and to that extent completed that side of the "iron ring" which it was sought to forge round Yugoslavia. The scheme of the Balkans for the Balkan peoples can still be realised, if the countries most concerned will look to their own domestic affairs and bury the bitterness that is kept alive for the most part by the Press.

By Air to India.

The flight to India undertaken by Sir Samuel Hoare, Secretary of State for Air, and Lady Maud Hoare, to inaugurate the future Cairo to Karachi air route, has been successfully accomplished. A more felicitous inauguration there could hardly have been; one and the same machine carried the passengers the whole way from London—6,300 miles in 63 flying hours; there was no breakdown; the Hercules arrived at no station more than forty minutes behind her time-table and was frequently ahead of it; weather conditions were not exceptional, for after leaving Jask a sandstorm was encountered, through which flying was impossible, and the machine had to return to Jask to spend there the day that it had been intended to wait at Karachi. The arrival at Delhi took place on January 8, thirteen days after the departure from London. The difference between the total length of the journey and the number of flying hours is explained by the fact that no attempt was made at record-breaking. For the Secretary of State it was an official business trip and opportunity was taken for inspecting Air Force stations *en route*, and, as he testified

(Continued on page 39.)

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THURSDAY, JANUARY 13, 1927.

ANGLO-TURKISH RELATIONS.

The felicitous meetings at Angora last week between Sir George Clerk, British Ambassador to Turkey, and various representatives of the Angora Administration, notably the Foreign Minister, Tewfik Rushdi Bey, and the Turkish Representative to the Court of St. James's, Ferid Bey, were, perhaps, what might have been expected in view of the recent change of attitude that has come over Turkey in regard to Great Britain, but there are at least some grounds for believing that the official good-will displayed was on this occasion not quite the hollow thing that it sometimes is. As a matter of fact, both general and particular causes have combined to make the present an admirable time for cementing Anglo-Turkish relations. Sir George Clerk is by way of being *persona grata* in Turkey, and the personal factor is one that—as is well known but too frequently ignored—is of enormous importance in Near Eastern countries, more particularly in one whose inhabitants resent more than most any assumption by foreigners of superiority or indifference. It would appear, indeed, that the visit of the British Ambassador to Angora was most nicely timed, not only from the purely British point of view, but also in the larger aspect of Turkish relations with the West. We do not know the precise nature of the business which prompted the Angora Administration to summon to the capital the Turkish representatives in places like London, Paris, Rome, Athens, and Geneva; but it is hardly just to suppose that these men were recalled to discuss merely the question of female attire in Turkey or the desirability of gambling casinos. One of the topics that were discussed must surely have been the problem of whether Turkey should or should not apply for membership of the League of Nations. The recent failure at Odessa on the part of Tchitcherin and Tewfik Rushdi Bey to accomplish much more than verbal agreement about the lastingness of Russo-Turkish friendship, was not unnaturally followed by a conference upon the desirability of Turkey's pursuing Russian advice about remaining aloof from the West. Now manifestly the Kemalists are not strong enough to disappoint the Soviet authorities other than negatively; but within what partial independence they can enjoy from Bolshevik supervision they intend, apparently, to work out whole-heartedly their conception of what a Westernised Turkey should be. Their present relations with Western Powers, or, rather with Western representatives, is strikingly correct. Thus it was that Sir Henry Dobbs, High Commissioner for Iraq, could report with the utmost satisfaction upon Turco-Iraqi relations, confidence in which he was able to confirm as a result of his visit to Angora last November; and thus, one imagines, Sir George Clerk will be able to report. Great Britain is enjoying a sort of psychological boom in Nationalist Turkey just now, and the inspired Kemalist Press has of late been indulging in articles couched quite in the old vein upon the relations that ought to exist, now that all "outstanding" problems be-

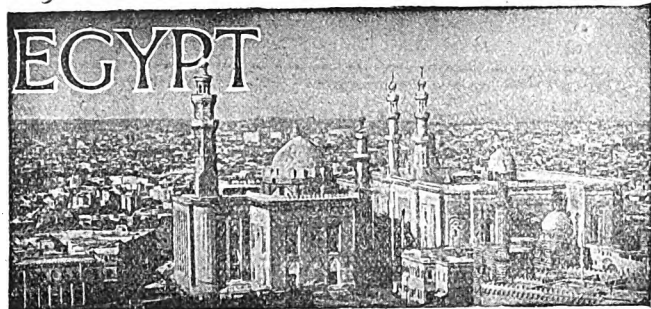
tween Turkey and Britain have been solved, between the two countries. Quite certainly there will be from the British side no lack of eagerness to have the position progressively regulated.

No doubt Nationalist Turkey has at times been vexatious, even perverse, in the view of British officials. Certain Nationalist subordinates have appeared occasionally to go out of their way to make rough the path of Anglo-Turkish collaboration; but the worst in this sense is, we may hope, now safely over, and the time is assuredly ripe for a revision, or rather, a revitalisation of the attitude which each country should adopt towards the other. It is no part of Great Britain to probe into the domestic affairs of Turkey, and in fact it is gratuitous and probably bad manners to hint at an offer of advice on internal matters. Turkey and the Turks are no concern of Britain; Turkey and the world are very properly one of the more urgent problems of British foreign policy. The duration of the Kemalist Government is a matter that first and foremost concerns the Turks who lost the War against the Allies but won the war against the Greeks. Born of military necessity, this Government has had in large measure to inform its policy or policies on military considerations. The extent to which Turkey still thinks in terms of physical force is, indeed, vividly reflected in the national Budget, over half of which is devoted to military expenditure. Now, however, she is at peace, fortified by treaties, with all her neighbours; and it would not be unreasonable to suppose that we may see a progressive decline in such expenditure, unless, indeed, there be intimate reasons for its otherwise superfluous continuance. But that again is the Turks' own affair. Moreover, this military preoccupation of the Nationalists is susceptible of misinterpretation. For instance, Turkey has never been given the credit which we think is her due for refusing to meddle in Syrian affairs, wherein an official step on the part of Angora might have had serious results. In the same way, we think, credit should be given to her for so far loyally abiding by the decision arrived at over the northern frontier of Iraq. If the first meeting of the Turko-Iraqi Commission, which took place a few weeks ago at Zakho, be any criterion, the peace between the Turk and Arab States should develop into cordial co-operation. As far as Turkey's foreign relations go, there is, therefore, no invincible reason why Anglo-Turkish relations should not be put on a belated but satisfactory basis.

Not that Anglo-Turkish relations can ever be what they were, say, at various times in the nineteenth century. To suppose that were possible would be to live in a mirage. For the present, at any rate, it is quite impossible for the Nationalists to detach themselves from a Bolshevik Russia, which, at all events in form, has renounced the traditional Tsarist policy towards Turkey. Soviet Russia must, it would seem, be at least outwardly Turkey's chief counsellor, for geographical reasons alone. Kemalist Turkey, however, is now having at last an opportunity of taking a long view of the situation, for apart from certain troubles in the eastern vilayets, she has nothing to worry about except internal reforms. In these circumstances, therefore, it may well be that she will have time, not only to study history, but also to look at Russian activities outside her own borders, and to form her own judgment upon whether Soviet policy towards weaker peoples differs in essence from the hated Tsarist policy. If she discovers an important difference, the helping hand of the West may continue to be held out to Turkey in vain; but if she, too, unfolds a fundamental similarity, then she may begin to fear that not all the Odessa meetings in the world would compensate, say, for the loss of such places as Kars or Ardahan. That Russia is aiming at a new hold on Islam, moreover, can scarcely be doubted; nor is it so easy to believe now that Turkey has renounced her former interest in Islam. These two tendencies may ultimately clash, and then, it may be supposed, will result the traditional leaning of Turkey upon the greatest Islamic Power in the world; we mean that Power whose stability and sincerity Sir George Clerk at Angora has so happily been exemplifying.

The Near and Middle East*

From Our Own Correspondents.



Cairo, January 2.

New Year Celebrations.

Cairo celebrated the New Year in usual fashion, with much noise, music and champagne. But although some of the most popular resorts, such as the grill-room at Sheppard's Hotel, were as suffocatingly packed as ever, it was noticeable that there was considerably less public merrymaking this year than on previous occasions. More than one observer has remarked that not only at the hotels, but also at the Royal Opera House and the theatres, the Cairo public this winter seems to be smaller, duller, and conspicuously less smart than in the past. The cause, no doubt, is to be sought in the state of the cotton market and its influence on business of every kind. Not only have many people less money to spend on their wives' clothes this winter, but also many others are reducing to a minimum their expenditure on luxuries and amusements. It is rather the absence of this section from Cairo social gatherings than any lessened smartness of those who do attend, which gives the impression that this season Cairo is less sparkling than in the past. But the season proper is only now beginning, so our scintillations may be coming later.

The "Absent Guest" Dinner.

Three years ago the Cairo Y.M.C.A. initiated the "Absent Guest" dinner scheme by which members and friends of the Y.M.C.A. in Cairo pay five shillings each for a dinner of lentil soup and bread and cheese, the cost of which is threepence halfpenny, the difference between cost and charge being devoted to providing a dinner for unemployed men in London. The "Absent Guest" idea caught Cairo's imagination, and the annual dinner has grown larger in numbers each year and is now one of the notable events of the winter. The "Absent Guest" dinner and the Caledonian Society's St. Andrew's Day Dinner are almost the only gatherings of the British Community at which after-dinner oratory forms a principal part of the proceedings. At both functions excellent speeches are usually delivered, and particularly at the Y.M.C.A. gathering, since the choice of speakers is not limited by national considerations, as at the St. Andrew's Day gathering. This year Lord Lloyd presided at the "Absent Guest" dinner, the company, numbering 160, being of record size and providing funds for the entertainment of 350 unemployed at Marylebone Baths Hall. Lord Lloyd, the Hon. Cecil Campbell and Mr. Harry Farnall all spoke well, while messages were read from Lord Plumer, the Lord Mayor of London, Chairman of the London County Council, Mr. J. B. Hobbs and many others.

*Under this heading appear weekly or at regular intervals, communications from correspondents in Egypt, the Sudan, Roumania, Yugoslavia, Greece, Bulgaria, Albania, Turkey, Palestine, Iraq, and Persia.

Dr. Llewellyn Phillips.

The death yesterday morning of Dr. Llewellyn Phillips at his house at Kasr el Doubara takes away one of the best known members of the British Community in Egypt and a very able medical practitioner. He had been practising in this country for nearly thirty years, and at the time of his death was senior surgeon at Kasr el Aini Hospital, besides having a very large number of private patients. Dr. Phillips' two Sunbeam cars, which he had had in use for many years and which were always painted a bright yellow and kept in the most spotlessly shining condition, have for long been one of the most familiar sights in Cairo streets. Dr. Phillips leaves a wife and three daughters.

Aly Bey Fahmy Kamel.

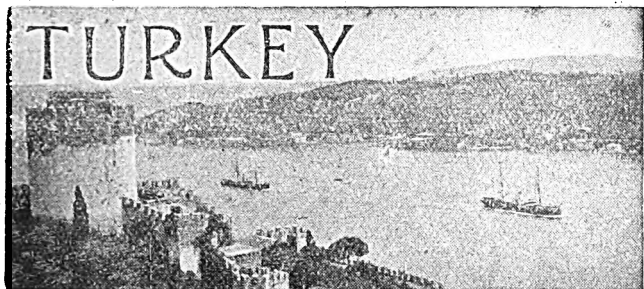
Another sudden death occurred on Friday afternoon, when Aly Bey Fahmy Kamel, brother of the late Mustapha Kamel Pasha, founder of the Nationalist Party, dropped dead immediately after delivering a hour-long speech at a gathering held to commemorate the anniversary of the death of Mohammed Fareed Bey, another of the early leaders of the Hisb el Watani. Aly Bey Fahmy Kamel inherited some of the tremendous prestige which was associated with the name of his brother, and for a time was the leader of the Nationalist Party. But he was not endowed with either the personal magnetism or the political astuteness of Mustapha Pasha, and in recent years a considerable section of the party has been in open revolt against the leadership of Aly Bey, and has held its own meetings and run its own newspaper irrespective of his views and sometimes in clear opposition to them. Nevertheless, the enormous popular veneration for the name of Kamel has not yet quite died out, and Aly Bey enjoyed during the whole of his life a position of considerable prominence. In politics he was certainly not a power, but still something of a personality.

Aerial Events.

Aerial news has filled the columns of local newspapers during the past week. The arrival of Sir Samuel Hoare at Aboukir has been the principal aviation event, but there have also been other happenings of interest. The departure from Cairo of Captain Gladstone, to initiate the Khartoum-Kisumu mail service and the bad luck which involved his machine in accident at its first trial trip, have caught the local imagination. The progress of the Swiss aviator, Mittelholzer, who has passed through Egypt, going south, and of two French airmen who have arrived from Madagascar, together with numerous other air happenings of greater or less import have served to add variety to the events of a week which, from the viewpoint of Egypt's future as a centre of air travel, has been a notable one.

Municipal Lotteries.

Municipal lotteries in this country are not likely to be very popular in the future, as a result of what has happened in connexion with the Alexandria Municipal lottery to provide funds for that city's new stadium. In the first place the lottery should have been drawn last May, but, as only a comparatively small number of tickets had been sold then, the drawing was postponed, amidst much protest, to December 31. Even then only a minority of the tickets had found buyers, so the Municipality put all the ticket numbers, sold or unsold, into the drawing, with the result that the two principal prizes, of £E5,000 and £E2,000, were drawn by unsold tickets, so that these sums revert to the Municipality. There have been many very forcible comments on this new way of conducting a lottery drawing, and when next the Alexandria Municipality needs money it will be well advised to choose some method other than a lottery for raising the wind.



Constantinople, January 5.

The Eastern Vilayets.

In accordance with the reforming policy adopted by the Government after the Kurdish rising, a draft law has been drawn up by the Ministry of Interior, for submission to the Grand National Assembly, envisaging the transplantation of over 15,000 people who at present inhabit the regions under state of siege. In view of the above people's contact with the insurgent elements it is considered that it would be judicious to distribute them in the sparsely populated central provinces where they will have attributed to them compensating land for that which they will be forced to leave. This measure further testifies to the thoroughness with which the Government is purging the country of elements detrimental to the Republic on account of their religious and tribal fanaticism.

Anti-Fire Appliances.

Much trouble is being taken with the investigations into the cause of the fire some fifteen days ago which destroyed the Customs Warehouses at Emine Enu, in Stamboul—when over £2,000,000 damage was done. It has been found that the watchmen are guilty of negligence in their duties, but nothing to which the cause for the outbreak can be attributed has yet been seized upon. Reports say that a further commission will now investigate and attempt to establish whether or not the disaster was caused by a short circuit of electricity. All this, however, brings things very little forward. What would appear to be a subject for serious consideration is that of deciding on the best preventive measures possible for the future. As there are no adequate fire-fighting appliances in any of the Customs Houses in the Constantinople zone, it would be wise if the authorities relieved the night-watchmen of some of their responsibilities by installing in all warehouses the automatic sprinkler systems used so extensively in other countries.

A Turkish Census.

If everything goes according to programme it may soon be possible to know the exact number of inhabitants in Turkey. For very many years no census has been taken and no correct statistics exist. Figures given at the beginning of 1926 by the Turkish Ministry of Interior stated that there were over 12,000,000 inhabitants in this country, but as it is generally believed that the total population is not more than 7,000,000, a new census

would undoubtedly seem to be indicated. A certain M. Emile Jacquart has been engaged to superintend the work, which will be a task of exceptional difficulty, as owing to the non-existence of any reliable figures the census authorities will have to start their activities by a house-to-house investigation throughout the country.

Educating the Women.

The Ministry of Public Instruction is now devoting considerable attention to the feminine element in Turkey. It has just decided to begin domestic courses for women and girls throughout the country. Particular attention will be devoted to the instruction of mothers on the upbringing of children, and as the greater part of the female population of the interior vilayets are unable to read, a great amount of good should be derived from this movement. Further, women's clubs are to be opened in various parts of Turkey, having as their objects social development and the complete reform of the Turkish woman's dress.

Purging Constantinople.

The Constantinople vilayet authorities have started a campaign for the improvement of the morals of the city's youth. All public dancing saloons are now the object of a strict surveillance and new regulations prohibit minors attending these places unless furnished with their parents' written permission. No alcohol can be served on these premises and places are to be provided for chaperons who will pay no admittance unless they dance. This measure has been instituted as a result of recent regrettable incidents and certainly demonstrates the admirable intentions of the authorities to render the place more proper. It is even reported that restrictions will go to the extreme of prohibiting mixed dancing classes. At this rate all that will soon remain will be to dismiss the police force.

HIJAZ.

Jidda, December 19.

The Negotiations with the Sultan.

The favourable symptoms which characterised the early days of the recent conference between Sultan Ibn Saoud and a representative of Great Britain have not been maintained, and the negotiations have been broken off *sine die*. Ibn Saoud only a year ago, while still in the throes of the war with the Hashimite dynasty, found His Majesty's Government so anxious for a friendly understanding that Sir Gilbert Clayton was sent out to negotiate with plenipotentiary powers. The result was the eminently satisfactory Treaties of Bahra and Hadda. Since then the Wahabi King has sent his son and his Secretary of State for Foreign Affairs to England, where one might suppose that high matters of policy were discussed with a view to arriving at a basis for more regular negotiations—such a supposition is, however, scarcely justified by the facts. In return the British Consul at Jidda, accompanied by the official of the Palestine Government, who had also assisted Sir Gilbert Clayton, has spent the best part of a month in discussing matters over again with the King only to reveal in the end that he had no authority to agree to anything outside the narrow letter of his instructions.

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And now he is returning to England at once to discuss the matter with the Foreign Office with a written statement of Ibn Saoud's standpoint on various questions.

The Conquering Motor.

Meanwhile Ibn Saoud is preparing for a visit to his ancestral domains, and there is much activity in the desert between Madina and Hanakiya in preparation for the passage of the large convoy of motor cars which will accompany him. The first year of his reign over what is practically a united Arabia has not only established security, but has also definitely set this ancient country in motion on the path of modern progress.

Asir and Yaman.

In the King's absence Jidda pursues the even tenor of its ways, and it is only from the south that rumours come of alarms and excursions. And a very extraordinary tale it seems to be. An Italian mission under an ardent disciple of Fascismo, Commendatore Uccelli, arrived in the Yaman a month or so ago and is apparently engaged in the task of paving the way for the future establishment of an Italian colony. The Imam Yahya is said to be suffering from a fit of depression and melancholy, scarcely knowing which is the greater danger to the future of his kingdom—his Italian friends or the small cloud in the north, whose focus is at Jizan and whose motive power seems to be the latent oil of the Farsan Islands.

At Jizan there are a great coming and going of the tribes and open talk of the approaching offensive against Maidi (held by 3,000 Imamic troops) and Hudaida. The tribes have to be armed and paid, and the erstwhile needy Idrisi—with whom is the ex-Grand Sanusi and an ex-artillery commander of Ibn Saoud's army, Jamal Pasha al Ghazzi, as commander-in-chief—has become suddenly rich. The story of this transformation scene will go down to history as one of the romances of oil, and it will make better reading, if I give the story as it reaches me. In the early part of last summer a representative of a British syndicate visited the Idrisi and secured a concession in connexion with the Farsan Islands, which are supposed to be oil-bearing. A failure in the remittance of the second instalment of money due under the terms of the concession coincided with the appearance of a rival in the lists. A representative of the Anglo-Saxon Oil Company is said to have visited Saiyid Mustafa, a cousin of the ruling Idrisi, at Cairo, and the latter wired to Jizan saying that a good offer was immediately available. Jamal Pasha immediately visited Aden to inform the Resident that the concession was cancelled for a breach of conditions. He telegraphed to Saiyid Mustafa that the coast was clear, and it appears that a private vessel of the Anglo-Saxon Company, fully equipped to begin work at once, arrived at Jizan. A present to the Idrisi of four Fiat cars and an initial payment of £10,000—in the circumstances the figures given should not necessarily be regarded as exact—secured the concession, and a first instalment of £3,000 was paid under the conditions thereof. These payments, so the story runs, were followed by the granting of a loan of £50,000, on part account of which a large consignment of machine-guns, rifles and ammunition—apparently ready packed on board the same vessel presumably for self-defence against the Red Sea pirate—was landed at Jizan. The vessel then weighed anchor for Farsan and boring operations were at once started in consequence of which by the end of November oil had been found! The representative of the Anglo-Saxon Oil Company has returned

to Suez to arrange for the continuation of the work, while his Idrisi friends are dancing war-dances preparatory to their great offensive against the Yaman Tihama. I have given the story as I heard it, from a source by no means negligible. Some of its details may prove to be inexact.

The political status of the Asir is still doubtful. It certainly comes within the sphere of Ibn Saoud's protection; but it appears to enjoy complete economic and political autonomy. It is but one more of the riddles of Arabia.



Sofia, January 4.

The Government, the Opposition, and the King.

In accordance with the Sobranie's tradition, the discussion on Parliament's response to the Speech from the Throne gives place to a long debate on the general policy of the Government, in which each Party, through the medium of its recognised leaders, brings to bear not only its criticisms, but also its ideas upon the domestic and foreign position of the country.

The debate this year yielded much good sense and information. All the speakers at the tribune developed their themes with a seriousness which signified the gravity of the problems discussed. Their theses were not identical, and on certain points in fact were contradictory; but in their dignified treatment of these problems the speakers were the same. Members from the ranks of the Opposition insisted upon the necessity of "normalising" the domestic situation and of creating the possibility of national union, of throwing a veil over the past, but also of providing that, if the extremists were to attempt to disturb public order, they would find themselves faced by the whole nation. This task of "normalisation" becomes imperative in view of the approaching legislative elections, which will certainly mark a turning point in the internal development of Bulgaria. Speakers were united on this point. The most notable of them, M. Malinoff, head of the Democratic Party, and, so to speak, leader of the Opposition in the Sobranie, put the situation like this: there were two ways open before the country—the path of internecine struggle and the path of general conciliation. It was for the Government to make its choice.

But if peace and solidarity are necessary in domestic politics, they are no less so for Bulgaria abroad, and in this regard no difference was recorded between the various orators. All, without reserve, supported the sincerely pacific character of the foreign policy pursued by Bulgaria, and in this pacific policy all emphasised in the first place the desirability of *rapprochement* with Bulgaria's neighbours. The Opposition, refusing here to participate in the Government's optimism, considers the external situation of Bulgaria still very precarious, in spite of the incontestable success which she obtained by the conclusion of the Refugee Loan. The Opposition, without minimising the importance of the League of Nations, believes that the country must yet depend upon its own efforts. They therefore recommend a more active foreign policy, which would assure to Bulgaria, with the protection of the Powers, the valuable help of her neighbours and the realisation of Balkan solidarity by the application of recognised rights for the Bulgarian minorities in Roumania, Greece, and especially in Yugoslavia. Such a policy would, according to the Opposition, procure at least some alleviation of the heavy charges of the Reparations, which she can no longer support.

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The Government replied to the Opposition through the Minister for Foreign Affairs and the President of the Council.

The Foreign Minister explained the fundamental aims of Bulgarian foreign policy arising out of the Peace Treaties. This was an essentially pacific policy, aiming at harmony with all the Great Powers—at present equally well disposed towards Bulgaria, as was to be seen from the Refugees Loan—and at frank and loyal relations with her neighbours, an inter-Balkan Entente being a necessary condition for the establishment of a lasting peace in the Balkans. To remove all misunderstanding, he continued, the Bulgarian Government implies a *rapprochement* reached by direct and separate negotiations with each neighbour, and not general negotiations, which could end in no practical result in the present state of affairs in the Peninsula. It means to gain, by absolute loyalty and very conscientious execution of its obligations, the sympathy and confidence of the League of Nations, of which M. Bourroff was an unreserved admirer.

M. Liaptcheff ended the debate. In a long speech he explained what his Cabinet had done in different aspects of public life, the efforts which he had made for the appeasement of the country, the results which he had obtained in this way, and, in answer to the speakers of the Opposition who had discussed what had been called the Government of To-morrow, he insisted that this could only be his Government, at least until the day of the legislative elections, because he saw no reason either for a coalition with a section of the Opposition (meaning the Democrats) or for a Concentration Government, which was justified only in moments of national danger, adding however, with a condescension that did not pass unnoticed, that he did not consider the elements and parties of order as his enemies—signifying by this that he would take them into account at the elections, which would be held in perfect freedom.

These statements of the President of the Council, which disillusioned many people, gave rise to varied comment. The dominant impression was, and remains, that they mark a concealed rupture between the Government and the Opposition, although some friends of M. Liaptcheff affirm that the speech should not be construed in this way. On the following day the King, starting what will prove to be an excellent practice, invited all the deputies to a reception at the Palace; but in his reply to the Sobranye's Address, King Boris, appreciating the delicacy of the situation maintained a prudent reserve, and contented himself with stating the progress of the work of appeasement and of vaunting the solid qualities of the people. In conversation with deputies he did not cease to emphasise words of appeasement and conciliation, avoiding the controversy between the Government and the Opposition. This is explained in some quarters by the fact that several months separate us from the legislative elections, and, consequently, the King has not yet to declare his attitude. That, however, allows the uncertainty to remain, which, possibly of purpose, the President of the Council created.

This uncertainty will soon be dissipated, the pourparlers between the different parties for the formation of a united Opposition being due to start at once.

ROUMANIA.

Bucharest, January 6.

The Little Entente.

In view of insinuations made by some sections of the foreign Press, that the recent pact of Italy with Albania would be likely to trouble the friendly relations of the members of the Little Entente, the Roumanian Press loses no opportunity of bringing forward proofs that no such effect has been produced, and reproduces with satisfaction the recent suave and friendly speech of M. Markovitch in the Belgrade Parliament, in which he states that all the recent international Treaties affecting the Little Entente have been made with the full cognisance of all its members, and that they are all on the best of terms.

Roumania's Internal Position.

As regards the internal situation of Roumania, her position at present appears to be favourable in many respects; her trade balance is in her favour, and her budget has been balanced for several years; the present Government is reducing the export taxes by degrees with the object of encouraging home production, and the import taxes are being increased on all articles produced in this country; in the quantities and qualities required by the home industries. But the two great hindrances to the economic development of Roumania remain, as before, the instability of the currency and the inadequacy of the transport system. Up to the present all the efforts of the Roumanian Government to obtain a foreign loan have failed. The Ministry continues its efforts to gain the confidence more particularly of England and of America, but the attitude of the Liberal Party towards foreign capital has created an atmosphere of insecurity, which it is difficult to dispel, especially as it is felt that the Liberals are in reality the greatest power in this country as they command the greatest wealth.

Even British business firms appear to be holding aloof from this market, and are rapidly being replaced by German, Austrian and Czecho-Slovakian competitors. This seems a great pity, as the ordinary business conditions have greatly improved of late and there is good business to be done in many commodities, and raw materials of all kinds; and when the free zones in the Danube ports and in Constanza have been installed (of which mention was made in the last of these letters), the facilities will be even greater.

Petroleum Indemnities.

The labours of the Committee appointed to inquire into the compensation due to the various petroleum enterprises in Roumania on account of the destruction of stocks and plant before the German occupation of this country during the War appear to have been ended, and the table now published in the Roumanian Press of the sums apportioned to each enterprise shows what a gigantic task was theirs. All the companies, except the Astra Romana appear to be satisfied with the portion allotted them. As regards the Astra Romana, this might be described as a Protestant company floated in a sea of Orthodoxy—or non-Orthodoxy—and it is part of its mission to protest. When was a Protestant ever satisfied? The total indemnities allotted by the British and French Commission amount to £9,978,890, 17s. 2d. (according to the *Argus* of January 1) and this is divided among 134 companies, in portions varying between £200 and two million odd pounds.

The Health of the King.

Although the King has resumed many of his ordinary duties, and received in person, along with the Queen and other members of the Royal Family the New Year greetings of the Ministers of the Cabinet and other State officials, his health still gives some cause for uneasiness, and it is reported that Professor Gerota has gone to Paris in order to hold a consultation with French experts.

The Royal Family are at present in residence in Bucharest and Princess Ileana is giving a small "coming out" dance on January 8 (on the expiry of the term of Court mourning for the late Emperor of Japan) to celebrate her eighteenth birthday.

Miscellaneous News.

Shipping on the Danube has almost ceased, and it is expected that the river will be completely closed very shortly.

A heavy wind and snow storm broke over Bucharest last night, which will no doubt have done some damage to roofs and telegraph wires, though it is too early for reports to be received to this effect. It is the first heavy snow of the season in this part of the country, as the autumn has been an exceptionally long and mild one. So mild has been the weather that the wild strawberries were in full bloom in Sinaia in the month of November.

Book Reviews

A POETESS ON PERSIA.

"PASSENGERS TO TEHERAN." By V. Sackville-West. (London: The Hogarth Press. 12s. 6d. net.)

This is an enchanting book. Miss Sackville-West, as she still is called in literary circles, has done one of the things that was most needed in our time: she has gone to the post-War Middle East with an open (but very far from an empty) mind. She is full of knowledge; yet before the ageless problems of the East her "nice" (as they used to say at Oxford) theories avail nothing. She does not tell us why such and such a thing happened; nor does she point out the "sights" familiar to the reader of the guide-book: but she describes men and places as she, a poetess and prose writer of considerable distinction, sees them. The timelessness, the immensity, the incommunicability of the East—these are for her the capital factors. And we are uncommonly grateful and refreshed.

It was perhaps inevitable that her literary preoccupations should protrude themselves into the book, at once so personal and impersonal. Karnak, for instance, reminded her of Piranesi's Prisons, Aden of Rimbaud, the Persian Gulf of Proust, Reza Shah Pahlavi of Marlowe, Isfahan and Kum and the Shah's Coronation of Donne and Flecker (slightly monstrous, this last comparison). But they are beautiful and generally pertinent protrusions, more illustrative of the authoress's power of description and a better illumination than are even the abundant photographs which heighten the radiance of her pages.

Miss Sackville-West went to Persia via Egypt, the Red Sea, the Persian Gulf, and Iraq; and returned via Russia, Poland, and Germany. Karnak by moonlight, the leprous salt-fields by Aden, the feverish monotony of the Gulf, the dusty jumble of Baghdad (perhaps she would like the city better if she spelled it correctly!), and then—Khaniquin to Teheran: these are the stages of her outward journey. But the best of the book lies not in the description of these, excellent though they are: for that she reserves for Persia itself—not, of course, Teheran, but Persian Kurdistan, Demavend, Doshan Tapeh, Dillijan, Isfahan, and Kum.

Quite unreservedly we welcome and recommend this stimulating travel book, for it is one in a thousand such that have emanated from facile and jejune travellers who know the post-War Middle East. No Syrian oasis, no Persian garden, deserves to be better cherished than these notes of an English poetess upon the still undiscoverable East.

THE POLITICAL FUTURE OF INDIA.

"ON FIRMNESS." By a Sojourner in India. (Oxford: Basil Blackwell 2s. net.)

In this rather oddly named and unpretentious little book, the anonymous author reviews the results of British domination in India and gives his ideas on its governance in the future. Many more pretentious volumes, written over well known names, are much less worthy of study; there can be few people really interested in Indian politics who, having read it through once, will not immediately

turn back and read it through again: and it is certain that every reader, whether familiar with India or not, and whether or not he agrees with its arguments and conclusions, will be the better for having done so.

The case that the author puts before his readers, and the views that he discusses, are those of the Indian intelligentsia—the class that, for convenience, may be called that of the Indian professional politician; which are, in fact, widely different from those of "the man in the mud hut": and he proceeds on the theory that the politically-minded Indian does, on the whole, faithfully represent the views of the inarticulate masses for whom he professes to speak, even if those views are at present but dimly held. This being understood, one may proceed to examine his arguments, and his conclusion, in his own words. We are faced in India with a growing opposition to the continuance of British control: one which, in a hitherto submissive people, we find it difficult to recognise. It is as if we, in this generation have somehow failed to maintain what our fathers had established, so that its recognition is uncongenial as well as difficult. We are in the position of a once accepted authority whose wisdom and eloquence have lost their magic, so that he has ceased to be an oracle and has become a bore, or even an obsession: Indians, in fact, have had too much of us. We have been moulding the Indian character for a century and have succeeded in arousing a reaction that defeats our efforts. We have attempted to introduce our own standard into India and to impress upon Indians the belief that our way of progress is not only the best, but the only possible way, on the assumption that the heaven that we have infused will continue to work even after we have surrendered the tenure of power. The limit of service of precept is easily overstepped, and we have probably already overstepped it. As an agency of education we have done as much work as we could hope to accomplish; the best we can do now, in order that the work may be of any use, is to endeavour to get rid of the reaction that stands in the way of its utilisation. Indians maintain that our system is a training in obedience rather than in responsibility; they have reached the stage at which it is useless to attempt to force more education on people to whom it is unwelcome, and wisdom is to be found in accepting the situation. If we do so, we are no longer under an obligation to train Indians for a specific type of government, instead of undertaking to dictate and to direct their political destiny, we can set them to work it out for themselves, as other peoples have had to do: we can relieve our control of its educational embarrassment and base it on indispensable requirements: and we can free Indians, and ourselves as well, from the friction that stimulates the reaction animating the national movement and standing in the way of their uniting with us for a common purpose.

What, then, are the indispensable requirements? Control that will protect India from external invasion and internal aggression, until Indians are able to assume it themselves: together with the widest possible extension of the principle of local self-government. We have a moral obligation to see that the authority which we hand over is not abused: the control must be such as will ensure freedom from oppression and a reasonable standard of good government within each unit of the administration: and, as these units must be placed on a stable basis before they can be united in a stable combination, it is necessary for us to retain the administration of imperial functions until the combination, whatever form it may take, can relieve us of them. Finally, it rests with us to safeguard the legitimate interests of our own people in India. The local governments, whose constitution would vary according to local conditions, would be free to administer their domestic concerns without interference, so long as they did not fall below a certain standard; while, in the Imperial Government, in its function of asserting this standard and in the management of Imperial concerns, the

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responsibility would be undivided. The final authority would rest with the British Government: the British personnel in India would be concentrated and its functions adjusted to the requirements of the central administration and control, but the local governments could have British assistance if they wished.

It is unnecessary to follow the author into his suggestions for the inclusion of the Indian States in the body politic of India, or into the details of his plan for the summoning of a representative convention which, if it could not be expected to reach a definite conclusion, would yet clarify the issues and prepare the ground for a future settlement: and one cannot agree with his belittlement of the importance of Hindu-Muslim differences; though one can whole-heartedly agree with his dictum that, when authority is resolute, when Hindus and Mussalmans, or any others with a quarrel to foment, know that provocation or aggression will be punished, they are not willing as a rule to bring trouble upon themselves. To the reviewer, the most interesting point in an unusually interesting book is that the general conclusions of the author arrive, by a process of reasoning entirely his own, at the same solution as that several times advocated in *THE NEAR EAST AND INDIA*—the scrapping of Diarchy in favour of a system that includes a Central Government entirely British and a wide extension of the principle of local government preponderatingly, and where possible entirely, Indian.

THE ST. BARNABAS PILGRIMAGE.

The St. Barnabas Hostels and Pilgrimage Fund has collected into an album all the articles which were written for the Press upon the pilgrimage made last autumn to Gallipoli and Salonika. To all those who took part in the pilgrimage, and to many who were unable to do so, this Album should be a pleasing souvenir. It has been well prepared and is abundantly illustrated. A few copies are still on sale at the offices of the Fund: 7, Hobart Place, S.W.1.

NEAR AND MIDDLE EAST ASSOCIATION.

Lady Muir (*née* Nadejda Stancioff) will lecture to the Near and Middle East Association, on January 21, at 8.45 p.m., upon "The Ancient History and Religion of Bulgaria." The Hon. Mrs. Aubrey Herbert will preside, and the meeting will take place, by kind permission of Mrs. L. Cobham, at 14, Hans Crescent, S.W.1.

NOTES OF THE WEEK.

(Continued from page 32.)

on arrival in India, the absence of strain had been a notable feature of the voyage. We may hope that his pilot, Mr. Woolley Dod, experienced the same absence of strain. In this connexion it is noticeable what marked improvements are being made in ground organisation and in reliability of machines. When the Cairo-Baghdad air service was first started, a little over five years ago, it was considered necessary to mark a track right across the Syrian Desert, from Qasr al Azraq to Ramadi, in order that machines experiencing a forced landing should be able to locate themselves and to be located. The liability to engine trouble is being eliminated with improved engines, and in the case of the India air service by the use of three-engined aeroplanes; this means that the strain on the pilot is being considerably reduced.

The death is reported from Constantinople of Suleyman Nazif Pasha, one of the best-known Turkish poets and for some time Ottoman Vali of Baghdad.

The death has occurred of Nicholas Kalogeropoulos, who was Prime Minister of Greece for a short time in 1916. Since 1923 he had remained outside the Assembly.

NEWS IN BRIEF.

The death has occurred of Mr. Leslie H. Saunders, C.S.I., late Indian Civil Service. From 1914 to 1922 he was stationed at Mandalay as Judicial Commissioner for Upper Burma.

The death is announced of Mr. R. O. Douglas, who began his service in the I.C.S. in 1920, in the United Provinces. His last appointment was to the Collectorship of Ghazipur.

After the Court-martial in Damascus had sentenced a number of insurgents, including Sultan Pasha al Atrash, the execution of the sentence against him was suspended, but M. Painlevé, Minister for War, has just withdrawn the suspension.

At the People's Party meeting held on January 4 in Angora the Turkish Premier, Ismet Pasha, said that the census to be taken this year would be the first census of Turkey on modern statistical lines. There are still superstitious prejudices against counting the population. Many people fear it is intended thereby to fix a broader basis for new taxation. The Government have established a statistic bureau which will collaborate with the Ministry of the Interior in drawing up the census.

The North Sea Aerial and General Transport, Limited, which organised the Khartoum-Kisumu air route, have accepted an offer from the Air Ministry of the loan of a seaplane with which to begin the Khartoum-Kisumu air mail service until repairs to their own machine, a De Havilland 50 seaplane, the Pelican, which sustained an accident while on her trials, are completed. Captain T. A. Gladstone hopes to make the first flight to Kisumu early in February.

The Government of Bombay, says *The Times*, has accepted the offer of the Chief of Aundh to erect a statue of the Prince of Wales in a prominent situation in Poona to commemorate the Prince's visit in 1921. The statue will be carved in white Carrara marble by two Hindu sculptors in the Chief's own workshops, and it is proposed that the Governor should unveil it 18 months hence. The Chief is also anxious to present a bust of the present Governor, Sir Leslie Wilson, to the College of Agriculture in Poona to commemorate his Excellency's assistance to agriculture by holding the recent great agricultural show in Poona.

The first of the regular scheduled flights of the new Empire Airway between the Persian Gulf and Egypt was begun on January 7, when the first West-bound air liner left Basrah *en route* for Baghdad and Cairo. The machine, one of the five D.H. 66 Bristol Jupiter Empire types, built for this new Imperial Airway service, was piloted by Captain Warner, who carried one passenger and about one thousand urgent letters and parcels, the bulk of which were addressed to Britain from India, and which will arrive in London several days earlier than by previous routes. The Imperial Airways liner is due to leave in future every alternate Friday at 1 p.m. local time. Baghdad is reached at 4 p.m., local time, and on Saturday morning the flight is resumed along the desert route to Cairo. The air liner is scheduled to arrive in Cairo in time to connect with the P. and O. mail steamer for London.

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THE WEEK AT HOME.

London, Tuesday Morning.

Labour and Co-operation.

As is widely recognised, Labour seeks supporters where it can, and for the moment it is not much concerned to analyse the exact nature of such support. A Party in Opposition can with advantage take any assistance that is offered, for the effect of cumulative help may be to frighten the Party in power. During the last few days the Conservative Party appears to have been somewhat scared by the news of the proposal that, for the purposes of political action, the Labour and Co-operative Parties shall be allied. A draft agreement in this sense has actually been drawn up, and will in all probability be confirmed within the present year.

At this prospect naturally Socialists are rejoicing. They are, however, rather inclined to overlook the number of non-Socialists contained in the Co-operative movement, although differences between the two parties have more than once manifested themselves in the past. As a matter of fact, there is no real reason to suppose that the Socialist element will dominate the other elements any more than the Socialist element dominated the Trade Union movement when it got hold of it. It is not likely to be forgotten, if this fusion is actually secured, that the Co-operative represents, first and foremost, the interests of the consumer.

Liberal Leaders.

It is one of the most curious phenomena of this decade that two of the shrewdest politicians of the time, Lord Reading and Sir Herbert Samuel, should be linking up their fortunes with the one political party which is commonly supposed to have no future: the Liberal Party. As I recorded a few weeks ago, Lord Reading has interested himself in the *Daily Chronicle* group of papers, and has stated therein that the Liberal policy which has characterised them in the past will be continued. And now Sir Herbert Samuel, fresh from Palestine and the Royal Coal Commission, has just signified his return to the fighting ranks of Liberalism.

These moves are, I say, curious, for the whole tendency of the alerter politicians has been, while Lord Reading and Sir Herbert Samuel have been serving overseas, to forsake the Liberal Party, as if it were a sinking ship. What does it all mean? Is the Party to be composed of leaders, with no followers? Or is it that these two men

are really shrewder than any of their stay-at-home fellows, and are in fact backing the winning horse?

The Nation's Deficit.

From this time onwards until the end of March will be a most anxious one, not only for the Chancellor of the Exchequer, but also for us poor mortals whom he "hither and thither moves," for the call of the Income Tax is looming more and more ominously. The General Strike and the Coal Lock-out have, of course, placed Mr. Churchill in a most unenviable position, and he is credited with the intention of obtaining the last legitimate farthing from us before the end of March; but at least it is good news to hear that he does not contemplate raising the Income Tax: a move which is thought to be too mechanical for his imaginative temperament.

Whether he will be forced to create new taxes or whether the apparent effect of his new Betting Tax—the driving of Conservative punters into the Labour Party—will have the result of frightening him off such things, it is yet too soon to state. But anything would be better than a further burden on the general income of the community.

London and New York.

For those who measure progress in terms of scientific discovery there must have been great thrills last week, when a public telephone service was established between London and New York. Not even the discovery of the Cape route, nor the opening of the Suez Canal can be said to have been so fraught with possibilities for the English-speaking races. The shrinkage of the world's surface, so much talked of by our sociologists, is indeed going on apace. Space will soon be but an historical conception, and one of Life's Illimitables will, as some people may tend to think, have become almost definite.

There still remains one thing, however, which the mechanical wizards of our age surely cannot touch: Time. The attack upon that is probably reserved for the next omniscient generation.

Capitalism Up to Date.

No one can survey the present marked tendency to form trusts in capitalist England without suspecting that this formation is the answer of shrewd capitalists to those who assert that the present economic and social system has had its day. In more conservative quarters—one uses the word, of course, in its non-political sense—the old capitalists' idea that competition was at the root of every good thing is maintained intact, though not unbattered; but in the newer thought, whether it is Conservative or Liberal or even—to judge from certain recent utterances of Labour Party leaders—Socialist, the trustification of England seems no unpopular conception. It is perhaps not unnatural that the Conservatives should have swallowed with comparative *insouciance* this new slogan of "mergers"; but one is rather aghast at the ease with which the young intellectuals of the Liberal Party are cottoning on to this travesty of what their forefathers considered the be-all and end-all of business. Mr. J. M. Keynes is the protagonist of the new trustifying methods, and is securing in his Party considerable support. Why the Socialist Party should bless the movement towards trusts it is more difficult to see, for inevitably such formations will become the strongholds of a newer and, from their point of view, more formidable capitalist system. Can it be that the Socialists are preparing to work wholeheartedly for the prolongation and the improvement of the capitalist system? Certainly recent speeches of Messrs. MacDonald, Henderson, and Snowden appear to be pointing in that direction.

But other heads are at last popping up in opposition to all these mergers, which are to eliminate competition, waste, and so on. It is now more boldly being hinted that what in truth is being aimed at in the formation of these fusions is monopoly, with all this talk of the interests of the consumer as a mere blind. That is to say, this tendency should be looked upon with the English-



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man's old and natural suspicion, for whereas in some industries it is probably an inevitable and wholly desirable thing, in others—according to this argument—it is a mere device of the "captains of industry" still further to control the workings of the system. And possibly at the back to the conservative Englishman's objections may be the idea that our borrowing from America has already reached an indecent stage.

The Feeling in the Railways.

Everyone knows that the aftermath of the General Strike has been felt with particular severity in the Railways, on behalf of whom Mr. J. H. Thomas is repeatedly making gestures of good-will. It is comforting to realise that these requests for clemency, or "the big thing," as this rather pathetic Labour orator is so fond of calling it, are not going unheeded, at all events in so far as the Great Western Railway is concerned. Probably feeling on that Railway never reached the intensity which was discernible on other lines, but in any case, Sir Felix Pole, the General Manager, has shown what may prove to be a memorable magnanimity. Two little things that concerned the deferment of salary or wage increments to salaried and conciliation grades of the employees of the G.W.R., and a question about the meal times and the length of the working day of carters in Manchester and Liverpool, both of which, had the respective sides stood on their dignity and on their legal rights, might have provoked bitter discussion, were settled in a mood of peace and good-will. This is very encouraging.

Of course these two points were minor points, but it is precisely the little points that so often spoil the relations between employers and employed. If only the other Railways were as sensible as the G.W.R.!

The Flemish and Belgian Exhibition.

The exhibition of Flemish and Belgian Art 1300-1900, which is now being held at the Royal Academy, Burlington House, is something more than a revelation: it is an experience. It is an experience because one is enabled through it to project the mind and the senses back to the time when Christendom was in large measure one in the religious and artistic meaning, and to see the artistic consequences—some good, some bad—of the break-up of that entity. The works that were performed before the Reformation, all of them of course sacred, are saturated, as only art can be saturated, with the Catholic spirit of piety, intensity, and colour.

The arrangement of these seven or eight hundred exhibits in chronological order is very sensible, for one can trace the change—a better word, I think, than development or progress—which has come over Flemish and Belgian art during the last six centuries. One gazes, almost spell-bound, at the miraculous technique of the two Van Eycks, the inventors of oil painting (it has been said that oil painting began and ended with these two men): one revels in the splendour of the great gallery containing those magnificent portraits by Rubens and Van Dyck; one chortles at the newly-found licence in which men like Brouwer and Teniers rejoiced.

Not are the oil paintings all. For owing to the co-operation of five Governments and of numerous private collectors, there are in this exhibition admirable—some almost priceless—specimens of drawing, sculpture, and, most notably, tapestry. Quite certainly it will be one of the shows of the year. To many people it may present Flanders and Belgium in a new light.

Commercialising Cricket.

An outcry has been raised in the Press, and quite rightly raised, over the proposal that Mr. Ponsford, the young Australian cricketer, should be engaged by a north of England cricket club. It is not suggested that Mr. Ponsford should play for Lancashire, but for one of the very strong League sides there. Now if this sort of thing is to be prevented, the present is the time to stop it. Of late there has been a deplorable tendency on the part of certain Northern sides to get the services of what they

consider match-winning players, irrespective of their origin or of their past. This, if allowed to develop, would inevitably bring about the commercialisation of cricket; and a law ought to be passed to inhibit it.

Professionalism in the game is another matter, because for the most part professionals play for the county or club to which they have been attached for some time: that is one of the capital differences between professional cricket and professional soccer. The theory still holds good that, as old Craig used to say, "all the Gentlemen are Players, and all the Players are Gentlemen." As soon as talent is imported this theory will go to the winds. If payment is to swamp all local or national boundaries, there is an end to playing the game for its own sake. For myself, however, I do not think that the South of England, at any rate, will ever stoop to this sort of thing, although it is an obvious danger that certain impecunious counties are without competent professionals.

ALTER EGO.

CORRESPONDENCE

The columns of THE NEAR EAST AND INDIA are open for the discussion of subjects of general interest to its readers. The publication of such letters must not be taken, however, as indicating that the views expressed by the writers are those of THE NEAR EAST AND INDIA.

THE DEVELOPMENT OF CYPRUS.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—The letter of your Correspondent, Mr. Hourmouzios, has given rise to a somewhat discursive correspondence. The point of his original letter is that there is an opening in the Island for jam factories: thousands of pounds of money go every year to America for jam.

Then the Colonial Commissioner takes up the running and states that Cyprus fruits are of excellent quality on the admission of all visitors to the Island. The visitors probably have little or no knowledge of the commercial value of the fruit. The Commissioner also states that the grapes are delicious eating and that it would be worth while trying them on the London market.

I must not be discursive, and can only say that I adhere to what was said in my first letter.—I am, etc.,

Kyrenia, December 29, 1926.

G. L. H.

A message from Jerusalem last week stated that the drought in Southern Palestine was becoming so severe that at Hebron water-tickets were being issued to the inhabitants and the local hospital might have to close.

The arrival in Karachi of Dr. Bhabo Nath Banerji, the meteorologist, on January 8 marks, says *The Times*, the establishment of the Karachi office of the Meteorological Department of the Government of India, which is designed to supply civil aviation and the Royal Air Force with trustworthy weather reports. Plans have been prepared for spacious buildings at the Karachi air port (Brigh Road). The department intends to open 20 meteorological observation stations between Karachi, Basra and Aden during the current year in order to assist the London to India air service.

The arrangements made for raising and maintaining a Reserve of Officers in India have been at work now for some months, says *The Times*, with the support of business firms and commercial bodies. The number coming forward for enrolment is not very large, and the building of the Reserve will take some time. A number of commercial men prefer service in the ranks of the Auxiliary Force, which has less responsibility and does not make so much demand on their time. A change, however, is likely to take place this year, as the heads of businesses are to encourage their principal employees to take up a proper status in Indian affairs. The arrangements for training time are also being dealt with in a liberal spirit.

PERSONAL AND GENERAL

TO-DAY

January 16, 1927 (New Style).

December 31, 1926 (New Style).

Rajab 9, 1345 A.H., of the Muslim Calendar.

Shebat 10, 5087, of the Jewish Calendar.

Mr. and Mrs. Soames have left Sheffield Park, Sussex, for Egypt.

Sir Ian Malcolm returned to 57, Onslow Square on January 7 from Egypt.

General Rascano has been appointed High Commissioner for Bessarabia and Bukovina.

The Hon. Arthur and Mrs. Asquith, who are staying in Egypt, will remain abroad until the middle of February.

Sir Alexander Carlyon and Miss Violet Carlyon left Tilbury on January 8 for Port Said, and will be absent about six weeks.

Mr. George Millett, a survivor of the Indian Mutiny, has died at Victoria B.C., aged 86. He was in the siege of Lucknow.

M. Georges Todorovitch, Counsellor to the Yugoslav Legation in London, has been transferred to New York as Consul-General. He left London on January 3.

Sir Vincent and Lady Rauen left London on January 7 for Gibraltar, and Lady McCracken left for Port Said in the P. and O. liner *Rajputana*.

Sir Herbert Samuel, who will be the guest of the Eighty Club on February 28, has accepted an invitation to become president of the Paddington Liberal Association.

Mr. D. A. St. Valentine Jayewardene, K.C. (District Judge, Colombo), has been appointed a Puisne Judge of the Supreme Court, Ceylon.

Mrs. Marian Shakoor, of Rodah Cottage, Liphook, Hants, widow of Milhem Sakoor Bey, of Syria (property in this country) (net personalty £3,408), left £5,940.

The Rev. T. Herbert Jacques, who has been Chaplain at Baghdad, has been nominated by the Archbishop of Canterbury to the Vicarage of Leeds-with-Broomfield, Kent.

The Antiquities Department of the Egyptian Government has decided to readmit visitors to the tomb of Tutankhamen three days a week, as during last year, on production of the usual monument tickets.

Among the recent visitors to Sir Flinders Petrie, who is carrying on his excavation work at Tel Jemme, near Gaza, has been Lt.-Com. V. L. Trumper, M.R.A.S., Honorary Secretary in Egypt of the Palestine Exploration Fund.

In the absence of the King of Roumania, Prince Nicholas and Princess Ileana represented the Royal Family at the usual Epiphany ceremonial blessing of the waters at Bucharest on January 6.

The will of Major Charles Louis Williams, L.D., late Indian Medical Service, of Dehra Doon, Lyme Regis Road, Bannstead, Surrey (net personalty £12,789) has been proved at £12,850.

Mr. Alfred Ezra, who is a vice-president of the Zoological Society, intends to present another full-grown Indian elephant to take the place of Indiarani, and he has already cabled to Calcutta for a suitable one to be chosen. The new elephant will arrive at the Gardens about next May, and it will be perfectly trained to carry children before it leaves India.

An enthusiastic reception was given to the Viceroy and Lady Irwin, when they arrived in Benares on January 4. They were received by the Maharaja of Benares and his staff, and they drove in State through the streets.

Sir George Clerk, British Ambassador to Turkey, entertained Tewfik Rushdi Bey, Turkish Minister for Foreign Affairs, and Ahmed Ferid Bey, Turkish Ambassador to the Court of St. James's, to dinner in Angora on January 6.

Mr. Harold Arrowsmith Brown, Indian Civil Service, has been appointed a Judge of the High Court of Judicature at Rangoon vice Mr. Edward Dyce Duckworth, Indian Civil Service, retired. Mr. Brown was called to the Bar (Inner Temple) in 1920.

Mr. Winston Churchill arrived in Malta on January 8 on board H.M.S. *Witch*, as the guest of Vice-Admiral Sir Roger Keyes, Commander-in-Chief in the Mediterranean. A dinner and dance was given at Admiralty House the same evening. Mr. Churchill left for Egypt on January 10.

Mr. Leonard Wilfred James Costello, Barrister-at-Law, has been appointed one of the Judges of the High Court of Judicature at Calcutta in the vacancy caused by the appointment of Sir George Claus Rankin to be Chief Justice of that Court.

NEWS IN BRIEF.

Four Arab fishermen from Tiberias were caught in a squall on the Sea of Galilee on January 8 and were drowned.

During November 521 immigrants entered Palestine, including 481 Jews. Nine hundred and twenty-three people left Palestine permanently, including 822 Jews.

Sir Wyndham Deedes, formerly Chief Secretary to the Palestine Administration, is now in Poland in connexion with Jewish immigration into Palestine.

A force of insurgents under Sultan Pasha al Atrash, the Druse leader, was defeated by the French on January 4 in the Jabal Druse. The insurgents lost 20 killed and several prisoners.

The Italian shipbuilding firm of Ansaldo, in Genoa, has paid £70,000 to the Turkish Government in settlement of a long-disputed claim in connexion with the cruiser *Drama*, which was laid down for the Turkish Government but, owing to the outbreak of the Tripolitan War, was never delivered, being incorporated on completion in 1912 in the Italian Navy as the *Libia*.

Mr. C. J. Irwin, Commissioner for the Jubbulpore Division of the Central Provinces, in his report on the work of the municipality of Jubbulpore, pays a notable tribute to the progress made in the collection of arrears of taxes, in increasing the revenue, in road repair, and in the destruction of rats. The Commissioner praises especially Mr. O. C. Bose, President, and Mr. Goverdhan, Health Officer, both of whom are Indians, for the satisfactory state of affairs.

Where to stay in the East

Write for particulars of attractive offer
for Advertising Hotels on this page.

ALEXANDRIA—Windsor Hotel.

HAIFA—Strand Hotel.

JAFFA—Hotel Jerusalem.

JERUSALEM—

St. John's Hotel,
H. & F. Fast, Managers.

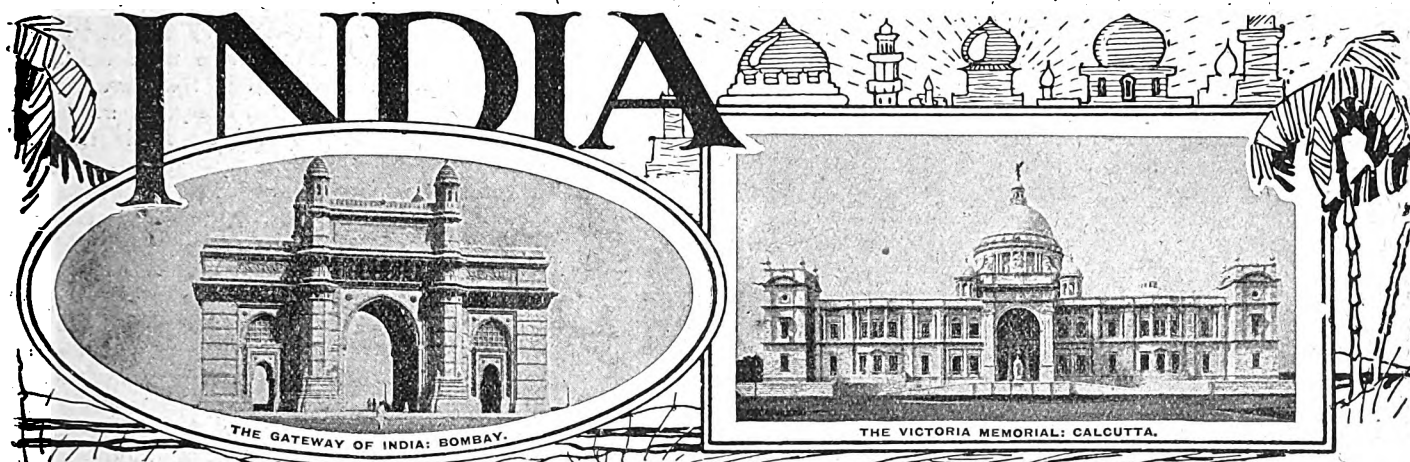
KYRENIA, Cyprus—
Sea-View Hotel.

PORT SAID—

Casino Palace Hotel.

Grand Hotel de la Poste.

Marina Palace and Savoy Hotels.



LANDLORDISM IN NORTHERN INDIA.

BY JANUS.

To meet possible criticism, I will begin by admitting that in Northern India there are practically no landlords in the strict sense, because the men who live on their rents, and who are known officially as landholders, occupy a very different legal position from that which the word landlord denotes in England. All the same there is plenty of landlordism in the popular, and slightly abusive, sense which the word has acquired: and, since the people immediately concerned have often asked to be called landlords, they may, for anything I care, have the word in that sense, so long as the thing survives. Whether it will survive for long is by no means certain: I think myself that the landlords' action in the recent session of the United Provinces Council has sealed the doom of the institution, as it now exists, most probably in Northern India, and possibly also in Bengal and elsewhere: and, if I am right about the thing, the name matters very little.

The papers say so little about what goes on in the United Provinces that it may be well to recall what happened. The eclipse of the Liberals in the elections of 1923 left the landlords in a position to exercise very great influence in the Council; for, while they had not an absolute majority, they were the strongest group and, with a little help from outside, could do very much as they liked. It was an awkward position for the Government, which stood pledged to remodel the tenancy system, because the landlords had to be "squared" in order to pass the necessary legislation, and the result was that, while the Tenancy Bill contained a good many sops, another Bill was introduced to reduce the burden of the land revenue, the whole offer being described by some critics as extraordinarily generous, and by others as an outrageous bribe. Far-sighted men, knowing that the old submissiveness of the tenantry is rapidly passing away, would have seized the opportunity, so generously afforded, of stabilising the position for the years to come; but the landlords thought they could do better: and, allying themselves with the Swarajist irreconcilables, they carried against the Government a series of amendments which would have left them virtually masters of their tenants' fate: and they then proceeded to amend the Revenue Bill so as to increase the price to be paid for what they had refused to give. The Governor seems to have acted with discretion in a difficult position. He first used his "exceptional powers" to force through the Tenancy Bill in a reasonable form, and then, to the consternation of the conspirators, he dropped the Revenue Bill altogether, thus getting substantially what was wanted for a much lower price than he was prepared to pay.

At the moment then, it was a neat little comedy with a happy ending: but to understand its real significance one must look back. The existence of landlordism in British India came about as the result of two very different forces, political expediency and economic idealism: which, in the circumstances of the time, happened to operate in the

same direction. The paralysis of the Mogul Empire had been followed by an extraordinary outburst of energy among its subjects: and every man of force or talent had taken the road to kingship, carving out for himself a dependency, as it was called, and ruling his subjects entirely in his own personal interest. Expediency demanded the recognition of these gentry: under British rule they could not all be Kings, but as landlords they could be expected to rally to the new Sovereign, and keep the country in some sort of order, the one thing of which the country stood in immediate need. But next to order came wealth, for the poverty and misery of the people were too obvious to be overlooked; and the first Englishmen dreamed greatly of such landlords as they knew at home, dreamed of Cokes and Townshends springing up in every district, loyal subjects of the Company, to which they would be bound by ties of self-interest, devoting their energies to reorganising agriculture, making two blades of grass grow instead of one, and, speaking generally, establishing a millennium at the shortest notice.

It was a typical bit of English idealism, but it did not come off. For a long time now it has been recognised that the landlords in the mass are of no economic value, and probably, on the whole, do much more economic harm than good; so that defenders of the institution have been driven to rely on the political argument alone. Recent changes have given this argument a new and attractive shape, for constitutional reformers have looked confidently to the landlords to furnish the nucleus of the Right, the much-needed party of stability, a nucleus round which all the sober elements of India might be expected to group themselves, and so provide the ballast for the Ship of State. This, I take it, is the real explanation of a fact which has puzzled so many outside observers, that successive Governments of the United Provinces have appeared to think so much more of a few hundred landlords than of the many millions of peasants who ought to be their primary care. And now, at the first real opportunity, the landlords as a party have combined with political irreconcilables to bite that Government's caressing hand: the Government has very properly replied with a touch of the whip: at the moment the animal is whining in the corner, and the question for the future is, Will any Government ever be able to trust it again? The answer is, I think, obvious: Nobody can rely on the landlords now, until an entire change of heart has been manifested abundantly in good works, and of such a change there is, I fear, but little prospect; because if it was to come at all it would have come before now. Meanwhile, the Government is free to exercise its proper function as the head of a great peasant province, and thus take its place in the movement which is now in progress. Lord Irwin has already made it clear that he is a peasant's Viceroy, the first since Curzon, and it is quite possible that, before he leaves India, the peasants will have begun to exercise the political power which they already possess. The beginning is the real difficulty: once it is overcome, the change may be rapid, until the landlords find that they must forget all about domination and learn to lead,

or else follow their French and Irish prototypes to the limbo that awaits the failures of landlordism in a peasant country.

Will it matter if they are eliminated? I believe myself that the country can spare landlordism as it now exists; but there are some individual landlords who would be worth saving. I have so far written of them in the mass, and it is only just to acknowledge that there are exceptions, sagacious and laborious men who probably earn their keep and something over. I cannot, however, say that the exceptions are numerous, though the proportion may be higher than would have sufficed to save the doomed city in the familiar biblical story: and in any case such institutions stand or fall by the mass rather than the exceptions. There is likely then to be some loss; but, all things considered, it will not be more than the country can afford; and, at the risk of shocking the landlords and their defenders, I may offer the forecast that, when they have gone, if in fact they have to go, they will be very little missed.

COMMUNAL EUROPEANS.

At the dinner given by the European Association at Calcutta, in honour of the Viceroy, on December 14, Lord Irwin urged Europeans in India to avoid anything communal in their outlook on Indian politics. How necessary the warning is may be inferred from the fact that the *Bombay Times of India* seizes the opportunity to make a violent attack on the speech of the President of the Calcutta Association, delivered on this occasion: and that, in doing so, it is apparently actuated by the old standing jealousy subsisting between Calcutta and Bombay, each of which claims to be "the second city of the Empire"—more properly speaking, Calcutta owns the claim and Bombay aspires to dispossess her. The *Times of India*, in the course of its comments on Mr. Langford James' speech, refers to his "noisy exhibition of what the Viceroy slyly described as the non-official European in full action": declares that, beyond this "sly" remark, Lord Irwin made no reference to the speech in his reply: and condemns the President for "making of himself an exhibition like a bull in a china shop." The paper complains that Mr. Langford James asserted that "various political organisations in this country show a growing tendency to challenge the right of the unofficial European to be in India at all, or to suggest that we are here merely on sufferance": and declares that "windy accusations" of this kind are mischievous—harmful to the position of British people in India and damaging to that good feeling between Great Britain and India to cultivate which is the duty of every loyal citizen, whether British or Indian. The accusation, it adds, may be true of Bengal, but is untrue "as a generalisation about political leaders and parties in Western India." It disputes Mr. James's right to speak for any Europeans in India other than himself, declaring that "as a gauge of his capacity it is worth remark that, in speaking of democracy as a system of government, he likened to a lunatic asylum": and ends with what, it would seem, is the conclusion to which the whole tirade was intended to lead up: "What we should like to emphasise is how strongly this demonstration by the Calcutta European Association President supports the view that, in paying so much attention to Calcutta as they do by their long cold-weather visits, the Government of India are year by year recommitting themselves to the very difficulties and false outlook from which the transfer of their Capital from Calcutta was intended to deliver them."

It is worth while to look at the reports of the speeches delivered at the Calcutta dinner, to see what the President and the Viceroy actually did say: and thus to arrive at the grounds for this trenchant criticism. Mr. James's assertion about various political organisations in India challenging the right of non-official Europeans to be there, except on sufferance, is correctly quoted: he continued—"The simple answer to this challenge would

appear to be that we are here, that we have a right to be here, and that we intend to remain here until we are turned out. Apart from these truisms, I think we have a right to be in India on moral, but equally strong, grounds. British people have very largely made India. Their continuance in the country is, in my opinion, necessary to the future welfare of the country, and I venture to think that most thrinking Indians realise that truth. Our forefathers, when they came to India, brought with them a particular stock-in-trade, which may perhaps be summarised in three words—stamina, honesty and initiative; and I believe that these are still qualities which are needed and valued in India. But, if these are qualities on which we pride ourselves, we must be careful to put them into practice in dealing with the problems that confront us; they must be placed at the disposal of the body politic to the fullest extent. In the past, when the indigenous population have got into a tight corner, the first thing they have cried for is the Sahib. The need is still there, and we must continue to respond to it. Perhaps most important of all, we must make up our minds to say quite honestly and sincerely what we think to be the truth. There is no need to be offensive, but there is every need to be frank. It is always a distressing sight to see two people yielding to the temptation of winning easy applause by saying comfortable things which neither believes. This is particularly true in India." Later on in his speech, Mr. James spoke of two fundamental fallacies which he discerned as underlying the Reforms Scheme: first, that it promulgated a system of government for which an electorate was essential and then went out to look for the electorate. "That is a political *hysteron proteron* which it is difficult to justify, and no one can say that the political results are encouraging. If I may be permitted a metaphor, no business-like man, I imagine, would build a first-class lunatic asylum and then proceed to scour the country for lunatics to fill it and doctors to certify them." Mr. James' second "fundamental fallacy" was the method by which it was proposed to engender a sense of responsibility in the legislative bodies. "It seems to me that, if you wish to engender political responsibility in the Councils, it is necessary materially to extend their responsibilities. At the same time, you must realise the vital importance of ensuring that men of the right stamp are elected or nominated to those Councils. . . . I confess that instances which present themselves to us of efforts of Indians to manage their own affairs do not impress one with an immense amount of confidence. In Calcutta we always have in front of our eyes the Corporation, which claims to be a national body. . . . I think they have fairly imbued everybody with a sense of their inefficiency. . . . Much the same tale is told from all parts of the country." Lord Irwin, in his reply, said that Mr. Langford James had touched upon many subjects and, if he did not follow him in all, it would not be because he failed to appreciate their importance. "This great city affords to anyone an opportunity of seeing the non-official European in full action, and of realising the problems and difficulties with which he has to deal and the spirit in which he sets about it. . . . I appeal to you never to conceive of Indian politics only as matters directly affecting, at particular points, European interests, but as a great business affecting the whole of India's future, to which you can bring qualities such as India can find nowhere else . . . because this Association has done so much already to assist Indian growth, because they have brought to the land of their adoption those gifts of determination, honesty and initiative to which Mr. Langford James referred, and because in the years to come their opportunity of service may well be greater than it has been up to now." The Viceroy then dealt at some length with Mr. James's two "fundamental" questions of responsibility and the electorate: observing that the lack of the former was one of the chief reasons for the presentation to the latter of the British Government in India as "the common opponent of all patriotic citizens."

The unprejudiced observer will probably conclude from this that the statement that the Viceroy made no reference

to Mr. James' speech, and the imputation of "slyness" in his reference to Calcutta's non-official Europeans, are equally without foundation. Also that, whatever one may think of the appositeness of Mr. James's metaphor, it is hardly fair to say that the likened democracy to a lunatic asylum. It may very likely be true that his accusation against "various political organisations" is ill-founded "as a generalisation" against Indian politicians in Western India; but it was not made as such; and a good answer is to be found in the comments of the *Bombay Chronicle*, the leading extremist newspaper in Western India, on Mr. James' speech. That paper condemns its "downright impudence and insufferable arrogance," and characterises it as a specimen of "the attitude of hauteur and contempt with which Anglo-Indians of a certain type regard anything Indian": and proceeds, "In tight corners the indigenous population cried out for the 'Sab.' What a land this India of ours must have been before 'Sabs' prostrated themselves at the court of Mogul Emperors and begged for the privilege of opening factories. There was no stamina, no honesty, no initiative among us. That stock-in-trade was brought over by the forefathers of Mr. Langford James and his kind. History, as they understand it, is that in which these qualities are the exclusive peculiarities of a race of shop-keepers who profited in India by setting by the ears factions and parties amongst Indians. 'We have a right to be here and we intend to remain here until we are turned out' was the burden of Mr. Langford James's insolent speech. He gave public expression of that attitude of insolent contempt for Indians which a type of priggish, ignorant and self-opinionated Britisher in India adopts towards the children of the soil. Indians know that the absurd charge that they have no stamina, no honesty, no initiative in them until a contingent of British 'factors' arrived in this country with these estimable qualities as their 'stock-in-trade' carries with it its own condemnation. . . . Vain and foolish threats that Europeans mean to live here, and that they have a right to live here, have no meaning for Indians, much less will such threats deter them from their pursuit of self-government. They know very well that Europeans like Mr. Langford James will not live in India the moment it becomes economically unprofitable for them to do so." To find this sort of writing in the *Bombay Chronicle* will surprise no one; but it certainly is surprising to find an echo, in substance if not in form, in the *Times of India*. At the present moment, unity among non-official Europeans in India is pre-eminently necessary. Bombay's jealousy of Calcutta, when exhibited in its "parochial" aspect, is, like Calcutta's jealousy of Delhi, merely amusing; but, if it should lead to developments of this nature, it may quite easily become disastrous.

CURRENT TOPICS.

A Church for New Delhi.

The influentially signed appeal for funds to build a Church in the Capital of India is one that should come home to all Englishmen, even those without direct interests in India, at the present juncture. When the original plans for the Imperial Capital were drawn they included a scheme for the erection of an Anglican Cathedral; but, owing to shortage of money, this proposal had to be dropped, though the site—a central and imposing one—is still there. Sir Edwin Lutyens' ideas, in his designs for New Delhi, included the creation of a special style of architecture which, while containing Indian attributes, should yet be basically British, in order to perpetuate, for all time, the character of the government under which it was to be built. It is very greatly to be desired that an English Church, which entered not only into the original design, but also into its basic idea, should not be omitted. If it had been possible to adhere to the original proposal, and to make a Cathedral one of the components of the design, it would have been far better than any such

arrangement as that now proposed; but, as the best is not possible, every effort ought to be made to make the next best as great a success as may be. It ought also to be remembered that there is a movement on foot, which seems likely to come to fruition in the near future, to make the Indian Church of England independent—one that is looked upon with considerable disfavour by many Europeans in India, but which, nevertheless, is perhaps a natural corollary of the determination to lead India along the path of political self-government. In the fashioning of the latter, a British foundation cannot be avoided: and is, indeed, the only foundation possible. The same must be said of the former, with even more certainty: and where can it be more fitting to erect a visible monument of the fact, than in the Imperial City of Delhi? All British well-wishers of India will hope that the political Capital will long stand as a memento of Indo-British rule: and it is only right that, in its midst, should stand a worthy reminder of the great influence that Christianity, as presented by the British, has exercised on the best thought of India.

CALCUTTA LETTER.

(From Our Own Correspondent.)

Calcutta, December 23.

Christmas Week.

We are now at the peak of the cold weather season in Calcutta, and it is safe to say that there can be few places in the world in which there is more doing *per caput* than in Calcutta at the present time. The M.C.C. team have arrived; the Viceroy and the Crown Prince of Sweden and their suites are here; the Army Polo team is here, together with all the entrants for the championship; the Regiments are arriving for the Tattoo; native princes and Rajas and the wealthy racehorse owners have come with their horses and their wonderful motor cars; more officials arrive daily from Delhi; golfers from everywhere are down for the Indian championship. With the added attraction of the M.C.C. visit this year, there has never been a greater influx of all the bright and beautiful from the out-stations, the tea gardens, and the coalfields. Life is full of dinners, dances, garden parties, golfing, tennis and what not, and the only difficulty is to find time to sleep; it is a mercy that the offices are closing down for the greater part of next week.

In High Places.

The personality of the Viceroy, coupled with his public and private utterances, is winning for him a very deep respect from the European community, and even the Extremist Press is showing signs of moderating the venomous tone that has become almost the daily spice served up with the defiance of authority. Opinion is firm that the Viceroy is not only a strong and capable man, who does not fuss, but that his example may help to induce in Indian public life a return to the traditional courtesy which has almost entirely disappeared at the present time. It is pleasing to note also an improvement in the tone of the Indian Press in regard to the Governor, and it would seem as if his frank admission at St. Andrew's Dinner that he had been completely disillusioned as a supporter of the Reforms has given many Extremists furiously to think. In the past it has been the tradition that the Governor and Government alike must stand up for their Province, and the bitterness of disappointment must have gone deep for Lord Lytton to have acknowledged publicly that his Province has failed. We shall see whether these things produce any effect upon the Congress which is meeting next week at Gauhati.

A Scandal.

Obviously inspired articles have been appearing in the European Press this week in regard to the flagrant abuses of the Building Laws that are daily taking place in the City, and particularly referring to the scandalous number of such cases which occurred when the European City Architect was on leave last year and an Indian was acting in his place. The harvest is now being reaped, and during the last three months no fewer than 64 buildings in the city collapsed, three persons having been killed and fifteen injured in consequence thereof. This is but the beginning and there is no doubt whatever in the minds of those qualified to judge that within the next few years there will be far higher casualties to record. The Regulations themselves provide many loopholes for "concessions," and so long as there was a European non-elected Chairman at the head of the Municipality there was always someone who was independent of the electors to see that the Regulations were observed in spirit and that evasions were kept as few as possible. The situation now is that any landowner can appeal against the technical decision of the executive to a Committee which is composed entirely of elected members, and the result is that, in the words of the article, the Committee has become an organisation for the protection of landowners' interests, or what are considered to be their interests. Even in the event of decisive action being taken against an owner, it is possible so to delay the remedial processes as to have an illegal building erected and occupied for over a year before it is judicially condemned. This is one of the actual fruits of popular government in India, and it is typical of many others that are now ripening.

Men and Things.

A summary of Sir James Connolly's comment upon Lord Inchcape's speech at the P. and O. annual meeting has been cabled out, and we note that someone has pointed out at your end the paradox of claiming credit for successful working whilst you are warning possible competitors that the field is not a profitable one.

Rabindranath Tagore, Bengal's own poet-laureate, arrived back from his European tour this week and was met by a host of admirers. The Extremist Press has seized the opportunity to make political capital out of him and his doings, and it is evident that this is to become a standard practice.

The Bengal Provincial Conference met this week as a preliminary to the Congress gathering at Gauhati in the first week of January. They are without a President; Mrs. C. R. Das refused to accept the honour thrust upon her, and Mr. J. M. Sen-Gupta was not willing to withdraw his refusal. The contending parties were unable to agree and in the usual way they have resolved to avoid bringing their differences to a head by doing nothing; so the matter is to stand over until it is seen which way the Congress cat jumps.

The *Statesman* has won its case in the libel action brought against it by Mr. S. C. Bose, the interned Chief Executive Officer of the Corporation. He sought to take advantage of the fact that he has been interned under a Regulation without ordinary trial, and he claimed that the suggestion that he was connected with terrorist activities was a libel. The judgement is that the comment was a fair one, which appears to be common sense.

The Institution of Engineers has been holding its annual dinner and the Chief Engineer of the Port Trust took the opportunity of pointing out that engineers must be practical men; he referred to the many Indians, who, whilst brilliant at their books, fail in the job, and he also referred to others who have achieved marked success on the Port Trust staff; nevertheless *Forward* comments on the speech in a leading article headed "A White Conspiracy." Everyone seems to be conspiring against the wretched readers of *Forward*.

The N.S.P.C.A. held its annual animal show this week and even if many of the exhibitors wonder why the Society's inspectors are entitled to force them to lose a day's work for some mad scheme of the Sahibs, a free feed for the animals and small money prizes to drivers

are beginning to make an impression upon their very primitive minds.

The Trivial Round.

Saturday was a memorable day at the races, for not only was it the first of the Classic Meetings, but the racing was also most exciting, and both human and equine aristocrats were there in plenty. The dresses were brilliant; all the stands were crowded and the bookmakers seemed to be having a busy time. The Agha Khan with "Quincy" beat Orange William by a head in the King Emperor's Cup, and it begins to look as if the latter has seen his best days. Although few favourites got home, most of the winners were well backed, and on the whole it was accounted a good day.

The second paper chase took place on Friday morning last and a very keen batch contested the long course, with Mitchell Innes winning it by a neck; riding is certainly keen this year.

The M.C.C. have arrived and they made no mistake in their first match against a combined Indian and Anglo-Indian team, giving them a sound hiding with eight wickets in hand in a one-day match. Gilligan is said to have warned his team against the notorious Calcutta hospitality, but reports to hand indicate that the dangers are being investigated. The writer saw the match yesterday, and there is no question about the seriousness of this cricket; they are out to beat Calcutta.

Local cricket at the week-end saw the Lords Schools surprisingly beat the rest comfortably at the Eden Gardens on an batsman's wicket. Playing for Dalhousie, Tarrant practically beat Ballygunge "on his own."

The South Club tennis tournament has come to a successful conclusion and this is now certain to be an annual event. Miss Jennie Sandison beat Mrs. McKenna in the Ladies' Finals, while J. Robson won the men's event from Kitagawa.

It has been a dancing week at the theatre, the Russian Ballet having continued their season, and on Monday and Tuesday evenings pupils of Miss Aenid Ballin gave a new and fascinating children's show. The amateur pantomime rehearsals are in full swing and there will be a great deal to see next week; frankness at the moment is not confined to politics.

The Social Conscience.

The annual meeting of the Calcutta Vigilance Association was recently held, the Bishop of Calcutta presiding. Considerable disappointment has been felt at the feeble response to the appeal for Rs. 1 lakh for the cost of establishing a Home for minor girls, the efforts of the Association during the last two years having resulted in the collection of less than one-fifth of the amount required. In spite of this, suitable premises have been taken, and the Home will shortly be opened. The Association has ascertained that from 1,600 to 2,000 girls of from 9 to 13 years of age are detained in Calcutta brothels for immoral purposes, and, although the police have power to remove them, they cannot do so, until there is accommodation for them elsewhere. The subject is nauseating, but it must be confessed that Indian opinion appears on the whole to be indifferent to it.

Markets.

Both the jute and gunny markets have improved during the past week, and a particularly good demand has been evident in gunnies, especially for forward business which has been transacted up to the end of last year; prices are better all round. The piece-goods market shows little alteration, except that the position is relieved a little by satisfactory clearances of overdue goods, which have been arranged without resorting to compulsory measures as has been necessary the last few weeks. This has had an effect of clearing the air to some extent; but on the other hand there are reports of further failures in the local market. In the tea market the sale here has displayed a rather weaker tendency except for the best and tippy teas. The next sale here will be on January 11 next.

On the Stock Exchange, Government Securities have

shown weakness, $3\frac{1}{2}$ per cent Paper being no better than Rs.78/10/- and all the shorter dated securities have been on offer; the turnover has been on the small scale generally, but this is no doubt due to the near approach of the Christmas Holidays. Business in investment stocks has again been limited only by the scarcities of sellers, and in the miscellaneous market there has been a number of features including Indian Iron and Steel and Indian Standard Wagon, the latter of which is rumoured to be under negotiations for purchase by Government. Jute shares have gone further ahead, and all the stocks have been marked up substantially during the week. Dealings in teas and rubbers have been few and far between, and in the tin share market there continues to be a preponderance of sellers; but prices show no signs of reacting further.

The Exchange market was listlessly steady at the end of last week, but with tightening money and more bills showing a firmer tone developed. Later, bills continued to show and with little or no demand for remittance, business has appreciated considerably. Ready T.T. closes at 1.5 15-16 to 1.5 31-32. Money is in distinctly better demand and may be quoted—Call and Short Notice 2 per cent.

CORRESPONDENCE.

WOLF CHILDREN.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—With reference to the article on "Wolf Children" appearing in your issue of December 23; when on tour in the Kheri district of the present United Provinces in India in 1900, I was on an elephant sent by a Zamindar to help me along. We were going along a path through heavy forest alongside a large marsh. The *characut*, whose work was to cut fodder for the animal and generally assist the mahout, was shuffling along the path ahead of us and his way of talking, laughing, and walking induced me to ask the mahout if the lad had had a drink of *daroo* (fermented liquor). "No," said the mahout, "he has been like that ever since we caught him; he is a wolf boy." He then gave me the following story. "About eight years ago several mahouts noticed that when they came for chara to the far end of this marsh and disturbed a family of wolves, as they ran off, a queer-looking black animal ran with them. So one day eight of us went out together on our elephants and surrounded the spot where the wolves had their lair, and when they ran some of us jumped down, chased and caught the black animal, and in spite of his barking, snarling, biting, kicking, and scratching, tied him up and found he was a boy about ten years of age. We took him to our quarters and tied him up in a strong bamboo enclosure. After a day's starving we offered him some cooked meat and chappatis and water. He took a drink like a dog, but ate nothing; he just sat snarling and sulking. Next day we threw him raw meat, which, after smelling, he ate greedily, growling all the time. After a few days he ate half-cooked meat and in a fortnight we let him loose and watched him. He looked about for a time then sat and sulked, but made no attempt to get away. Gradually he became tame and learnt to sit with us round the fire in the evening. He learnt a few words and made signs with his hands. After about six months, when he had become quite friendly, we made him a Mussulman and tried to teach him the Kulma (creed). As he grew bigger we made him a *characut*. He is a very willing lad, always laughing and talking, as he is doing now. He has one peculiar habit: when told to do anything, he will go on doing it till someone stops him. When told to cut chara, he would go on cutting till night, if we did not stop him. When cooking elephant cakes we have to watch him or he would use up the whole sack. If told to go ahead along a road and wait for us, he would walk on as far as the road went or till night if not called off."

He was evidently about 18 or 20 years of age when I saw him; was just beginning to raise a beard and

moustache. I never saw him again. That a wolf boy lived for some time in the R. C. Orphanage, Agra, was well known in India half a century ago.—I am, etc.,

G. B. SCOTT.

INDIAN MAIL.

The Statutory Commission.

The possibility of an acceleration of the appointment of the Statutory Commission has lately attained some prominence in the English Press of India: some important organs of opinion expecting it to occur in 1927, others in 1928, and others not until 1929, after the completion of the full ten years originally contemplated. The upholders of the latter continue to talk about the prospects of co-operation in the Legislatures, as if this was what really matters: one of them goes so far as to say that an essential pre-requisite of the hastening of the Statutory Inquiry is the demonstration of co-operative spirit by the leaders of Indian political opinion—"the co-operation required must be unanimous and overwhelmingly general." It is admitted that there is at present no sign of such an attitude; and its absence is advanced as a good reason for deferring the inquiry until the last moment, in the hope that, in the interval, the attitude will change for the better. But, if one considers that there is not the slightest indication of such a hope being realised, one may justifiably argue that the absence of a spirit of co-operation is the best possible reason for the acceleration of the inquiry. *The Times of India* asks, "of what possible use would be the opening of an inquiry if leaders of Indian political thought non-cooperated with it—refused to give evidence before it and promised in advance to reject its findings?" The answer is, that the British Parliament has taken upon itself the duty of inquiring into the political position in India and of deciding as to how Parliament shall deal with it—in the words of the Government of India Act, the Commission shall "report as to whether it is desirable to establish the principle of responsible government, or to extend, modify, or restrict the degree of responsible government then existing." The absence of a spirit of co-operation in "the degree of responsible government now existing" is one of the facts on which the Commission will base its report: and no amount of evidence, by politically minded Indians, could alter it in any degree. Its acceptance may reasonably be expected to lead the Commission to realise that Parliament has been barking up a wrong tree; and, if so, it follows that, the sooner it climbs down and barks up a different one, the better for all concerned. It is incontestable that politically minded Indians dislike the present constitution; and the masses are indifferent to any system of reform. Delay in the appointment of the Commission will make no difference to these facts: all that is necessary is for it to take note of them and to proceed accordingly, in the endeavour to reconcile the legitimate aspirations of the politically minded with the best interests of the masses: that is to say, not in the direction of extension or restriction of the existing reforms, but in that of their modification.

Acceleration or Delay?

Discussion about the date of the appointment of the Statutory Commission has been carried a stage further in consequence of a speech delivered by the President of the European Association on the occasion of the dinner given by the Association in honour of the Viceroy's visit to Calcutta, on December 14. The President said, "If you have a state of affairs where the most important Indian political party whole-heartedly condemns the system, the British community from the start, though entirely willing to work it, has condemned it, the other political parties have been lukewarm, and the people, who really matter, are either ignorant or indifferent, I cannot see the argument for delay." Those who do put forward arguments for delay take a different standpoint when doing so. Briefly, they argue that, since

seven years have been wasted in the follies of non-cooperation and senseless obstruction, an early appointment of the Commission would not be of advantage to Indian Nationalist aspirations: and that there is still time, during the next two years, for Indian politicians to create a more favourable atmosphere. Further that if, as appears to be the case, the present system is generally unpopular, time is necessary to allow the people most nearly interested to think out a more acceptable system and to get it ready for presentation to the Commission: which, as the *Englishman* observes, will not only expect to hear evidence as to how the present Constitution has worked in the past, but will also demand practical recommendations as to the manner in which it is to be amended, if considered capable of amendment, or as to what form of government should be put in its place, should it be decided to scrap it altogether.

It is, however, worth remembering that the advocates of acceleration have never gone further than to suggest that the personnel of the Commission should be decided on next spring, in order that it may be in a position to begin work in the autumn: which would give an interval of nine months in which to prepare alternative schemes. From the Central Government down to the smallest local body, "authority" in India has always been incurably opportunist, always desirous of putting off action until the last possible moment: and, if it is desired to spur the people in India to think out and seriously to prepare constructive suggestions, the best possible way of doing so would be to make them really understand that the time is short. As for the probability of the next two years showing any improvement in method over the last seven, it would need something more than an optimist to expect that; especially if it is true, as it certainly seems to be, that all communities in India are unanimous in condemning Diarchy. In such a case, even those who are quite willing to co-operate may naturally be reluctant to do anything likely to persuade the Commission to report favourably on a constitution the continuance of which they do not desire.

Responsibility and the Electorate.

One feels some diffidence in referring yet again to the Calcutta European Association's dinner to Lord Irwin; but both the occasion, and the speeches delivered on it, seem to the writer to have been of quite exceptional importance. The President expressed the opinion that two "fundamental fallacies" underlay the Reforms—the assumptions that they would train Indians to accept responsibility, and that the creation of an electorate would lead to an intelligent exercise of the vote. Lord Irwin's remarks on these two points are worthy of close attention. "Speaking of central politics, so long as there is in the hands of the Governor-General or Government of India some reserve power by which, in the last resort, they can secure what they conceive to be essential, it is evidently possible for popular representatives to escape the sense of responsibility that ought to accompany the power, even though only partial, which they exercise. Again, so long as the Government of India is not fully responsible in the strict sense of the word, it is impossible for parties or politicians to feel the salutary check of being perhaps compelled to replace, in the task of government, those who have been the targets of their criticism and attack. It, therefore, follows, as has recently been seen, that one of the principal distinctions between the different parties is apt to be the degree of vehemence with which they assail the policy of Government. . . . I suspect Parliament will realise that, at the root of the whole question, lies the problem of what I may call the average political sense of a wide electorate. An educated electorate, as Mr. Langford James has said, is the only sure basis of democracy. Without it, politics are the possession of a small class of intelligentsia, and the leaders of political thought, who must be the pioneers of political development, would be the first to recognise that, in the conditions, the political system, instead of resting broad-

based on intelligent popular judgment, is insecurely poised on an inverted apex."

Commenting on the speeches made at the dinner, the *Statesman* observes that Mr. Langford James used language which must be of serious import to all those who share Parliament's desire to see India not only endowed with, but able to profit by, representative institutions, in which lies the hope of the future. "Great Britain must realise that representative institutions can and do exist apart from democracy, and that the East neither desires nor understands the British democratic constitution. There are indigenous democratic institutions in the East, and it is possible, on the basis of the Indian village, to build up a system of government of a far more congenial and comprehensible kind than any which is to be hoped for from the present system of direct election to the highest legislative bodies. The village knows its best men and can select them for the panchayat: the panchayats will know whom to choose for district boards, and the boards will know whom to choose for Councils. In this way experience in one sphere will lead to promotion in another, and men of standing in their own localities will have a chance of proving their worth. Lord Irwin's saying, that an educated electorate is a sure basis for democracy, is only true of countries to which democracy makes a national appeal. India's next constitution must be a more Indian growth."

In describing these two questions as fundamental, the present writer believes that Mr. Langford James put his finger on the spot: and that the future constitution of India, widely different from the present one, ought to be built up on an attempt to ask of the electorate—probably by means of a panel system—only such questions as they are competent to answer, and to inculcate the idea of responsibility by beginning near the bottom, instead of—as at present—near and at the top.

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NOTES AND NEWS.

170, Strand, London, W.C.2,
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The British Industries Fair.

As showing the efforts which are being made to make this year's British Industries Fair the success that is hoped for, it may be mentioned that the overseas advance edition of the catalogue of the Fair with classified lists of exhibits in nine languages was sent out last week to leading buyers in Europe, Asia, North Africa, etc. The early publication of the catalogue has been rendered possible by the eagerness of the British manufacturer to participate in the Fair, resulting in the early booking of the available space. This is significant not only of the belief in the Fair but also of the optimism among the trading community regarding the outlook in the coming months.

Chemicals at the Fair.

Imperial Chemical Industries—the great chemical merger formed by the amalgamation of Brunner Mond and Company Ltd., Nobel Industries Ltd., the United Alkali Company Ltd., and the British Dyestuffs Corporation Ltd., under the Chairmanship of Sir Alfred Mond, Bart., M.P.—is to make its first appearance to the public at the British Industries Fair. During the past few weeks the staffs of the respective companies have been collaborating in the organisation of the largest individual exhibit which will be placed in the Chemical Section of the Fair. The main object of the exhibit is to make an expression of Imperial Chemical Industries' individuality as one group, at the same time showing the inter-connexion of the different companies comprising the merger, and pointing out to overseas buyers, the chemical trade in general, and the public at large the advantages derived by the amalgamation of the various interests. The exhibit will be Imperial in its significance as showing the wide influence of the company in British commercial affairs. It will be practical in the sense that the man in the street will be able to visualise its numerous activities, and it will be scientific in the sense that the buyer of chemical goods will at once see the intimate relationship which exists between the products made in the factories belonging to the respective components of this great organisation.

Egypt's Trade Position.

The figures for Egypt's trade for the first ten months of 1926 show very plainly the effect on the country's prosperity of the rapid decline in the price of cotton. The value of the imports was £E41,915,818, at which they are £E3,937,374 below the figures for the corresponding period of 1925, while that of the exports was £E32,440,622, a decline of no less than £E11,676,347. Of the countries from which Egypt draws her imports Great Britain was first with £E9,749,348, France being second with £E4,588,303, Italy third with £E3,771,706, Germany fourth with £E3,190,623, while British India's contribution was £E1,899,353 and Australia's £E1,767,163. The value of the exports taken by the United Kingdom was £E14,708,882, the United States being second with £E4,399,745. It will be noted from the figures I have given that competition in the Egyptian market tends to

become increasingly severe, and it can scarcely be maintained that Great Britain's position in this market at the present time is such as to give cause for overwhelming satisfaction. It may be hoped that our traders will make a special effort in this direction, so that when the inevitable revival of trade comes with the recovery in the price of cotton this country will obtain a share of the import trade more proportionate to her share of the exports.

Bank Results.

We are now approaching the period of the bank meetings, which this year will be of greater interest than ever on account of the desire to hear the views of the Chairmen on the effects on the country's position of the developments during the past year. It will be interesting also to learn to what extent the bankers share the optimism that is now beginning to pervade the business community regarding the immediate trade outlook. As regards the results of the banks, there have been no surprises this time in the dividend announcements, but, of course, no increases were to be looked for in view of the past year. The directors of Lloyds Bank propose to maintain the dividend on the "A" shares at 16½ per cent., while the "B" shares are to receive the maximum of 5 per cent. for the year. The final dividends proposed by Westminster Bank will make the distributions 20 per cent. on the £20 shares and 12½ per cent. on the £1 shares as before. The profits of the banks, it may be added, have been singularly well maintained during a particularly difficult period.

Cotton Growing and Prices.

On several occasions I have pointed out that the fall in the prices of cotton is bound to affect the progress of cotton cultivation in the Empire, and it is not surprising to learn that growers in various regions are now faced with a very difficult position. I am not referring here, of course, to Sakellaridis which stands on a plane by itself, but to American, the development of the cultivation of which in the Empire is imperative in order to reduce the extent of our purchases from the United States and thus to lessen the strain on the exchange. It seems likely that America will cope with the situation arising from her record crops by a reduction of production, and that will give growers within the Empire a special opportunity. It is imperative therefore that everything possible should be done in regions such as the Southern Sudan to make American still an attractive crop pending a new rise in prices.

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Khartoum-Kisumu Air Service.

The inaugural flight to Bombay by the Secretary of State for the Air, Sir Samuel Hoare, to open the Egypt-India air service has rather tended to obscure developments with regard to another important air service, that from Khartoum to Kisumu, which is being organised by the North Sea Aerial and General Transport Ltd. The first flight on this route, which will link up Kenya, and the Southern Sudan with Khartoum, was to have taken place last week, but an accident, on its trial, to the seaplane Pelican, which was to have inaugurated the service, necessitated a postponement, and it is understood that the first departure from Khartoum to Kisumu will not now take place until February. The importance of this air mail service in linking up the regions in question scarcely needs emphasis; it is hardly less obvious that Khartoum is not likely long to remain the northern terminus of this service. It is the ultimate object of the company to run a service as far as Cairo, which will enable it to connect up with Imperial Airways, and will enormously reduce the time taken between London and Khartoum. It will also, when the service is developed as one imagines it will be eventually, greatly decrease the time taken over what is now one of the longest journeys in the world—that from Cape Town to India.

Imperial Bank of India.

The net profits of the Imperial Bank of India for the six months ended December 31 last amounted to Rs.35,49,400 as compared with Rs.38,25,100 for the corresponding period of 1925, a decrease of Rs.2,75,700 which reflects the adverse trade conditions in India. With the amount brought forward the available total is Rs.64,99,700 as compared with Rs.60,23,000. The dividend is maintained at 16 per cent. per annum tax free, and the allocations are Rs.7,50,000 to the reserve fund as against Rs. 5,00,000, and Rs.3,00,000 to the pension fund, leaving to be carried forward Rs.9,49,700 as against Rs.10,23,000.

Roumanian Oil Progress.

The provisional figures for oil production in Roumania during 1926 show very plainly the rapid strides that this industry is now making. If only progress had not been handicapped ever since the War by the inadequacy of the transport facilities the effect of the development of the oil industry on the situation of the country generally could not have failed to be very pronounced. Happily for many months now the position with regard to transport has been improving, and in the current year the country should be able to benefit to a far greater extent from her vast petroleum resources. The figures for the individual companies abundantly indicate the advance that is now taking place in the industry. Those of the Steaua Romana may serve as an example. The production for 1926 amounted to 406,447 tons, an increase of 86,711 tons on the figures for the previous year.

COMMENTATOR.

NEW COMPANY.

The Red Sea Petroleum Company has been registered as a private company with a nominal capital of £25,000 in £10 shares, to carry on the business of producers, refiners, transporters and distributors of petroleum and other oils, etc.

NEAR EAST MARKETS.

The Monthly Review of Barclays Bank for January contains the following reports:—

Khartoum, December 28.—The general trading situation in the Sudan is still bad, but a slight improvement is recorded over last month. Import prices, including cotton goods and tea, are steady and although business is on a small scale, there is a certain amount of movement. The export market also shows improvement. Gum is quoted at 66 pts per kantar El Obeid.

Jerusalem, December 28.—General trade has shown some activity on account of the seasonal festivities. In the import markets, there has been a slight fall in prices, but a corresponding increase in sales is to be noted only in rice. Recent severe storms have caused damage to the orange crop to the extent of about 200,000 cases. Up to the present 27,000 cases have been shipped, the latest prices realised being 11s. to 18s. per case.

NEWS FROM ALL SOURCES.

M. Burileanu has been appointed Governor of the National Bank of Roumania.

M. Capitanovici's term as Vice-Governor of the National Bank of Roumania has been extended for a year.

The production of the Indo-Burma Oilfields for November was 2,186 barrels, being 1,020 barrels from Yenangma field, and 1,166 barrels from Padaukpin field.

A 50 cwt. lorry fitted three years ago with British tyres on all wheels is still running on them after having completed 180,000 miles.

Net new life business completed by the Royal Exchange Assurance during 1926 amounted to £1,998,700, being an increase of £26,507 over that completed during the preceding year.

The gross production of crude oil of the Phoenix group of companies for December was 33,330 tons. For the twelve months ended December 31 last the production of crude amounted to 360,231 tons, as compared with 267,380 tons for the previous year.

Steaua Romana (British) Limited are advised that the production of the Steaua Romana Company, Bucharest, for December was 34,420 tons, making a total production for the year of 406,447 tons, compared with 319,736 tons for 1925; an increase of 86,711 tons. This is the highest production obtained by the company from its own fields since 1912.

By a recent Decree the duty leviable on certain articles on exportation from Roumania are as follows:—American vine grafts, from 22 per cent. *ad valorem* to 1 lei per 100 kilograms. Hemp tow, from 11 to 2 lei per kilogram. Unshelled walnuts, from 40,000 to 20,000 lei per wagon. Shelled walnuts, from 80,000 to 40,000 lei per wagon. White wool waste or rags, and rags of sheepskins, from 60,000 to 10,000 lei per wagon. Wool remade-up from fraying out or rags, from 50,000 to 8,000 lei per wagon. Rags of all kinds (except of white wool and sheepskins), from 10,000 to 3,000 lei per wagon.

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THE WEEK'S FINANCE.

(By Our Financial Expert.)

London, January 11.

Although the opening of 1927 on the Stock Exchange has not been marked by an ebullition of optimistic activity such as sometimes characterises the first week of a new year, business has been on a fairly satisfactory scale. British Government stocks were inclined to droop in the early part of the week, but recovered on the news that the lists of the new 4 per cent. Consols had been closed. Some days must elapse before the actual result is known. But, clearly, the Treasury has received as much new money as it wished to receive and the operation is from that point of view a success. Meanwhile, the opportunity offered to holders of 5 per cent. Treasury Bonds maturing next month, and of 5 per cent. and 4 per cent. (tax free) bonds maturing in October to convert into the new loan remains open until January 14th. A heavy volume of conversion is practically certain and on the whole the Treasury will be found to have emerged with credit from an operation which was freely criticised in some quarters.

Among the market features of the week were a rise in the shares of Hudson's Bay, which is again issuing shares to shareholders on attractive terms, and the issue of an annual report by that much discussed company, British Controlled Oilfields. The latter does not remove altogether the deplorable impression created by the very pessimistic statement of the directors last September, nor does it suggest that there is any way of avoiding drastic reorganisation; but it reveals better production and earning figures than had been expected, and suggests improved hopes regarding a portion of the company's properties.

As regards markets generally there are no signs of active public participation. Among other influences, realisation of the losses caused by the coal stoppage and the fear of increased taxation in the next budget, are operating in restraint of business. The position as regards the latter question merits careful consideration.

The National Accounts.

The figures of revenue and expenditure for the first three quarters of the financial year, from whatever angle they may be examined, are decidedly disquieting. Revenue for the nine months amounts to £479 millions, representing a decrease of £21 millions in comparison with the corresponding period of 1925-26. Expenditure at £625½ millions, shows an increase of £2 millions. The deficit at £146½ millions is thus nearly £23 millions higher than at this time last year. The fact that there is a deficit does not, of itself, give ground for anxiety, for it is not abnormal at this time of the year, seeing that a large proportion of the revenue is collected during the final quarter of the year, while expenditure goes out fairly evenly. In the final quarter of 1925-26, the deficit was reduced from £124 millions to £14 millions. But even if a reduction of £120 millions is secured during the current three months, Mr. Churchill will be faced with a deficit of over £30 millions. Moreover, we find from the expenditure figures that sinking fund payments are £15 millions which Mr. Churchill added in the Budget, and that interest on the National Debt, on which an estimated saving of £4 millions was expected in the full year, already shows an increase of £6½ millions. Again the decline in revenue would have been considerably larger but for the fact that interest and miscellaneous receipts have come in faster than expected, showing an increase of over £8 millions over last year, whereas for the full year an increase of only £3½ millions was expected. The decline in revenue, indeed, is due to the fall in income tax and super tax receipts, which have dropped by £21½ and 7½ millions respectively. This may be partly due to leni-

ency in collection from businesses temporarily harassed by the coal stoppage and the current quarter may see some recovery in this respect. But even allowing for this and for the well-known resourcefulness of the Treasury Officials when difficulties in the matter of budget-balancing have to be faced, it is difficult to see how the Chancellor is to avoid a substantial deficit at March 31 next. Moreover, his problems next year will be complicated by the fact that income-tax will be assessed on the profits of a single year only, instead of the three years' average as hitherto, and the year in question will be 1926, when profits were diminished by industrial troubles. It is difficult to see therefore, how an addition to taxation is to be avoided.

Profits from Influenza.

At present colds, influenza, etc. are very prevalent. But it is an ill wind that blows no one any good, for though they are not pleasant to their victims, they are a source of profits to certain undertakings. Among those who thus benefit are the manufacturers of patent foods and so forth. Thanks to an effective advertising campaign, one of the first of such concerns that comes to mind is Bovril Ltd.; and it is one of the most prosperous undertakings of its kind. Thus net profits have been as follows: 1923, £312,226; 1924, £352,565; and 1925, £362,379, while the dividends on the deferred capital were 11½ per cent. for 1923, 12½ per cent. for 1924 and 11 per cent. for 1925. The reduction in last year's dividend is more apparent than real owing to the increase in the capital. The return on the deferred shares to some extent discounts a rise in profits in the immediate future, for the figure is £5 6s. per cent. The 6 per cent. cumulative preference shares, however are not unattractive, since they yield approximately £5 13s. per cent.

Liebig's Extract of Meat has also recently returned increasing profits, the figures having been as follows: 1923, £228,819; 1924, £259,356; and 1925, £340,043. Ordinary dividends have been 15 per cent. for 1923 and 16 per cent. for 1924 and 1925, all free of income tax, while the ordinary proprietors in addition received a capital bonus in 1924. The report is expected shortly and here also an immediate improvement is somewhat discounted, since the return on the ordinary shares is £5 11s. per cent. Though these companies apparently occupy a strong position at the moment, the speculative element should not be overlooked.

The traffic receipts of the South Indian Railway Company for the week ended December 11 amounted to Rs. 9,82,602, making the total from April 1 last Rs. 3,62,43,299.

The Ford Motor Company has submitted a proposal to the Greek Government for the erection of a large automobile factory at the Piræus.

CAPITAL SUPPLIED

for new or established projects of merit through the sale, in the United States, of shares, debentures or other forms of securities. Give full particulars of requirements in first letter so as to save time. American representation on board not required. Particularly favour issues of from £20,000 up. All communications confidential. Stanley, Jefferson and Co., 63 Wall Street, New York, N.Y., U.S.A.

COMPANY NOTES AND REPORTS.

WESTMINSTER BANK LIMITED.

The directors of Westminster Bank Limited have declared a final dividend of 10 per cent. in respect of the £20 shares, making 20 per cent. for the year; and a final dividend of 6½ per cent. on the £1 shares, making the maximum of 12½ per cent. for the year. The dividends will be payable (less income tax) on February 1.

SOUTH BEHAR RAILWAY.

The report of the South Behar Railway Company for the year ended December 31, 1926, shows that after paying a dividend at the rate of 5 per cent. per annum for the half-year ended December 31, 1925, the balance remained of £3,977, which, with the amount received from the Secretary of State for India for the half-year to June 30, 1926, and other receipts, less interest on Debenture Stock and sundry other outgoings, left £13,530. An interim dividend at the rate of 5 per cent. per annum was paid on July 15 last, leaving £4,041 to carry forward. Adding £15,000 received from the Secretary of State for India, for the half-year to December 31, 1926, and other receipts, less interest on Debenture stock and sundry outgoings, there remains £13,663 to be dealt with. The directors recommend a dividend at the rate of 5 per cent. per annum for the half-year, leaving £4,173 to be carried forward.

ROHILKUND AND KUMAON RAILWAY.

The net earnings of the Rohilkund and Kumaon Railway Company for the year ended September 30, 1926, were Rs.32,88,636, against Rs.29,98,106, and the company's share is Rs.14,16,921, against Rs.13,63,865. The actual rates of exchange during the period to which the accounts relate were above the book rate—1s. 4d.—and after adding the gain in remittance—£12,351—and other miscellaneous receipts, the net receipts for the year are £115,456, against £108,522. After bringing forward from last year £36,551, providing for income tax, interest on Debenture and Preference stocks, interim dividend and bonus contribution to provident fund, and making other adjustments, including £8,200 on account of the Secretary of State's share of surplus profits, the amount to be dealt with is £64,476. The directors recommend a final dividend of 5 per cent., together with a bonus of 3 per cent., on the Ordinary stock, subject to tax at 2s. 3d. in the £, making 14 per cent. per annum, and that the balance of £36,076 be carried forward.

The Greek Government is inviting tenders for salvage work in the Ægean or Ionian Seas.

Egypt imported 466,134 pairs of boots and shoes in 1925 of the value of £E210,356.

THE PROMOTION OF TRADE.

A club that can hold its 206th Annual Banquet is old enough to date back to the time when a "tradesman" had a wider sphere than is usually associated with the word to-day. Consequently the City of London Tradesmen's Club, established in 1720, is an association of merchants and others engaged in or interested in trade in its widest sense, who meet once a month to discuss public matters affecting City, Municipal, Imperial and Trade interests. Under the auspices of Mr. J. H. Walesby, this year's President, the attention of the club has been directed to an increasing extent to overseas trade, and reference to addresses given on this subject to the club have appeared from time to time in our columns.

This year's Annual Banquet was held at the Hotel Cecil on January 4, and was attended by the Lord Mayor and Lady Mayoress, Sir Rowland Blades, M.P., and Lady Blades, and the Sheriffs, Mr. Percy Vincent and Mr. H. P. Shepherd, Mr. J. R. Clynes, M.P., and Mr. F. C. Goodenough, Chairman of Barclays Bank. There were many representatives of City Clubs and Guilds among the four hundred guests. The toast of the Lord Mayor, Aldermen, and Sheriffs of the City of London was proposed by Mr. Patrick Howling—the toast of Trade, proposed by Mr. Clynes, was responded to by Mr. Goodenough, who spoke optimistically of the present outlook. In replying to the toast of the City of London Tradesmen's Club, Mr. J. H. Walesby claimed for the Club that in common with similar Clubs in the City it performed a most important work and constituted a real source of help to the Corporation and the Government in its treatment of affairs of public interest. Such Clubs indeed were, as had been pointed out by one of his predecessors in the President's chair, post-Graduate Colleges for public work.

FORTHCOMING SAILINGS.

The following are the sailings for the Near East and India, the ports of departure and closing dates for cargo being given in parentheses:—

Anchor Line.—S.s. Elysia for Bombay (Birkenhead, January 26). (For passenger sailings and dates see advertisement.)

Anchor Broeklebank Line.—S.s. Mahrona for Port Said, Colombo, and Calcutta (Birkenhead, January 22).

Bibby Line.—S.s. Warwickshire for Port Said, Colombo, and Rangoon (Birkenhead, January 26.)

British India Line.—S.s. Manora for Colombo, Madras, and Calcutta (London, January 15); s.s. Dumana for Bombay and Karachi (London, January 22).

Cunard Line.—S.s. Phrygia for Gibraltar, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Gruz, Venice, Trieste, and Fiume, also Corfu and Ancona if inducement (Liverpool January 22, Swansea January 25); s.s. Brescia for Gibraltar, Malta, Patras, Piræus, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza, also Algiers and Volo if inducement offers (Swansea January 25, Glasgow January 27, and Liverpool January 29).

Johnston Line.—S.s. Quernmore for Piræus, Volo, Salonika, Smyrna, Constantinople, Bourgas, Varna, Constantza, Sulina, Galatz, and Braila (first steamer of the season for the Danube) (Liverpool, February 5).

P. and O. Line.—S.s. Rajputana for Bombay (London, January 14); s.s. Nagoya for Colombo, Madras, and Calcutta (London, January 22).

Prince Line.—S.s. Italian Prince for Tunis, Malta, Alexandria, Jaffa, Haifa, Beyrout, and Cyprus (Manchester, January 25); s.s. Highland Prince for Tunis, Malta, Alexandria, Jaffa, Haifa, Beyrout, and Cyprus (London, January 26).

Ellerman and Papayanni Lines.—S.s. Dido for Gibraltar, Malta, Alexandria, Jaffa*, and Haifa* (Liverpool, January 16); s.s. Bavarian for Algiers, Malta, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, and Varna (Liverpool January 22, Swansea January 22); s.s. Gerano for Gibraltar, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Gruz, Ancona*, Venice, Trieste, and Fiume (Liverpool February 5, Swansea February 8); A steamer for Gibraltar, Malta, Alexandria, Jaffa*, and Haifa* (Glasgow, February 12); s.s. Algerian for Gibraltar, Malta, Patras, Smyrna, and Constantinople (Liverpool, February 12). * Subject to sufficient inducement. Transshipments.—Algerian ports via Algiers; Moroccan ports via Gibraltar; Tripoli (Barbary) via Malta; Syria and Cyprus via Alexandria; Greek outports via Piræus or other convenient port, Fiume via Trieste.

ANCHOR LINE

LIVERPOOL TO BOMBAY.

KARACHI via Bombay, calling at Gibraltar and Egypt.

LARGE STEAMSHIPS. UPPER DECK CABINS.

MODERATE FARES.

RECOGNISED BY INDIAN GOVERNMENT.

Indian Government Vouchers accepted.

Passenger sailing dates:—

*CASTALIA ...	Jan. 14	*ASSYRIA ...	Feb. 15
*ELYSIA ...	Feb. 4	*CIRCASSIA ...	Mar. 4

*First class passengers only. Specially low fares.

ANCHOR LINE,

48, FENCHURCH STREET, LONDON, E.C.3.

Company Meeting.

ASSOCIATED COTTON GINNERS OF EGYPT.

The following is the report of the directors, with statement of accounts as at August 31, 1926, submitted to the shareholders at the twenty-first ordinary general meeting held at Alexandria on December 29:—

We have pleasure in placing before the shareholders for their approval our 21st annual report, together with the audited accounts to August 31, 1926.

The quantity of cotton ginned in our factories during the year 1925-26 was 828,835.74 kantars, against 711,475.89 kantars in 1924-25.

During the season ending August 31, 1926, we did not steam press. The following are the results to August 31, 1926:

Factories profit	£E	43,402
Less: Sundry repairs and renewals in the factories ...		1,792
	£E	41,610
Add: Interest earned		320
Reserve for eventualities		670
Profit on Insurance Department		354
		42,954
Less: Expenses and management at head office ...		4,764
Insurance premiums		3,219
Sundry expenses		1,841
Commissions		65
		9,889
		33,065
Less: Depreciation on buildings, plant and machinery ...		8,801
		24,264
Less: Statutory reserve 10 per cent.		2,426
Dividend, as per statutes 6 per cent. to the shareholders		15,795
		18,221
		6,043
Less: 10 per cent. to the board		604
		5,439
Leaving a balance of		5,439
We have therefore to deal with the following amounts:		
Statutory dividend 6 per cent.		15,795
Above mentioned balance of		5,439
Amount brought forward from last year		18,419
		39,653
Of which your board propose to distribute as dividend to the shareholders one shilling three pence per share, making		21,937
And to carry forward		17,716

This ginning season is the first under the new agreements with our founder firms which were approved by you at the extraordinary general meetings of May 2, 1924, and May 20, 1924, by which agreements the said founder firms paid the same ginning rates as those charged to the other clients of the company.

Your board of directors have decided to rent the Benha ginning factory from Lloyds Bank Ltd., for three years at a rental of £E4,000 per annum, and thus also obtain the ginning of the bank's other cotton in the centres where the company possesses factories.

We have been appointed General Agents of the "General Accident, Fire and Life Assurance Corporation Ltd."

We have made an installation of self-feeders to the gins of our ex Carver Factory at Mehalla Kebabir.

We have also carried out a system of underground drains to the yard of our ex Choremi Factory at Kafr Zayat.

By order of the Ministry of Public Works we have made new sanitary installations at our factories: ex Choremi, Kafr Zayat and ex Demetriadis-Mehalla Kebabir.

We also carried out other minor additions which your board considered necessary for certain of our buildings.

Mr. Alexandre Th. Kitroeff retires from office by rotation and is eligible for re-election. You are now asked to approve and adopt the report and balance-sheet for the year ending August 31, 1926, as presented. You have also to appoint auditors for the ensuing year and to fix their remuneration. Messrs. Russell and Co. offer themselves for re-election.

The traffic receipts of the Egyptian Delta Light Railways for the ten days ended December 20, amounted to £E9,417, making the total from April 1 last £E241,466. The totals for the corresponding periods of the previous twelve months were £E12,264 and £E253,002.

The production of petroleum in Roumania in 1926 is estimated at 3,241,195 tons as compared with 2,316,504 tons in 1925, an increase of 924,691 tons. During the first ten months of 1926, 1,200,209 tons of mineral oil and by products were exported, against 652,000 tons for the corresponding period of 1925.

Negotiations recently concluded between the Anglo-Persian Oil Company and the Taranaki Oilfields are expected to have an interesting bearing on the oil potentialities of New Zealand (says a Reuter message from Wellington, N.Z.) Two of the former company's leading geologists, to be joined by a third at an early date, have arrived in the Dominion from England, and are proceeding forthwith to examine certain territories over which the Anglo-Persian Company has an option.

FOREIGN EXCHANGES.

Country.	Method of Quoting.	Parity of Exchange.	Latest Quotations.
Alexandria.....	Piastre to £ ...	97½	97½
Athens.....	Drachmæ to £ ...	25.22½	383½
Belgrade.....	Dinars to £ ...	25.22½	275
Berlin.....	Marks to £ ...	20.43	20.43½
Berne.....	Francs to £ ...	25.22½	25.16
Bombay	Sterling to Rupee	24d.	17-31/32d—18d
Brussels.....	Belga to £ ...	35	34.89½
Bucharest.....	Lei to £ ...	25.22½	980
Budapest.....	Peu to £ ...	27 82	27.70—27.80
Calcutta.....	Sterling to Rupee	24d.	17-31/32d—18d
Constantinople.....	Piastres to £ ...	110	955—970
New York.....	Dollars to £ ...	4.86 2-3	4.85 3/16—½
Paris.....	Francs to £ ...	25.22½	122.45
Prague.....	Kronen to £ ...	24.02	163½
Rome.....	Lire to £ ...	25 22½	112
Sofia.....	Leva to £ ...	25.22½	667—680
Teheran.....	Krans to £ ...	52	51½
Vienna.....	Sch to £ ...	34.58½	34.40—34.45
Warsaw.....	Zloty to £ ...	25.22½	42—45

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Regular Passenger and Freight Service from

RANGOON, CALCUTTA, and COLOMBO
To BEIRA, DELAGOA BAY, DURBAN, EAST LONDON
PORT ELIZABETH, MOSSEL BAY, and CAPE TOWN.

Excellent Passenger Accommodation.

Wireless Telegraphy.

ORIENTAL AFRICAN SERVICE

Passenger and Freight Service from

HONG KONG, BANGKOK, SINGAPORE & MAURITIUS
To SOUTH AFRICAN PORTS.

Excellent Passenger Accommodation.

Wireless Telegraphy.

Information for Freight and Passage may be obtained from the following:—

RANGOON—J. & F. Graham & Co.
CALCUTTA—Andrew Weir & Co.
COLOMBO—Skrine & Co.
BEIRA—Beira Shipping Agency.
DELAGOA BAY—John T. Rennie & Sons.

DURBAN—Andrew Weir & Co.
EAST LONDON—Messrs. Dunn & Co.

PT. ELIZABETH—Mackie, Dunn & Co.

MOSSEL BAY—Messrs. E. Searle & Co.

CAPE TOWN—Thomson, Watson & Co.

HONG KONG—The Bank Line, Ltd.

BANGKOK—Siam Forest Co., Ltd.

SINGAPORE—Hattenbach Bros. & Co.

MAURITIUS—Adam & Co.

LONDON—ANDREW WEIR & CO., 21, Bury Street, E.C.3.

Cotton and Cotton Goods.

THE EGYPTIAN MARKET.

The Alexandria Commercial Company in their report for the week ended December 30 state:—

Since our last report the futures market has been quiet and fluctuations have been small. The week's summary of price movements is as follows:—Sakellaridis: January, 25.22 dollars, 0.27 dollars up; March, 25.16 dollars, 0.31 dollars up; May, 25.13 dollars, 0.38 dollars up; July, 25.13 dollars, 0.38 dollars up; November, 25.68 dollars, 0.58 dollars up. Ashmouni: February, 17.03 dollars, 0.43 dollars up; April, 17.33 dollars, 0.45 dollars up; June, 17.53 dollars, 0.53 dollars up; October, 17.85 dollars, 0.50 dollars up.

Sakel.—As we pointed out in one of our recent reports, the Government intervention has very considerably restricted market operations. The daily turnover recently has been of very small proportions and has consisted mainly of operations between the jobbers. The commercial houses have done very little in the market, their operations being mostly sales at the close against the fixing of cotton purchased, and so narrow is the market that very often lately the contrepartie to the operation has been the actual seller of the spot cotton. The demand from abroad has continued to be only very moderate, and the fairly firm tone of the market must be put down to the steadiness of New York and to the purchase of a few contracts by Liverpool interests. Practically all the old crop deliveries are quoted at parity, but we should not be surprised to see January re-establish a premium over the distant months. Much of the Sakel at present offered for sale is not at all of a desirable character, neither in class nor staple. If American prices are maintained at about present levels, we do not look for any weakness here: on the other hand, should American decline, prices here will probably also fall away, but the fall would be limited as the Government have declared that they will buy all cotton offered at 23.50 dollars F.G.F.

Uppers.—The past week has been a series of colourless markets, with very little business. The demand from abroad has been poor and prices have been maintained only by the steadiness of America.

The week's receipts amount to 276,275 kantars, against exports 220,636 kantars; the stock in Alexandria is 3,003,735 kantars.

The official figures of arrivals and exports for the period September 1, 1926, to December 23, 1926, are as follows:—Arrivals: Lower Egypt, 2,511,000 kantars; Upper Egypt, 1,752,000 kantars; total, 4,263,000 kantars. Exports: Sakel, 1,043,944 kantars; Ashmouni, 1,314,389 kantars; Various, 148,236 kantars; total, 2,506,569 kantars.

Spot: The week under review has been a short one owing to the Christmas holidays. A very moderate demand has been dealt with and sales for the four days amount to about 12,400 bales, of which we estimate 4,500 bales Sakellaridis, 7,500 bales Ashmouni and Zagora, 250 bales Pilion, 150 bales White, and a few odd bales of Brown. Arrivals having accumulated somewhat over the holidays, there has been rather more cotton offered for sale during the week.

Sakellaridis: A moderate business has been done cover-

ing all grades. With the exception of Fully Fair and below, which have eased a little, spot differences show no change from last week.

Ashmouni and Zagora: Have been in fair request for all qualities. Spot differences are generally without much change.

Pilion: A fair business has been done at about last week's differences.

Brown: Only a few bales have changed hands. Spot differences are without quotable change.

White: A moderate business has taken place. Spot differences have eased a little.

Up-Country: Government loans to cultivators under the scheme promulgated a couple of months back amounted on the 27th inst. to £E1,410,856, against 432,597 kantars.

In Upper Egypt, the preparation of land for the new crop has already commenced.

As regards the law for the restriction of the acreage, opinions as to its operation are very contradictory, but in general it is not thought that the law will seriously be respected.

THE LIVERPOOL COTTON MARKET.

Messrs. Reynolds and Gibson report as follows for the week ended January 5:—

Egyptian Futures.—Sakel Contract.—On the whole, this market has shown a steady undertone throughout the past week, and even during the period that the American markets showed a reactionary tendency there was little disposition in evidence on the part of local operators to force a decline; on the contrary, the opportunity was taken to cover short commitments, so that any set-backs were of short duration. At the present juncture, Alexandria is inclined to show rather tardy recognition of the recent stability in evidence at this side and on this account our premium has been inclined to widen somewhat: this coupled with the fact that spot differences have latterly shown signs of easing, has caused near positions to encounter more pressure with some consequent easing. For some time past, the local November option has been running at a considerable discount with the equivalent overseas option; during the past few days this has attracted a fair straddle interest, with the result that the difference has rapidly closed in, at the time of writing our market being roughly 10 points below Alexandria. Whilst this operation may ultimately show some small profit, it must be borne in mind that practically all new crop sales of actual effected during the next few months will have to be covered by purchases of futures in Alexandria, as, owing to our contract carrying Sudans, the majority of exporters would probably not consider it as adequate protection, however attractive the then existing difference might appear to be. Generally speaking, trade reports show a more optimistic tone, but judging from the off-take there is as yet no marked degree of increased or sustained activity in this quarter; margins in the counts produced from cotton covered by this contract continue to be unremunerative. Probably the best thing that could happen from a consumer's point of view at the moment, would be for the raw material to begin to show a hardening tendency, as this would cause many hesitating buyers to take the plunge. Taking all the adverse factors which have cropped up since the beginning of the statistical period, August 1, spinners' takings have kept up remarkably well, as, at the time of writing, this season's total is within 5,000 of the 1925-26 figure. We cannot say that we consider the trade position both here and on the Continent warrants as yet any decided "bullish" views, at the same time, we must admit that the market shows a very steady undertone; probably the safest policy to follow at the moment is to watch the position closely, with the idea of making purchases, should any weakness develop or the trade demand show increasing activity.

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Mediterranean, Black Sea and Danube.

REGULAR SAILINGS from:

Antwerp, Swansea and Liverpool to: Piræus, Syra, Volo, Salonica, Smyrna, Constantinople, Bourgas, Varna, Constanza, Sulina, Tulcea, Galatz, and Braila.

For Freight and other Particulars, apply:

JOHNSTON LINE, LTD., 6 Billiter Street, London, 9, Mount Street, Manchester.

and FURNESS, WITHEY & CO., Ltd., Royal Liver Building, Liverpool.

C.i.f. business has been depressingly quiet, but last week's forwardings were returned at the respectable figure of 8,797 bales Egyptian and 864 bales Sudan. Quotations of Sakel show a decline of from 5 to 15 points, whilst those of Upper have been advanced 20 points all round. F.G.F. Sakel to-day 13.90d. F.G.F. Upper to-day 9.95d.

Under the provisions of the Banderolle Ordinance, 1926, imported matches and playing cards may not be removed from the Custom House or, if manufactured in Palestine, from the factory of production, unless the containers have in each case been surrounded by a banderolle printed in the form prescribed, which is to be issued on payment of the corresponding Customs or Excise duty. No matches imported into Palestine or manufactured therein are to be enclosed in packets containing more than twelve boxes.

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(Incorporated by Royal Charter, 1889.)

CAPITAL (fully paid) - £650,000 | RESERVE - - - £470,000
Reserve Liability of Shareholders, £1,000,000.

Branches in Persia:— Chief Office in Persia—TEHERAN.
Abbadan Bushire Kermanshah Pehlevi
Ahwaz Dazdab Masjed-Suleiman Resht
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Birjand Isfahan Mohammerah Saltanabad
Bander Abbas Kazvin Nasratabad Tabriz
Barajird Kerman (Seistan) Yazd

Branches in Iraq (Mesopotamia):—Bagdad, Basra, Kirkuk.
Branch in India:—Bombay.
The Bank is prepared to transact Banking business of every description in and connected with Persia and Mesopotamia; and in London grants Drafts, Telegraphic Transfers and Letters of Credit, and negotiates or collects Bills on Persia and the Near East.

Head Office: 33-36, KING WILLIAM ST., E.C.4; Chief Office in Persia, TEHERAN

IONIAN BANK, Ltd.

Established 1839.

Capital Authorised - - £1,000,000
Capital Paid up - - - £600,000
Reserve Fund - - - £235,000
Total Assets - - - £5,663,445

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Basildon House Moorgate, LONDON.

GREECE.

EGYPT.

Central Office: Central Office:
ATHENS. ALEXANDRIA.

23 Branches and 8 Branches and
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(Stamboul, with Sub Branch at Galata.)

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Managing Governors in India:—

Sir Norcot Warren, K.C.I.E.

Sir N. M. Murray.

Manager in London:—

Sir S. A. H. SITWELL.

Authorised Capital Rs. 11.25.00.000

Paid-up Capital - Rs. 5.62.50.000

Reserve - - - Rs. 4.92.50.000

BANKERS in INDIA to the GOVERNMENT: INDIA.

Branches in all Principal Towns in India.

London Branch - - - 22 Old Broad Street, E.C.2.

NATIONAL BANK OF INDIA, LIMITED.

Registered in London under the Companies Act of 1862, on the 23rd March, 1866

Established in Calcutta, 29th September, 1863.

BANKERS TO THE GOVERNMENT IN KENYA COLONY AND UGANDA.

AUTHORISED CAPITAL	£4,000,000	Paid-up Capital	£2,000,000
Subscribed Capital	£4,000,000	Reserve Fund	£2,850,000

HEAD OFFICE: 26, BISHOPSGATE, LONDON, E.C.2.

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Aden	Calcutta	Colombo	Lahore	Rangoon	Eldoret	Kenya Colony (Brit. E. Africa)	Entebbe	Uganda
Aden, Steamer Point	Cawnpore	Delhi	Madras	Tuticorin	Kisumu		Jinja	
Amritsar	Chittagong	Kandy	Mandalay	Zanzibar	Mombasa		Kampala	
Bombay	Cochin (S. India)	Karachi	Newera Eliya		Nairobi, Nakuru			

TANGANYIKA TERRITORY—Dar-es-Salaam, Tanga.

The Bank purchases grants, advances against or collects Bills payable in India, Burma, Ceylon, Aden, Zanzibar, British East Africa, Uganda, etc., on current terms.
The Bank issues Drafts on its Branches, as well as on its Agents in the principal towns of India and Burma, Africa and elsewhere, and also sells Telegraphic Transfer on all its Branches, at the exchange of the day.
The Bank, on behalf of its Constituents, undertakes the collection of Furlough Pay and Pension from the India and Colonial Offices, the Custody of Government and other Securities, and the receipt of interest and Dividends thereon.
Powers of Attorney or other forms and any information required may be had on application to the Bank in London or any of its Branches.
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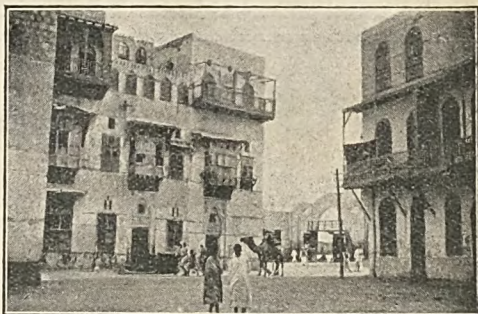
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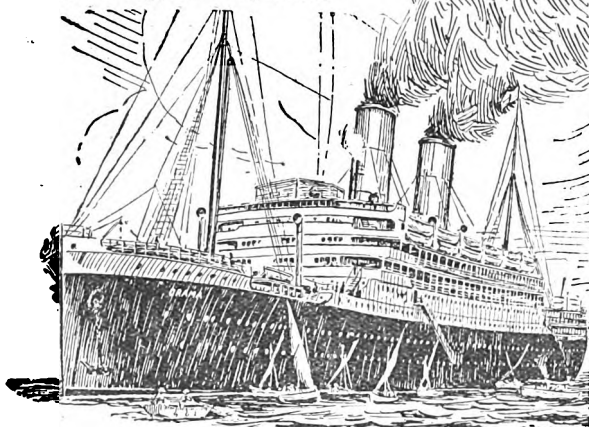
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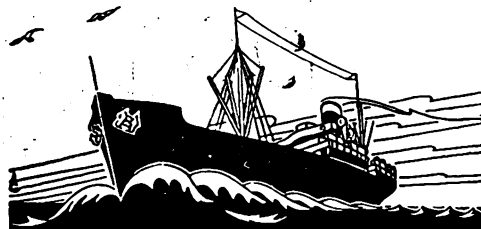
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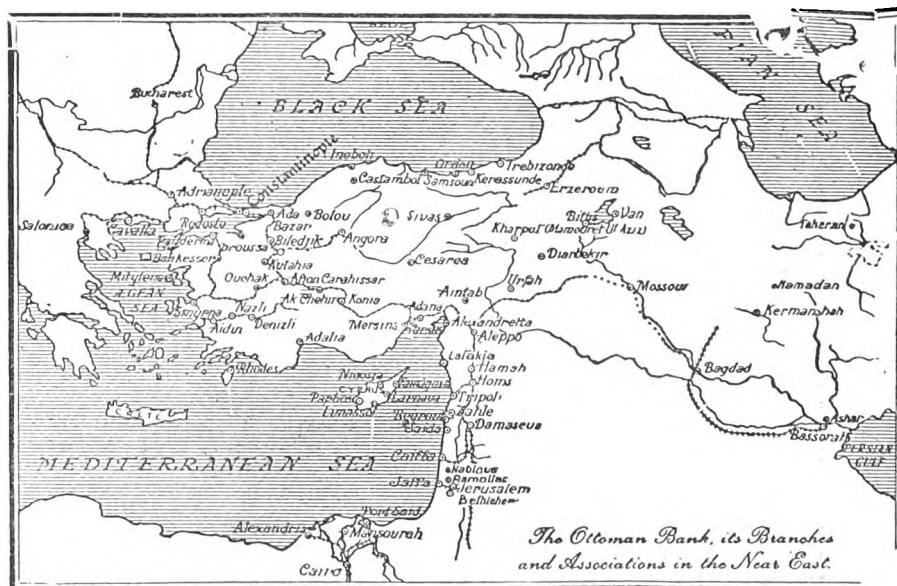
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THE NEAR EAST AND INDIA.

No. 818.—VOL. XXXI.

THURSDAY, JANUARY 20, 1927.

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NOTES OF THE WEEK.

NEAR AND MIDDLE EAST.

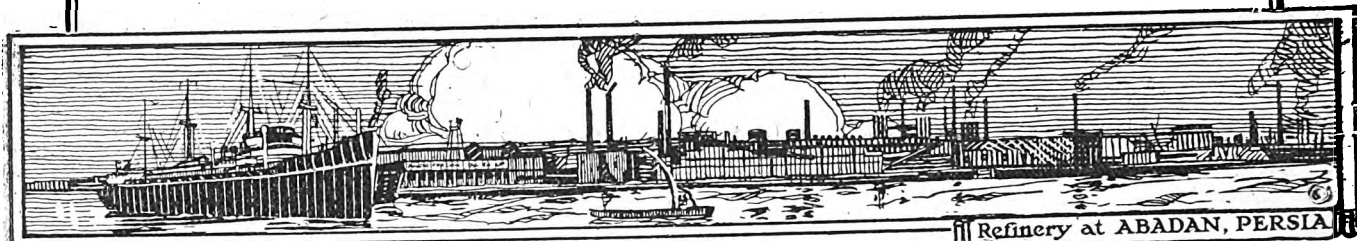
The Palestine Supplement.

With this issue, which also sees THE NEAR EAST AND INDIA in a new cover, we publish a Special Palestine Supplement. It contains, among various articles on Palestinian affairs a full account of what is generally known as the Rutenberg Scheme. The advantage of cheap and abundant power to any country needs no emphasis, but in the case of Palestine it is likely to turn the scale as between progress and stagnation. Some time has lapsed since the formulation of this project and its incorporation in a concession granted by the Palestine Government attracted attention in Great Britain and were used to revive the flagging energy of the opponents of the Mandate. It was difficult, however, to find fault with a proposal so obviously designed to benefit Palestine at no expense to the Mandatary, and the attempt to make an issue of the fact that the concession had been granted to a Jew failed in the absence of a proposal of a similar nature from any other quarter. Although Mr. Rutenberg had been able to draw up a satisfactory scheme and to secure the concession, the problem of obtaining financial support had yet to be solved. Foiled in his first attempts in England, he turned to America; but he was dissatisfied with the conditions with which his would-be supporters were inclined to hedge his project, and he returned to England to see the scheme through with British capital. In the end his confidence and his enthusiasm were rewarded; a few months ago the Palestine Electric Corporation, which had already been responsible for the introduction of electric energy on a local basis—at Jaffa and Haifa—by way of testing the soundness of the bigger scheme, was reformed or re-equipped, under the chairmanship of Lord Reading, on a scale commensurate with the large-

ness of the undertaking. From the outline given of the project it will be seen that it is intended to benefit the whole of Palestine, not merely the Jewish centres of population. For this reason it is to be hoped that it will play its part in convincing the Arabs that, however much they may have resented at first the proclamation of the Jewish National Home, its actual application has brought nothing so far but material advantage to the country.

Stock-Taking in Bulgaria.

The Speech from the Throne before the Bulgarian Parliament affords, as our Sofia Correspondent pointed out last week, an opportunity for a general review of the position in domestic and foreign affairs by both the Opposition and the Government speakers. This year there was something almost pathetic in the insistence of all parties upon the necessity for peace at home and peace abroad. It would be unfair to the Opposition speakers to imagine that they were seeking only to score a debating point in pleading for a policy that would close more effectually the rift in the Bulgarian population; yet it is not clear that any practical suggestions to this end were put forward. The Government can point to the amnesty as an earnest of its good will; but at the same time it has to emphasize the discovery of another plot, which, if it had been allowed to mature, might have ended in as terrible an outrage as that which took place in the Cathedral of St. Nedéla in April, 1925. The Prime Minister is probably right in saying that the country has no longer to deal with Communism as a political belief, but with motives of a different kind working among blinded fanatics. Even so, it is unfortunate that any large section of the people should be allowed to consider that they are still regarded as pariahs by their fellow-countrymen. Whether this is really the case in Bulgaria to-day is not clear. Many, if not all, of the harsher disabilities imposed on the Agrarians have been removed, with the result that the moderates among them are gradually taking the lead:



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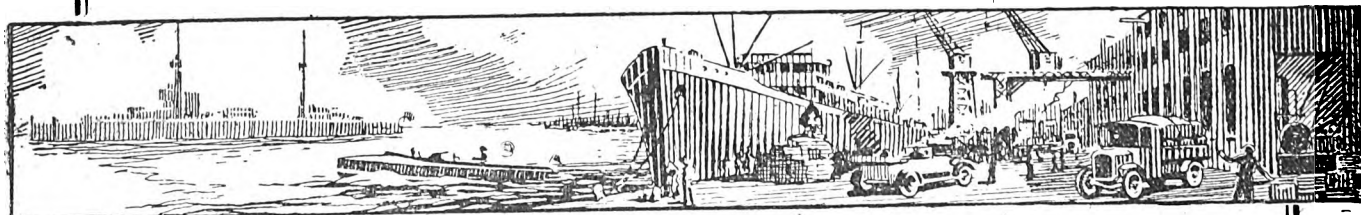
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but it must be supposed that in official eyes the party is still tarred with the Communist brush, and that a longer period must elapse before it can be completely rehabilitated in the opinion of its political opponents. M. Liapcheff admitted that he was prepared to regard as potential collaborators all those who stood for order in the country, but he held out no hope of admitting them to participation in the government of the country before the next elections.

Bulgaria and her Neighbours.

In M. Buroff's review of foreign affairs there was a significant passage in which he stated that an inter-Balkan entente was a necessary condition for the establishment of a lasting peace in the Balkans, but immediately added "to remove all misunderstanding" that the Bulgarian Government has in view a *rapprochement* "reached by direct and separate negotiations with each neighbour." General negotiations, the Bulgarian Foreign Minister pointed out, could end in no practical result in the present state of affairs in the Peninsula. The only possible meaning of this declaration is that Bulgaria still counts on settling outstanding points of difference with each neighbour in turn before she consents to become a party to a Balkan federation. In other words, she refuses to crystallise the present situation, and counts on a satisfactory settlement of such questions as her outlet on the Aegean, and her minorities in the Dobruja and in Yugoslavia before she meets in round-table conference to draw up a Balkan Pact. Bulgaria fears that at a general conference she would find herself, on raising such questions, in a minority of one. There is, however, another aspect of the question. At present none of her neighbours sees any reason to yield to Bulgarian wishes on any given point. It is conceivable that the desire for a Balkan federation might prove strong enough, and the idea might be made attractive enough to prompt the other States to incur sacrifices in common to bring about the desired end. It is for this reason that the suggestion has been put forward in these pages that there should be a preliminary conference of leading men of the four or five countries—not members of any Government, but as far as possible men of standing outside party politics—who should explore the ground without committing in any way their countries to any definite plan. They would at least be able to inform their Governments that, on such and such terms, they could so forge the Balkan peoples into a single political entity that henceforth these will speak individually and severally with all the authority of a Great

Power in the council chamber of Europe. With that evidence before it each Government would be better able to decide whether the sacrifices entailed were adequately compensated by the advantages to be gained.

Visions and Pictures in Greece.

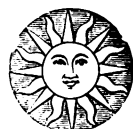
Unless the British Chancellor of the Exchequer was anxious to encourage the Greeks to hope for better terms in the settlement of their War indebtedness, he would have done well to choose any other portion of the Mediterranean littoral for his sketching expedition than the immediate neighbourhood of the Bay of Phaleron. Churchill was able to paint two pictures on the Acropolis, and there is no disguising the fact that the Greek people expect each picture to cost the British taxpayer two-and-a-half million sterling. There are many Britons who have been anxious that Greece in the settlement of her War debt should receive the most favourable terms compatible with justice and her capacity to pay; but it should have been possible to arrive at those terms a year ago in a more scientific manner and on a more reliable basis than Mr. Churchill will have been able to evolve in the course of his brief visit to Athens. If it can now be established that the Greek contention throughout the protracted negotiations has been right and that Great Britain is in duty bound to grant Greece easier terms, then blame attaches to the responsible officials who have misrepresented the situation; for considerable bitterness has been engendered among Greeks by what has been termed the implacability of the British Treasury. On the other hand, it is possible that the purpose of Mr. Churchill's visit was to persuade the Greek Government of the reasonableness of the British claim and of the advantages of an early conclusion of the debt-funding negotiations. In these circumstances it might be a graceful act on the part of the Chancellor of the Exchequer to present the two pictures painted on the Acropolis to the Greek nation.

The Sounder Way.

It is more likely, however, that, after the first expectations raised in Greece by Mr. Churchill's visit have had time to adjust themselves to a normal level, the negotiations for a settlement of the Greek War Debt will run a smoother course. Although Greece is passing through a difficult time, there can be little doubt that she has come out of her troubles of recent years in a potentially stronger position than she was ever before. Her refugees are proving a valuable asset, but their influence on the material progress of the country cannot make itself fully felt for a few years to come. The belief is gaining ground abroad that the economic position of Greece would be much better if a serious attempt could be made to eliminate the curse of politics. It cannot be a matter for surprise to the Greeks that other countries should be unwilling to pander to their tragic obsession that national interests can be permanently subordinated to personal ambitions. No country in Greece's position can hope to evolve a satisfactory financial policy when it changes its Minister of Finance every few months, and in effect Great Britain is asked to continue to pay interest on Greece's War Debt, because the Greeks are too busy with their political squabbles to attend to the dull subject of finance. When the plea is urged that heavy military expenditure has been necessitated as a result of the War it can be pointed out that at no stage since 1922 has the Army been anything but a source of trouble to the Greeks. Much of General Pangalos's military expenditure was in the nature of a *douceur* to what he regarded as his following in the Army, and, if it be true that Republican and Royalist societies are still being formed in the Army, it is evident that as a fighting machine that army would be of little use and cannot, so long as that condition of things lasts, justify the money spent upon it. If Mr. Churchill's visit has had the effect of strengthening the Government's will to set its house in order by deeds and not merely by talking about the subject, the value of the visit to Greece will be as great as any probable reduction in her War Debt.

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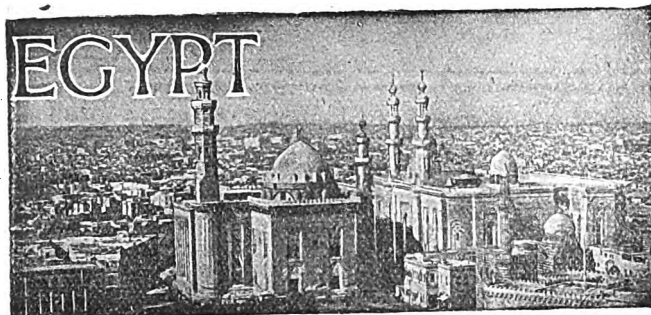
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The Near and Middle East*

From Our Own Correspondents.



Cairo, January 9.

Marking Time.

Not for many years has Egypt known a quieter period than the present winter, has been up to the present. Politically, there is complete tranquillity; cotton is in the doldrums and general business, reacting in sympathy, is stagnant; the influx of tourists is, to date, only fairly good; under the new Government system of treating archæological researches as though they were a branch of forbidden magic, to be zealously hidden from the general public, we hear nothing of interesting discoveries, even if they are made. Egypt's legislators are suffering from the general inertia. The Chamber of Deputies meets only once or twice a week, and at each gathering the initial business is to hear a little sermon from the President on the regrettable lack of attention to their duties shown by the considerable number of deputies who refrain from attending, and by the committees of the Chamber which display insufficient energy in dealing with the proposals and draft laws passed to them for consideration. Everything, in fact, is "dead." It is in just such circumstances that the unexpected bolt from the blue is wont to arrive; meanwhile we nurse the influenza colds from which half Egypt seems to be suffering at the present time, and wait for something to turn up.

Young Abyssinia.

Victoria College, Alexandria, began its new term during the past week, with a satisfactory number of new boys, including, it is interesting to note, eight Abyssinians. When Ras Tafari was in this country two years ago, he

was much interested and apparently impressed by his visit to Victoria College and then expressed the opinion that it would be greatly to the advantage of his country if a leavening of the youths of the upper classes would come to Egypt to receive the type of education given at Victoria College. There were then two Abyssinians in the school, one of whom has just left, to go up to Trinity College, Cambridge, where, if his school record is to be taken as an indication of his prospects, he should do very well. His younger brother is still at Victoria College and during the coming summer will be captain of the school cricket eleven.

King Fuad's Tour.

His Majesty King Fuad on Monday concluded his strenuous tour of the Red Sea area and Upper Egypt and was welcomed back to his Capital by a large gathering at Cairo Station. In spite of the fact that he was not in the best of health, when the tour began with the inauguration of Port Fuad, and that he has continuously suffered throughout the remainder of the period with a feverish cold and a slight temperature, His Majesty carried out in full a tiring itinerary. One of the most fatiguing portions was the motor journey from Kosseir, where the Royal Yacht was left, across the more than a hundred and fifty miles of desert to Luxor. The track is rough and the going bad, seven hours of continuous bumping and jolting, and the Frontiers Administration, in order to provide the necessary number of vehicles for the Royal party and accompanying officials, had to impress the services of a large number of Cairo taxicabs and their drivers, many of whom had had no previous experience of driving on anything else than comparatively well-surfaced city streets. To have brought this heterogeneous collection of cars and chauffeurs safely across what is a trying route at the best of times, even to drivers experienced in desert conditions, is something of an achievement for the Frontiers Administration.

Time and a Tender.

Dessuk's new railway bridge is now completed and open to traffic, thanks to the admirable organisation and remarkable resources of the contractors, Messrs. Dorman, Long and Co. There is a very interesting story connected with this bridge. When the Ministry of Communications decided to pull down the old inadequate bridge and erect a new one, the work was put out to tender. Among the many offers received, that of Messrs. Dorman, Long and Co., submitted through their local representatives, the Associated British Manufacturers (Egypt), was by no means the lowest priced. But the British firm engaged themselves to complete the task by a date much earlier than that of any of their competitors. In this instance time very literally means money, for every day beyond the minimum spent upon the work meant holding up rolling stock and also maintaining a costly ferry service across the river. When Messrs. Dorman, Long and Co. received the contract there was considerable criticism in a section of the vernacular Press, which declared that a British concern had been deliberately favoured at the expense of firms of other nationalities which were prepared to execute the work at lower cost. When the general strike and then the coal strike occurred in England it looked as though the Arabic Press critics might be afforded some justification for their complaints, for the contractors' supply services in England were naturally seriously affected by the strikes. Another piece of ill-fortune occurred when a barge collided with a pier which had just been erected, inflicting damage which necessitated several days' extra work. Notwithstanding these difficulties the contractors determined to carry out the terms of their undertaking,

*Under this heading appear weekly or at regular intervals, communications from correspondents in Egypt, the Sudan, Roumania, Yugoslavia, Greece, Bulgaria, Albania, Turkey, Palestine, Iraq, and Persia.

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and this they have now succeeded in doing, handing over the bridge as a going concern to the State Railways at a date so much earlier than that offered by the lowest tenderers that it is estimated that the difference between the tenders is covered several times over by the saving effected by the Railway administration through being able to put the bridge into operation at the earlier date.

Pass and Impasse.

The local Diplomatic world has been very much on its dignity this winter. The incident at Cairo Station, when the King returned from his Summer Palace at Alexandria, has been reported in the British Press. Recently the Diplomatic Corps has been complaining that it does not receive sufficient consideration from the Police and has sought to have a more definite enumeration of the privileges conferred on the holders of the special traffic permits with which the representatives of foreign Powers are supplied. Actually, these special passes, in Egypt as in England, are intended to secure for the holders special consideration when, for any reason, the police find it necessary to impose particular traffic regulations, on such occasions as the opening of Parliament, the inauguration of congresses, gala nights at the Royal Opera House, and so on. To define exactly what the holders of these permits are allowed to do is almost impossible. Another consideration which makes the task of the police particularly difficult in this country is that these special passes, instead of being limited to a very small number, issued only to members of the Royal Family, Cabinet Ministers and foreign envoys, are scattered almost broadcast. Every deputy and every senator, besides Under-Secretaries of State and other senior officials, is provided with one of these passes. Over five hundred have been issued in Cairo alone. As a result, what should have been the exception has become the rule and on every important occasion the police find themselves surrounded by hundreds of occupants of motor-cars all claiming special privileges which could only possibly, for reasons of space, be accorded a dozen cars or more. Some holders of these passes regard them as permits to break every traffic regulation and even to crash through lines of troops stationed in the streets on notable occasions. One irascible gentleman even thought himself justified in beating with his stick a policeman who, in obedience to orders received, did not regard the possession of the special pass as a licence to defy every rule and regulation. The policeman's lot in Cairo is sometimes very far indeed from being a happy one.

CYPRUS.

Nicosia.

The Legislative Council.

Matters remain in suspense since the elected members took the ill-advised step of rejecting the estimates. Sir Ronald Storrs, in addressing members summoned by him to meet on December 21, said that he had hoped to inaugurate the session of 1927 by laying before them a programme of progressive legislation. Instead of this he had the unpleasant duty of explaining the situation in which he finds himself placed, and he has done so with entire frankness, so that there should be "no loophole for misinterpretation." He pointed out that the mistaken method by which they had aimed at furthering an undoubted grievance could only embarrass all, both in Cyprus and England, who sympathise with their object. The Governor stated that he had ascertained while in London that the desire to reopen the question of the "Tribute" might, in circumstances other than those they had adopted, now receive more sympathetic consideration. As things stood, however, they must be under no illusion. It would be his duty "to inform the Secretary of State by telegraph on December 30 of the urgency of the financial situation, when there will be no alternative but to advise His Majesty to bring the Appropriation and Customs Bills into force by an Order in Council." He

reminded them, in conclusion, that co-operation with his Executive and Legislative Councillors, which he desired, postulated "a wholehearted reciprocity of spirit, and must be based upon an absolute elimination of past misconception and future misunderstanding."

A somewhat similar state of things existed in, and prior to, 1904, when the Greek members caused much trouble by a policy of obstruction; wasting time over captious criticism, and futile and immature proposals. The line adopted bore no little resemblance to that of the elected members of the Malta Constitution, in which, after due warning, it was found necessary to revert to the Constitution as it existed prior to 1887. Cypriots were warned that the only remedy for a policy of systematic and organised obstruction would be to remodel the Cyprus Council so that a preponderance of the official element would possess the power to continue the elaboration of reforms. The Crown cannot, as Sir Ronald Storrs said, continue to govern by Orders in Council.

Miscellaneous News.

The Governor has been actively engaged in making himself acquainted with the island, having visited the different administrative districts, inspected Government offices, Municipalities, Hospitals, and many other institutions, and conferred with their heads and with leading representatives. Unfortunately he has been confined to Government House for some time owing to the results of a chill.

On December 22 a dramatic performance arranged by Lady Nettleton, wife of the Chief Justice, was given at the Theatre in Nicosia, in honour of the Governor, a comedy and part of Shakespeare's Twelfth Night being presented. Amongst those who acted were Lady Nettleton and Mrs. Dickenson. Fuad Bey, a Judge of the District Court, took the part of Malvolio.

Sir Sydney Nettleton has postponed his departure till February 15.

The Governor is keenly interested in the Cyprus Museum, at Nicosia, and has attended meetings of its Committee. He has presented the Museum with illustrated catalogues of the Cairo Museum, and a variety of works on Greek and Roman coins. He advocates an active development of the Museum Library.

The Committee appointed to inquire into forest administration and policy is carrying out its duties.



Ljubljana, January 13.

Departmental Elections.

On January 23 the first Departmental Diet elections will take place throughout Yugoslavia. These Departments (*Oblasti*) are new provinces, the largest administrative unit in the State as provided for under Art. 95 of the Constitution passed on June 28, 1921 (hence the name, *Vidovdan* Constitution), and specified in detail by the law of April 26, 1922, whereby the State was divided into 33 *Oblasti*. Under the Constitution no Department may have a population in excess of 800,000. There are seven "large" departments—i.e., with populations ranging from 500,000 to 800,000—in the north-western part of the Kingdom, in Slovenia, Croatia, Voivodina. "Small" Departments, i.e., of 100,000 to 300,000 inhabitants, are to be found in the main in Central Serbia, some in Bosnia and South Dalmatia; "middle-sized" ones, of 300,000

to 500,000 inhabitants, are situated in South Serbia and Bosnia.

The Law of Departmental self-government provides for the election of popular representatives, so that each Department shall have its own elective Skupshtina, i.e., Diet. Suffrage for elections to this body is universal, equal, secret, and indirect, with proportional representation, the principle and procedure being the same as for the State Skupshtina. As regards the number of seats for each individual Department, the law provides one deputy to each 5,000 inhabitants.

The main concern of the *Oblastna Skupshtina* is local self-government in the widest sense of the word. So far this type of administration is unknown in any part of the Kingdom, and the forthcoming elections are the first of their kind. January 23 will, therefore, see an important chapter of the Vidovdan Constitution put in practice, and the newly-elected deputies in the Departmental Skupshtinas will be faced by a difficult and delicate task. They will have to reorganise local administration from top to bottom, and not until this is taken in hand will it be possible to judge whether the new administrative division of the State under the Vidovdan Constitution is really for the good of the country or the reverse.

In the meantime there is yet another reason why the political public in Yugoslavia should look forward with the keenest interest to these Departmental elections. Their result is expected to be the decisive factor in the whole inner-political situation. They will show what is the attitude of the electorate in regard to the parliamentary and political problems of the day. In its present composition, the State Parliament has proved very disappointing to a large proportion of the public, and the Departmental elections will show whether a new general election would be likely to result in any essential change in its political structure.

The present national Skupshtina was elected at a time when the P.P. Coalition dominated the situation, i.e., the coalition between the Radical Party under the late Nikola Pashitch and the Independent Democrats under the leadership of Svetozar Pribitchevitch. Certainly this coalition scored 162 mandates out of a total of 315 at the elections; in other words, an absolute majority, but it was only a bare majority. So the Radical Party dissolved its partnership with the Independent Democrats and came to an agreement with Stepan Raditch's party instead. In coalition

with this party it formed the Government known as the Government of National Agreement, inasmuch as it stood for the alliance of the most powerful of the Serbian parties with the strongest Croatian party, which had up to that time been in opposition or had abstained altogether from attending Parliament.

After all the great hopes set upon it, the joint reign of Radicals and Raditchists turned out one of the least fruitful of Governmental periods in Yugoslavia's post-war history. There was no true harmony between the partners, as was most clearly apparent in the never-ending succession of Government crises. Nevertheless, so long as the present proportion of power between the parties obtains, it will be difficult to group them differently, and so there is a widespread feeling in favour of dissolving the present Skupshtina and calling a general election, on the chance that it would reveal a change in the attitude of the public towards the existing political parties. If January 23 should prove that this feeling is justified, that the proportion of power between the parties has undergone a change, and that the present grouping in the Skupshtina is no longer a faithful reflection of the popular will—then we may expect a general election to follow reasonably soon after the Departmental elections.

If, however, the Departmental elections show no essential changes in the attitude of the electorate, then a basis for constructive work will have to be found in Parliament as it stands. Failing this, parliamentary government itself in Yugoslavia will be faced by a crisis.

Lord Inchcape has made a personal contribution of a lakh of rupees (approximately £7,000) towards the construction of a church at New Delhi, in response to the Viceroy's appeal.

Among the countries represented at the third Congress of the International Entente of the Democratic Parties of Europe which was opened on January 15 in the hall of the Landtag at Karlsruhe, Baden, were Greece and Turkey.

Further police raids in Calcutta last week, following the discovery of bombs there and the arrest of three Bengali youths, resulted in the finding of chemicals and revolutionary literature. Two more arrests were made.

The Zaidi Imam Yahia of Sana', in the Yaman, has decided to establish diplomatic relations with Turkey, and his representative, Ahmed, formerly an official in the Ottoman service, arrived in Constantinople on his way to Angora last week.

The President of the Greek Republic, on January 14, gave a luncheon in honour of Admiral Keyes. The President proposed the health of King George V and the British Minister replied. Admiral Keyes subsequently left for Lake Copais on a shooting party.

The Fédération Aéronautique Internationale has officially registered the flight of Lieutenant Costes and Captain Rignot from Paris to Jask, Persian Gulf, as the longest non-stop flight in a straight line yet made by an aeroplane. The official distance is given as 5,396 kilometres (3,345 miles). The flight was accomplished on a Breguet XIX. biplane (500 h.p. Hispano Suiza engine) on October 28-29, 1926.

A Haifa message states that M. Ponsot is shortly proceeding to Palestine to interview Lord Plumer, it is rumoured, for the discussion of Syrian and Palestine affairs and the French peace move. Syrians suggest a general amnesty without exception and a treaty, in lieu of the mandate, with a definite Syrian Government. United Syria, it is suggested, should enter the League of Nations under French supervision.

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PERSONAL AND GENERAL

TO-DAY

January 20, 1927 (New Style).

January 7, 1927 (Old Style).

Rajab 16, 1345 A.H., of the Muslim Calendar.

Shebat 17, 5687, of the Jewish Calendar.

A Turco-German commercial treaty was signed in Angora on January 12.

Sir Francis Oppenheimer left Tilbury on January 14 in the Mongolia for Aden.

The Egyptian Ministers have voluntarily decided each to forgo £300 of their salaries annually.

Prince Nader Mizra Arasteh, Counsellor of the Persian Legation, left London last week for Teheran.

The Turkish Ambassador, Ferid Bey, who recently paid a short visit to Angora, has returned to London.

M. Constantin M. Laptew, Counsellor of the Roumanian Legation, arrived in London last week from Bucharest.

Mr. William Forbes, M.R.C.S. (temp. Major, R.A.M.C.), Winton Road, Bexhill-on-Sea, a member of the Quarantine Board of Egypt, left £4,893.

Viscount and Viscountess Portman left London on January 14 for Port Said, and expect to spend a few weeks in Upper Egypt.

Sir John and Lady Marshall, Sir Evan Maconochie, Lady Blackett, and Lady Ramsay were among the passengers joining the steamship Rajputana on January 15, at Marseilles for India.

The death is announced on January 12, of Dr. Otokar Rybar, of the Yugoslav Diplomatic Service and a member of the Yugoslav Delegation to the Paris Peace Conference in 1921.

Sir Percival Marling, V.C., and Lady Marling left Stanley Park last week for Egypt, embarking in the P. and O. Narkunda from Tilbury on January 14. They will be away for two months.

The Marchioness of Linlithgow left London on January 13 by the P. and O. Bombay express *en route* to join the s.s. Rajputana at Marseilles for India. Lady Mary Hope is a passenger in the same vessel.

Sir Daniel Stevenson left on January 13 for Paris to attend a conference at the Embassy regarding the proposed British Institute, intending to proceed thence to Italy, Egypt, and Palestine.

The will of Mr. George Houston Charman, late of the Egyptian Civil Service, of Church Walk, Worthing, has been proved at £8,501 (net personalty £8444).

Major-General Thomas Ross Church, C.I.E. late Madras Staff Corps, of the Goffs, Eastbourne, who died on October 29, aged 96, left property of the value of £16,769, with net personalty £14,142.

Professor Yovan Cvijitch, President of the Yugoslav Academy of Science, died in Belgrade on January 16, at the age of 61, after a long illness. His works on geographical, ethnological and geological subjects are well known; he was the author of *La Peninsule Balcanique*.

According to a Central News message from Constantinople, a Jockey Club has been formed at Angora, with the Premier, Ismet Pasha, as president. Races for valuable prizes will be arranged shortly at Angora, and the stables at Smyrna, Adana, Constantinople, Broussa, and other centres will be asked to co-operate in making the meetings a success.

It is reported from Luxor that amongst the latest finds in the tomb of Tutankhamen is a well-preserved Royal ostrich feather fan. The fan has alternating black and white plumes of great length and a semi-circular gold centrepiece and a long gold handle.

Lieutenant G. E. Goodbody, Royal Tank Corps, is reported by the *Pioneer* to have lost his life near Quetta. He was out duck-shooting at Kushdilkhan, when the ice on a lake broke and he fell in. The other members of the party unsuccessfully tried to rescue him, but he suddenly disappeared. The body was recovered later.

The Government of India has gazetted three Bills embodying the recommendations of the Hilton Young Commission. The first Bill proposes the stabilisation of the rupee at rs. 6d. The second Bill is intended to establish a gold standard currency and constitute a Reserve Bank, which will have the sole right of note issue for twenty-five years, subject to renewal.

We regret to have to record the death at 39, Wilton Crescent, London, S.W., of Lady Allen, widow of the late Sir George Allen, K.C.I.E., founder of the *Pioneer* of India. Lady Allen, who was the youngest daughter of the late Rev. John Fisher Turner, of Winkleigh, N. Devon, is survived by a son, Mr. Charles T. Allen, C.I.E., of Retreat, Cawnpore, and Freechase, Warminglid, Sussex, and two married daughters.

We regret to announce the death which took place in London on January 17 of the Viscount Bearsted, at the age of 73. Lady Bearsted died on the previous Sunday, so that he only survived her by a few hours. Lord Bearsted, who is better known as Sir Marcus Samuel, was the founder and for many years the Chairman of the Shell Transport and Trading Company, Ltd. Among the many offices he held was that of Lord Mayor of London in 1902-1903. He is succeeded by his elder son, Captain Walter Horace Samuel, M.C., who was educated at Eton and New College and succeeded his father as Chairman of the Shell Company.

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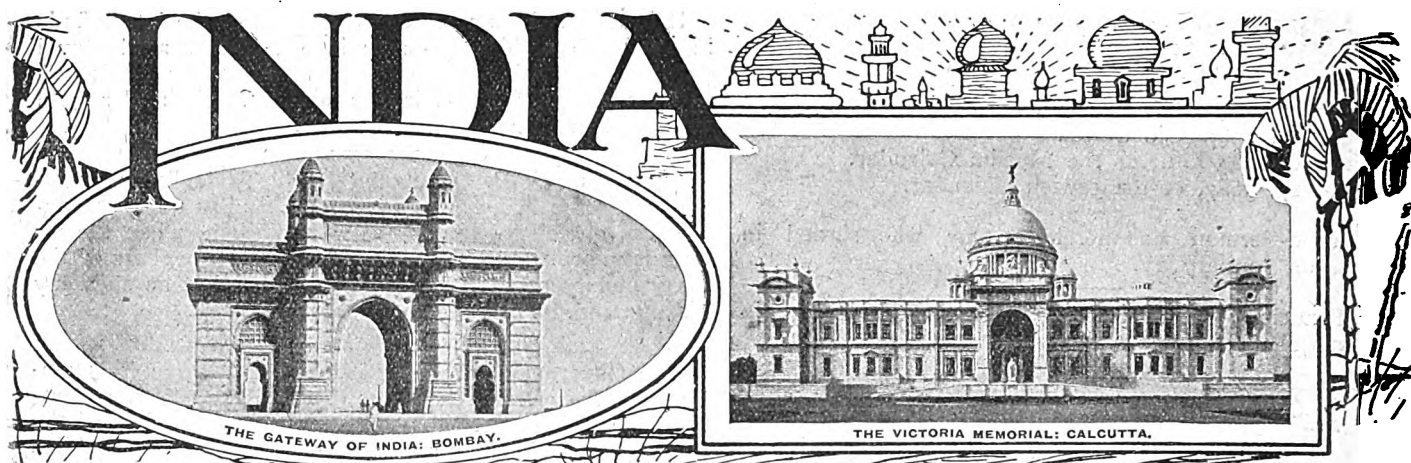
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CURRENT TOPICS.

Delhi.

The ceremonial opening by the Viceroy this week of the Council House at Delhi marks the completion of a further stage in the construction of India's new capital. In this building are to be found the Chambers of the two Houses of the Indian Legislatures and the Council of Princes, and under the central dome is the space reserved for future All-India Durbars. It is too early to gauge the significance of the great undertaking that is India's capital city. Sufficient for the moment is the fact that it is grandiose and thoughtful in conception, noble and artistic in design, worthy alike of the Power that has made India what it is to-day and of the India of history. Called into being at this time, new Delhi, we can but hope, will also prove a lasting monument of the wise prevision that has sought to promote Indian national unity within the sphere of the British Empire.

Bombay Back Bay Inquiry.

The report of the Bombay Reclamation Committee has now been issued. It appears to have been unanimous, and to include a fairly catholic condemnation of most of the officials connected with the enterprise; though, with a few exceptions, it confines its censure to the matter of the dredgers. Their specification demanded the ability to deal with soft clay, whereas the Bombay clay was hard; but it is worth while to remember that a considerable number of the expert witnesses, called before the Committee, declared that the dredgers were fully equal to the work required of them, and that their comparative failure was due to defective working rather than to faulty design. The Committee's condemnation of what is past is, however, of less interest than its recommendations for the future. These are, that four of the eight blocks, into which the complete scheme was divided, should be completed, and that the reclamation of the remainder should be only partial. The former part of this recommendation was already known, and it is the latter part that is of importance now. It may be hoped that this includes the completion of the sea wall, of which about seven-eighths have already been built; so that if, in the words of the Committee, a demand for the completion of the reclamation should arise in future, this could be satisfied with the least possible difficulty. There are some who confidently believe that such a demand will arise, and in a future not too distant; and that, when this has been fulfilled, the advantage to Bombay will be so great, and so fully recognised, that the names of those responsible for the inception of the scheme will be remembered with gratitude, long after the strictures of the Committee on their errors of judgment are forgotten.

CALCUTTA LETTER.

(From Our Own Correspondent.)

Calcutta, December 30.

Political.

Congress has been meeting at Gauhati and the Liberal Conference at Akola; in neither instance can the results be said to be in the least encouraging to those who believe in the Reforms—a rapidly diminishing body, in India at least. The Liberal Conference is of less importance, and after its President had opened with a thoughtful speech, it proceeded to pass a resolution, demanding the immediate release of the Bengal *détenus* or their trial in the ordinary courts. This has become a rallying point for all parties, and the passage of this resolution shows that the Liberals recognise the necessity of coming into line; but it also makes it clear that the most rational section of Indian politicians is not prepared to face the responsibilities involved in responsible government. The Congress, on the other hand, has had the courage to go back upon its recent tendencies towards reasonableness, and following a reactionary speech on the part of the President, who this year is a Madrassi, it has decided not to accept office anywhere and also to oppose the appointment of Ministers in every province. It might have gone even further, had not Mr. Gandhi made the pronouncement that *Swaraj* does not mean severance from the British Raj, but the closest association with the British people on terms of absolute equality. In the end the Congress broke up on a pious resolution that the wearing of khaddar was an essential for membership. To summarise, both the delegates and their leaders were faced by practical problems for which they could see no solution, and they have, therefore, gone back to the era of the spinning wheel and blind opposition.

Communal.

Considerable excitement was caused at the beginning of the week by the report from Delhi that the Hindu leader, Swami Shradhanand had been shot dead by a Mohammedan fanatic. The Swami was lying ill in bed when he gave an audience to an unknown Mohammedan who produced a revolver and riddled him with bullets. The crime was a close copy of many of those of the terrorists which have ceased to exist since the internments under Regulation III; but the parallel appears to have escaped the notice of the Indian Press. There was naturally considerable feeling in Delhi, and a certain amount of rioting; but thanks to the prompt action taken by the authorities in picketing the town, matters were kept well in hand. North Calcutta observed a *hartal*—a shutting of all places of business—for a day as a protest

(Continued on page 65.)

CALCUTTA LETTER.

(Continued from page 64.)

against the shooting, but there was no further disturbance of the normal in Calcutta. Leaders on both sides have deplored the outrage, and it is generally admitted that it is purely the work of an irresponsible, who will be dealt with by the ordinary process of the law.

Social.

The promise of the brilliant Christmas season has been a little clouded by one or two untoward events, and one of them was responsible for blotting out the brilliance of what is usually the most dazzling display of the year, the racecourse on Boxing Day, when the race for the Viceroy's Cup is run. For the first time within memory, the weather decided to fail us, and as a matter of fact, there was quite an active danger of a cyclone throughout the whole of Monday last. There was a most violent storm in the Bay, which was steadily making its way towards Calcutta; for two or three days previously the skies had been overclouding and the weather becoming unseasonably warm, and the culmination came when rain began to fall in the early hours of the morning. It continued steadily throughout the day with the result that the State Procession was abandoned and most of the dresses for the parade of the year were put away against a better day. In spite of this the crowds were as large as ever, but, with mackintoshes and subdued colours prevailing, it was a very different scene from the usual one. State mourning for the late Emperor of Japan has caused the cancellation of the official functions and the sound hiding administered by the M.C.C. to the British in the East has caused a good deal of thinking. Fortunately, however, the sun has come out again and there is no lack of optimists who are prepared to gloat with Sinbad at the theatre, "Now that the hot weather's over and the cold weather has begun."

Men and Things.

Considerable interest is being taken in the departure of the giant machines which are to inaugurate the Air Service to India and the telegrams from the various stopping places are eagerly followed. The two Moth machines are, of course, on a different footing, and it is good to see that they have succeeded in getting as far as Baghdad without mishap.

The annual Art Exhibitions of the two Societies which have their headquarters in Calcutta are open this week, and amongst much that is pleasing there is some remarkable work by Deviprasad Roychoudhuri, a young Bengali living in Calcutta. If his present promise is maintained, his work will soon be finding its way West.

A special note is due to Mr. W. C. Houston, who has won the Golf Championship this year, beating Mr. George Downie in the final of 36 holes by two and one. Houston only started to learn golf three years ago, and a year back his handicap was 10; this is his first appearance in a championship, and he won without any mistake. If he can go on in this way we shall yet see the Home amateur championship won from India.

There is quite a military gathering in Calcutta at the

moment, as two regiments have gone into camp for training in the neighbourhood, and the opportunity is being taken to run a Tattoo in Fort William next week. The programme is being carefully worked out upon the lines of Wembley, scaled down, of course, to suit local accommodation, and rehearsals for this event and for the Proclamation Parade to-morrow are making a fine display for the morning riders on the Maidan.

The memorial signed by a group of English intellectuals to the Government of India urging the continuation and extension of Government grants to the Bose Institute at Calcutta has been published in the press. Sir Jagadish Bose must contrast this with the scepticism with which his remarkable work was first greeted, a scepticism which is now being extended to his theory that consciousness extends to the mineral world.

The Trivial Round.

There has been an orgy of racing this week, but the mid-week meeting yesterday did not attract so large a crowd as usual. Rain probably robbed the Aga Khan's Quincey of the Viceroy's Cup; he started an odds-on favourite, but he was beaten by the winner, Cap-a-pie, as well as by Orange William. It would seem that the latter's great days are over, for although he challenged the winner in quite his old style on entering the straight, he was unable to maintain it and was beaten by two lengths. Yesterday was remarkable for close finishes, there being only one race in which more than a length covered the placed horses.

Rain has also interfered with the polo programme, but good progress has been made with all the events; Calcutta is out of both championships. The Army in India team has won its matches up to the present, but the general feeling is that their display is not yet convincing enough.

Mr. G. S. Johnstone won the paperchase this week on "Bright Future," Captain Leetham being second. There was quite a number of casualties on a very twisty course and unless one has a pretty good mount it is rather a matter of luck to get round without kissing a tree.

The M.C.C. seem to have paralysed the local cricketers. The British in Bengal team raised our hopes on Friday last by a draw on pretty even terms; the M.C.C. accepted the invitation to knock off 152 in an hour and a half, the local team having declared at 7 wickets, but after four wickets had fallen for five runs Sandham and Wyatt were sent in to steady things and they carried the score to 102 for 5 when stumps were drawn. In the three days' match against the British in the East, the local team had none of the luck and they were beaten by an innings and 55. Unfortunately Tarrant has split his finger and will not be able to play any more this season, and the odds are on the visitors for the All-India game.

The C.A.T.S. have produced their Sinbad pantomime at the Empire, and in spite of a thin book and none too strong principals, they have put up a brilliant and lively show, which is drawing record houses. The Tosh sisters and the chorus carry off the honours, and congratulations are due to Mrs. J. Barke and "Andy" Gemmel who are responsible for practically everything in the production.

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Markets.

Little or no business has been done in the jute, gunny, and piece-goods markets owing to the Christmas holiday; the tea market has been closed, as also has the Stock Exchange. Exchange Market closed very steady before the holidays and opened firm this week with banks very reluctant buyers. The rate for Ready T.T. closes at 1. 6 1-32d. after business at 1-32nd higher. Money has been in good demand and rates may be quoted 3 per cent. for Call and Short notice. The Imperial Bank of India rate is being raised to 5 per cent. on January 1, 1927.

THE INDIAN MAIL.

Security.

Lord Irwin was the guest of the Bengal Chamber of Commerce on December 17 when the President—Mr. J. W. A. Bell, whose New Year knighthood was then only a fortnight away—spoke of the connexion between trade and politics. Before the passing of the Government of India Act, said Mr. Bell, the Chamber excluded politics from the scope of its activities; but they now had a number of representatives in the Legislatures, who, though from their training they were not as a rule well adapted to political life, yet endeavoured to the best of their ability to fill the place assigned to them under the Reforms in the political life of the country. Lord Irwin, in reply, expressed the complementary doubt whether politicians were well adapted to business; but assured his hearers of the sympathy of the Government in their efforts to improve the conditions of trade, while reminding them that "industry must not, and never would be, at the beck and call of the Government. It was as impossible for the Government to make industry run in economic channels as to make water climb a hill. What industry wanted from the Government was security, and this it was the function of Government to provide."

It is the non-official Englishman in India who has most to fear from the development of the Reforms, if haste is allowed to outrun discretion. So long as a strong Central Government remains, which he can implicitly trust to fulfil its function of providing security for India, he will always be willing to give the fullest possible assistance to Indians in attaining the aim of their legitimate aspirations. If he has sometimes seemed, to his Indian critics, to have accepted the Reforms unenthusiastically, even grudgingly, they should remember that, in the last resort, Hindus and Mohammedans both feel the same need of a strong Central Government: one not only whose function, but also whose determination, it is to provide security for all its subjects irrespective of race, religion, and caste.

Wilful Misunderstanding.

It is curious to see how completely some of the leaders of Indian political thought have allowed themselves to misunderstand Mr. Langford James' speech at the Calcutta European Association's dinner to the Viceroy. It is possible to dissent from the form of some of his remarks, though there are occasions when plain speaking is not only useful but necessary; but the sense of them was perfectly clear—that the non-official European is an important component of modern India, who brings qualities that must be used, in the interests of Indians as well as of himself, in the evolution of a self-governing India on sane and sensible lines: a future to which he desires to contribute, and to which he looks forward with confidence so long as he is allowed to do so. Two "leaders" who did not hear the speech and who, if they have read it in full, have evidently not done so with either care or understanding, have unburdened themselves on the subject in Press interviews. One of these is Mr. Rangachariar, an "Independent" of moderate views who was Deputy President of the Central Legislative Assembly; who said that nobody denied that the European community had a large stake in

India, but that, if their interests were to be used to deter early realisation of the goal of responsible government, they would only have themselves to thank "if the indigenous population took a definitely hostile attitude."

Mr. Sen Gupta, Mayor of Calcutta and leader of the Swaraj Party in Bengal, put the matter even more plainly: and his words, fatuous as they are, deserve to be quoted if only as a proof of the correctness of Mr. James's argument. "The elementary fact which should not be overlooked by the Europeans in India is that they total at the outside 250,000 or 300,000. Half a million men, sufficiently desperate, would be more than enough to give them such trouble as to make them realise their singularly precarious position in this country. The Congress is pledged to non-violence and its members are sincerely anxious that the struggle for Swaraj should be carried on on non-violent lines. It pains me to think that our efforts should be frustrated by gentlemen of the ilk of Mr. Langford James. I warn him and his friends against such outbursts. The mills of Providence grind slowly, but they grind exceeding small. The events in China ought to be an eye-opener to the more sanguinary section of the European community."

After this, one turns with something like relief to vernacular Press criticism of Lord Irwin's speech on the same occasion: and is gratified to find that the worst that is said against it is that it "sought to produce a happy result of political generosity by clothing a difficult and stagnating position in the florid garb of rhetorical and figurative concepts." After all, the gravamen of the charge is very much the same in both cases: that Mr. James claimed that Europeans should be consulted as to the form of India's progress, and that the Viceroy did not repudiate the claim.

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NOTES AND NEWS.

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Palestine To-Day.

The Palestine Supplement, which we publish this week, gives a succinct survey of some of the outstanding aspects of the country as it is to-day. As we know, 1926 has been anything but a good year for Palestine owing to causes which are too well known to need recapitulation here, but there is no reason for thinking that the set-back that the progress of the country has sustained is other than temporary. The present year, which will see the flotation of the long-awaited Palestine Loan which will provide the funds which are urgently needed for the country, will see a series of developments in train which will have a vital effect on the progress of the country. The projects in view include the electrification scheme, the Haifa harbour project, and the development of the land in the vicinity of Haifa Bay, all of which are the subject of detailed description in articles in the Supplement. When these and other projects are completed the country should be in a position to make headway. Palestine, it cannot be too strongly emphasised, is fortunate in the possession of one unique asset in her favour, the overwhelming enthusiasm of the Jewish race, and their faith in the future of the country (manifested as it is in the most practical way) should mean for it an assured future.

Palestine's Economic Position.

At the present time Palestine is in the main dependent on two or three industries, of which the production of the famous Jaffa orange is the chief. Prosperity is dependent on the broadening of the country's economic basis, and this beyond question is in process of accomplishment. The wine and tobacco industries, to give two examples, both of which are dealt with in detail in the Supplement—the former having its origin in pre-War days while the latter can in reality be said to date only from 1921—are two contributors of promise to the country's well being. It was relatively easy to establish the wine industry, but the other has required careful nurturing and owes a very great deal to the regulations made by the Government for its encouragement. Another industry that has made a very striking beginning in meeting Palestine's needs and should ultimately occupy a good position in her export trade is that of cement. Others there are that hold out marked promise of helping on the country's economic welfare. In short, the wherewithal exists in Palestine for the development not immediately but over a long period of years of a prosperous and self-sufficient community. It is, however, futile to look for miracles and to expect barren land to blossom in a twinkling of an eye. It is essentially a case for patience which, if exercised, will be justified in the outcome.

Phoenix Oil Dividend.

A second interim dividend of 6d. per share on the £1 shares has been declared by the directors of the Phoenix Oil and Transport Company in respect of the year ended December last, while a corresponding distribution is declared on the 1s. shares. The previous interim dividend was the same, so that so far the distribution for the year is 5 per cent. As the production figures have shown, the company has been making excellent progress, and a substantial final dividend may therefore be anticipated. The company, it may be pointed out, now has its own marketing organisation, and henceforward there should be con-

sistent improvement in results. In view of the outlook for the company it is rather surprising that the shares do not stand at a somewhat higher level, for even if the distribution for the past year is relatively moderate it is only a foretaste of things to come.

Sudan Trade Position.

The figures for the Sudan for the first ten months of last year show a slight set-back as compared with the figures for the first three quarters of 1926. For the latter period there was an increase in the total volume of trade as against 1925 of £E1,495,046, but for the ten months this balance has decreased to £E1,340,598. Apart from the regions which have come under the spell of cotton the year has unfortunately not been a very good one for the Sudan, and the failure of the public imports to expand is simply a reflection of the conditions which have prevailed. It is, of course, merely a temporary phase, and given an improvement in the price of cotton and the consequent expansion of the area in the South under the American type it will not be long before the commerce statistics show a remarkable trade advance. Not that they can be regarded as really unsatisfactory this time. A total of £E9,450,162 for the ten months as compared with £E8,109,564 is distinctly promising, and it is obvious that the full total for the year will be over £E10,000,000. Turning to the actual figures the imports totalled £E4,442,254 as compared with £E4,224,878, Government imports contributing £E1,447,401 as against £E1,230,143, and public imports £E2,994,853 as against £E2,994,735. On the other side the value of the exports was £E4,626,440 as against £E3,488,183, so that for the ten months the Sudan had a fair favourable trade balance.

Bengal and North Western.

A very satisfactory report is forthcoming from the Bengal and North Western Railway for the year ended September last. The net earnings amounted to Rs.2,20,34,163 as compared with Rs.1,86,97,748. Of this the company's share is Rs.1,24,29,735 as against Rs.1,05,91,019, and with a gain in exchange of £87,047 as against £82,210, the net profits in sterling amounted to £913,300 as against £788,300. The usual allocations are made and it is proposed to raise the distribution on the ordinary stock by way of dividend and bonus to 16 per cent. as against 14 per cent., leaving £178,671 to be carried forward as against £150,079.

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NOTES FROM ALBANIA.

(From Our Own Correspondent.)

Tirana, January 7.

Prospecting for Petroleum.

At Penkova, in the concession of the Italian Mining Co., "Sélénitza," east of Valona (see Sector No. 6 in the map published in THE NEAR EAST AND INDIA of September 9, 1926, p. 267), the sounding line has given positive results, that is to say, petroleum was found to rise from 50 to 100 metres in a tube which was sunk to 540 metres; the density of the liquid is 0.912, showing that its quality is not very rich in carburetted hydrogen. It is anticipated that the yield will be about 10 tons per day (24 hours). The company has not yet decided whether it should proceed with the exploitation of this section, making other soundings close by, or whether it will be necessary to dig a deeper bed.

Meanwhile the other concessionaires are progressing with their borings. The Anglo-Persian Oil Co. (Sector No. 1) has abandoned its sounding No. 1 at Patos, in order to sink two others, one of which, No. 2, reached a depth of 582 m. below the surface, and the other, No. 3, 15 m. only, but neither the one nor the other gave any results. This company made another boring at Ardenitza half-way up the hill on which stands the convent with this name, a tube which was inserted already having reached a depth of 1,112 metres, from which petroleum gas was emitted. This fact makes them hopeful of positive results. This same company is at the moment about to begin a fifth boring at Bouzmadh, to the north-east of Valona.

The Italian State Railways (Concession No. 2) has four borings, one to a depth of 581 m. at Kocul, the second to 290 m. at Sélénitza, the third to 10 m. at Peshtan and the last at Mifol. The latter has reached 534 m. and is already emitting quantities of petroleum gas.

The Albano-Italian Pact.

Italy is making friendly overtures to Albania with a view to making her forget the pressure brought to bear on this little State for the conclusion of the Pact. Thus the President, Ahmed Bey Zogu, has received the insignia of the Order of Sts. Maurice and Lazare. On the other hand, Albanian colonists abroad, in Egypt, Turkey, Roumania, and America and the political refugees have sent protests against the Italo-Albanian pact, which is described as a disguised seizure of Albania by Italy.

Earthquakes.

Since December 17 earthquake disturbances have been repeatedly occurring in the region of Durazzo, but the shocks are not so severe as those of the first day. On that day indeed the earthquake was felt at Tirana, Scutari,

Elbasan, Bérat and Valona. The first tremors were horizontal, subsequently becoming vertical. There were only three victims; a young girl died at Durazzo and a man was injured, while another man was killed at Bérat; on the other hand, every house suffered at Durazzo and at Kavaja, where the minarets of the mosques fell down. In the villages of Ndrogi and Rogozhina the shocks were so severe that 130 houses were demolished in the first and 50 in the second of these localities, giving the impression that the centre of the earthquake must have been between Durazzo and Kavaja and at a very little depth below the earth's surface.

The Italian Red Cross sent help to Durazzo for 500 people, furnishing nurses, doctors, tents, etc.

During the earthquake at Durazzo, where the terror-stricken inhabitants took refuge in the barracks, the Extraordinary Tribunal for Political Offences was carrying out its task at Scutari, trying the culprits in the Dukajjin insurrection. Four of the men who were condemned to death were executed last week and several others were sentenced to terms of imprisonment. A hundred dossiers still remain to be studied by the tribunal and the examining magistrate.

FORTHCOMING SAILINGS.

The following are the sailings for the Near East and India, the ports of departure and closing dates for cargo being given in parentheses:—

Anchor Line.—S.s. Elysia for Bombay (Birkenhead, January 26). (For passenger sailings and dates see advertisement.)

Anchor Brocklebank Line.—S.s. Mahronda for Port Said, Colombo, and Calcutta (Birkenhead, January 22).

Bibby Line.—S.s. Warwickshire for Port Said, Colombo, and Rangoon (Birkenhead, January 26.)

British India Line.—S.s. Dumana for Bombay and Karachi (London, January 22); s.s. Merkara for Colombo, Madras, and Calcutta (London, January 29).

Cunard Line.—S.s. Phrygia for Gibraltar, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Gruz, Venice, Trieste, and Fiume, also Corfu and Ancona if inducement (Liverpool January 22, Swansea January 25); s.s. Brescia for Gibraltar, Malta, Patras, Piræus, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza, also Algiers and Volo if inducement (Swansea January 25, Glasgow January 27, and Liverpool January 29).

Johnston Line.—S.s. Quernmore for Piræus, Volo, Salonika, Smyrna, Constantinople, Bourgas, Varna, Constantza, Sulina, Galatz, and Braila (first steamer of the season for the Danube) (Liverpool, February 5); s.s. Jessmore for Piræus, Volo, Salonika, Bourgas, Varna, Constantza, Sulina (Liverpool, February 12), also Galatz and Braila, closing February 17.

P. and O. Line.—S.s. Nagoya for Colombo, Madras, and Calcutta (London, January 22); s.s. Ranpura for Bombay (London, February 4).

Prince Line.—S.s. Highland Prince for Tunis, Malta, Alexandria, Jaffa, Haifa, Beyrout, and Cyprus (London, January 26); s.s. Syrian Prince for Tunis, Malta, Alexandria, Jaffa, Haifa, Beyrout, and Cyprus (Manchester, February 4).

Ellerman and Papayanni Lines.—S.s. Bavarian for Algiers, Malta, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, and Varna (Liverpool January 22, Swansea January 22); s.s. Flaminian for Malta, Alexandria, Jaffa*, and Haifa (Liverpool, February 2); s.s. Gerano for Gibraltar, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Gravosa, Ancona*, Venice, Trieste, and Fiume (Liverpool February 5, Swansea February 8); A steamer for Gibraltar, Malta, Alexandria, Jaffa*, and Haifa* (Glasgow, February 12); s.s. Algerian for Gibraltar, Malta, Patras, Smyrna, and Constantinople (Liverpool, February 12). * Subject to sufficient inducement. Transshipments.—Algerian ports via Algiers; Moroccan ports via Gibraltar; Tripoli (Barbary) via Malta; Syria and Cyprus via Alexandria; Greek outports via Piræus or other convenient port; Fiume via Trieste.

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THE WEEK'S FINANCE.

(By Our Financial Expert.)

London, January 18.

The first Stock Exchange account of the new year, though causing a little interference with business, was a light one and passed uneventfully. Markets generally are more active, a feature being the steady demand for high class investment stocks on cheaper money prospects, and in some sections of the industrial market quite a large amount of business has been done. Gilt-edged prices are very steady with a firm tendency, and home rails have improved on the announcement that the higher rates are to come into force on February 1. There has been some activity, though mostly professional, in the oil market, and rubber shares hardened a little in sympathy with a rise in the price of raw material. In the industrial section Courtaulds and Snia Viscosa have been an active market on reports of an acquisition of control of the Italian company by the former. The prospectus of the new White Star Line issue appeared on Friday. Two and a half millions in 6½ per cent. cumulative preference shares are being issued, and are guaranteed, both as to principal and interest, by the Royal Mail Steam Packet Co., which has acquired the fleet from the International Mercantile Marine. An immediate response to the issue resulted. Dealings in the new 4 per cent. Consols will begin next Thursday.

Shares Without a Prospectus.

A matter which has been attracting increasing and anxious attention in financial circles is the rapidly growing practice of marketing new securities in the Stock Exchange by a method which does not require a prospectus to be issued. A big corporation or finance house buys a large line of shares and wishes to place them with investors; it applies to the Stock Exchange Committee for a quotation, which the Committee grants on condition that certain alternative particulars are advertised in a statement "for public information only." By this means a new security, about which the public knows little—far less than if a prospectus were issued—but about which it frequently hears or reads enticing rumours, becomes purchasable in the open market.

This method of "introduction" is less costly than the prospectus and public issue method, and other arguments

may be adduced in its favour. But it is open to abuse, and has its serious dangers. Of course if an investor will go and gamble in a share of which he knows next to nothing, he has no one but himself to blame if he burns his fingers. Nevertheless, it is arguable that the Stock Exchange Committee should do something to guard him against his own folly; and this it could do by insisting on the publication of a far greater mass of information than it at present requires. As things stand at present it is a very sound rule for the ordinary investor, not intimately acquainted with the devious ways of the financial markets, not to purchase any new share unless it has been publicly issued by means of a full and informative prospectus.

Industrial Company Profits.

The net profits of 414 joint stock companies, whose reports were published in the final quarter of 1926, show an increase of £1½ millions, or 3.8 per cent., over the profits disclosed by the same companies in their preceding financial year, according to a statistical analysis made by the *Economist*. This increase is partly due to the inclusion of groups of rubber and oil companies whose profits show increases of £1,601,900 and £984,400 respectively, and partly to the fact that the accounts of the concerns in question do not, in a large number of cases, cover the whole period of the coal strike. The iron, coal and steel group of 29 companies, it should be mentioned, shows a decrease of £1,110,300, and the six textile companies a decline of £1,591,300. Of the aggregate net profits 61.5 per cent. was paid to ordinary shareholders, and 14.8 per cent. to preference shareholders, while the balance of 23.7 per cent. was either placed to specific reserve and other funds, or added to balances carried forward. The average rate of return on total ordinary and preference capital works out at 11.8 per cent., as compared with 10.2 per cent. for the preceding quarter and 12.3 per cent. in the final quarter of 1925. The average rate of ordinary dividend for the quarter works out at 10.8 per cent., as against 11 per cent. a year ago, rubber companies showing an increase from 14.2 to 27.6 per cent., oil companies from 12.9 to 14.9 per cent., and trust companies from 10.1 to 13.7 per cent. The iron, coal and steel section shows a decline in the average rate of ordinary dividend from 1.3 to 0.8 per cent. and the nitrate group from 10.3 to 3.1 per cent.

Attractive Investments in Discount Companies.

On several occasions we have drawn attention to the comparatively modest yield given by British bank shares. A more generous return, however, can be obtained on the shares of the discount companies. These institutions conduct a highly specialised business and are an integral part of the London Money Market. Having survived the storms and stress of the War period, it is not possible to foresee any event that might seriously endanger their earnings in the coming years. Indeed, it is widely recognised that the discount companies are managed with conspicuous efficiency. It is true that the majority of the shares are not fully paid, but there does not seem much ground for apprehension on this account.

The reports of the two largest companies, just issued, show that profits for 1926 were practically maintained at the satisfactory levels reached in 1925. The Union Discount Company earned a net profit of £220,240, which was within £1,000 of the previous total, while the National Discount Company's net revenue of £153,081 exceeded that of the previous year by £5,500. In both cases dividends were maintained at the same level as in 1925. Thus the Union Company's £5 shares, with £2½ paid up, return £5 17s. per cent. The National Company's "A" shares, which are in denominations of £2½ fully paid, yield £5 9s. per cent., and the "B" shares, which are in denominations of £7½, with £2½ paid up, return £6 13s. per cent. The net profit of Alexanders Discount Co. was also virtually equal to the previous year's level, the figure being £106,045 against £106,113; the dividend was likewise maintained. The £10 shares, with £5 paid up, yield £6 7s. per cent.

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A meeting of the Administrative Council of the Corporation was held in London on January 13. In the absence abroad of Lord Derby, the President, the Chair was taken by Mr. R. H. Jackson.

The Chairman referred to the loss which the Council had sustained through the death since their last meeting of two of their Vice-Presidents, Lord Emmott and Sir Frank Forbes-Adam, and of Mr. Rae, the representative of the Bombay Chamber of Commerce.

In moving the adoption of the quarterly report of the executive committee, the Chairman laid stress on the hope, which he believed was shared by all members of Council, that during the present period of low prices growers throughout the Empire would not be discouraged, but would persevere with cotton growing in all countries where it was found to be a suitable crop. By such a course they would place themselves in a more commanding position from which to fill, at all events partially, the gap in production which might follow either a restriction of acreage in America or a short American crop at some future date. It would then be found that the action they had taken would not only be remunerative to themselves, but would render this country less dependent than formerly on America for her supplies of raw material.

Progress in the Sudan.

The following extract is taken from the report:—

The Sudan Government have been making markedly successful efforts to extend cotton growing as a rain-grown crop in the South, and they have simultaneously been giving careful consideration as to the mechanism that will be necessary for ginning and marketing the crop. They feel that at all events for the present this cannot be left to private enterprise; the scattered nature of the population coupled with considerable transport difficulties render it unlikely that any but very petty traders would be prepared to handle the crop, and the rate of profit that they would require would prevent the cultivator from receiving a fair price. As the crop develops and transport facilities improve, it will become possible to leave this side of the industry to private enterprise. But meanwhile, in order that the necessary ginning and marketing facilities may not be lacking, the Government approached the Corporation and the British Cotton Growing Association with a view to the formation of a company in which these three will be the only shareholders. Negotiations to this end are proceeding and it is confidently expected that they will soon reach a conclusion satisfactory to the three parties concerned.

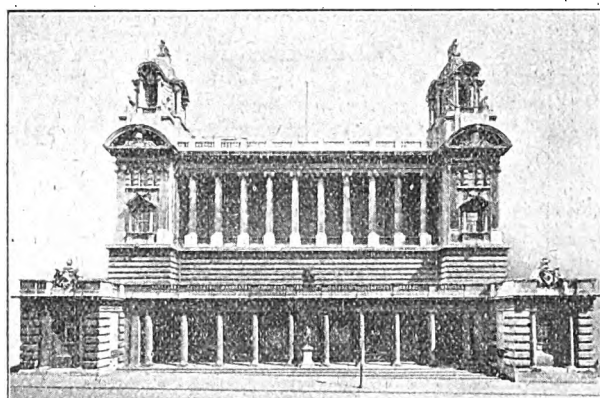
THE LIVERPOOL COTTON MARKET.

Messrs. Reynolds and Gibson report as follows for the week ended January 12:—

Egyptian Futures.—Sakel Contract.—Taking all things into account, this market has shown a very steady undertone throughout the past week. It is true that declines of 8 points to 12 points for near positions and 11 points to 12 points for distant positions have taken place, but when due consideration is given to the fact that there has been heavy and consistent selling in progress throughout most

sessions, it must be acknowledged that the cotton so offered has been taken remarkably well and at a comparatively equitable basis. The most prominent portion of the buying power would appear to have emanated from Continental sources and local short covering; in addition to this the firming up of American values has done much to maintain the tone. The recent action of the raw material markets is now starting to have a beneficial effect on trade; spinners are beginning to find increasing yarn orders at more remunerative margins, and provided values remain at the present level or, better still, show a gradual hardening tendency, many would-be buyers, who have been "sitting on the fence" for so long, would probably definitely commit themselves. Throughout the course of the week, the Alexandria market has relatively shown more strength than our contract, with the result that our premium has again been somewhat reduced; at the time of writing, the local March position stands at only about 12 points premium, exclusive of any shipping charges. Latterly, the American/Egyptian straddle difference has tended to show a gradual shrinkage; in fact, at the moment, the margin in favour of our cotton for the early spring position has declined to about 557 points.

Egyptian Spot.—A healthier tone has been apparent in our market during the past week. The inquiry has again broadened slightly, and reports from consuming centres have been of a distinctly promising character. The feature of the week has been the large business which has been done in Sudan Sakellaridis. The basis of this cotton has recently been reduced some seventy-five points all round, and spinners have found it very attractive when compared with what is offering in Sakellaridis at similar prices. Naturally, the genuine Sakel cotton has been somewhat neglected as a result, and prices for this commodity have weakened substantially. On the other hand, Uppers have continued in steady request at hardening rates, the recent strength of the American markets having reacted to the



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‡DUMANA	8,600	—	Jan. 22	Bombay and Karachi
MERKARA	8,235	Jan. 23	Jan. 29	Madras and Calcutta
MANDALA	8,246	Jan. 29	Feb. 5	Bombay and Karachi
IMANELA	8,303	Feb. 5	Feb. 12	Madras and Calcutta
MANTOLA	8,963	Feb. 4	Feb. 18	East African Ports
MARGHA	8,258	Feb. 19	Feb. 25	Bombay and Karachi
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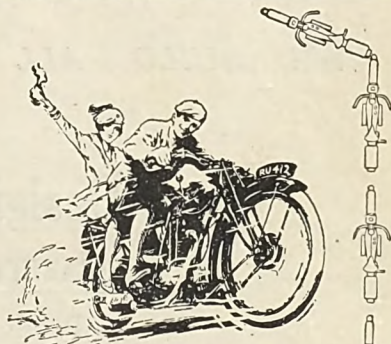
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THE NEAR EAST AND INDIA.

No. 819.—VOL. XXXI.

THURSDAY, JANUARY 27, 1927.

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NOTES OF THE WEEK.

NEAR AND MIDDLE EAST.

Anglo-Italian Conversations.

The British and Italian Governments have set about in the right way to remove all possibility of misunderstanding which might have been provoked by the wide activities of Italian diplomacy at the present time. It was well known that while Sir Gilbert Clayton was carrying out negotiations with the Imam Yahia of the Yaman the Italian representatives were, so to speak, sitting on the Yaman doorstep, and as soon as the negotiations came to naught, the Italians were admitted, and had no difficulty in concluding a treaty of amity and commerce with the Imam. There was no particular reason why they should not. The British negotiations broke down because there is a point at issue between the Yaman and Great Britain over a part of the hinterland of the Aden Protectorate occupied by the Imam's troops, and the British Government was not prepared to leave the matter out of any general settlement with the Imam. Italy, having no point of actual touch with the Yaman, was merely concerned to clear the ground for her trade. By following on the heels of the British representative at Sanaa, however, she encouraged the Imam to suppose that he had made a shrewd move in adopting an unaccommodating attitude towards the British, inasmuch as there were other European Powers anxious to cultivate his friendship. Much the same effect, it might be imagined, would be created if Great Britain selected an ostentatious method of concluding a treaty of amity and commerce with the Senussi or any intransigent chieftain in the hinterland of Libya with whom Italy happened to have differences of opinion. There was nothing in the Italy-Yaman treaty that affected British interests; but there is much to be

said for what we understand in Great Britain by "playing the game" by one another among Great Powers in their dealings with the East. The Italian Government, which is new to this aspect of the case, would need only to have its attention directed to it to appreciate its value in the relations of Great Powers.

Italy and Arabia.

It was, accordingly, a sound move that Sir Gilbert Clayton, who has represented the British Government in negotiations with both King Ibn Saoud and the Imam Yahia, should discuss the situation created in Arabia by the recent manifestations of Italian interest in this part of the world. The Italian representative was the Comendatore Gasperini, Governor of Eritrea, who negotiated the successful treaty with the Yaman. The two delegates will have met as experts in regard to the sphere over which the discussion may be supposed to have ranged. The position in Arabia is delicate, owing to the inability of the three principal rulers, King Ibn Saoud, Imam Yahia of the Yaman, and the Idrisi of Asir, to hit it off among themselves. Italy's interests in the peninsula are of an economic order, and she may not feel called upon to concern herself with Arabian politics. Great Britain, on the other hand, with her long-standing ties with Arabia, cannot indulge in the same ignorance or affect a similar indifference. She appreciates the necessity of treading carefully in Arabian affairs, for the sake of the peace of the peninsula, and a good cause will have been promoted if the Italian Government has been induced to see the matter in this light also. Quite recently it was reported that Italian representatives had tried to stake out an economic claim on the Farsan Islands belonging to the Asir, under the mistaken idea, no doubt, that the agreement with the Imam covered any part of the Red Sea littoral to which Italians might take a fancy. Unenlightened activities of this nature can easily lead to trouble in the East, and it should be possible for the

British and Italian Governments to come to an arrangement, such as their agreement in regard to Western Abyssinia, which will prevent complications in Arabia from excess of zeal on the part of Italian agents.

France and Roumania.

The publication of the text of the Franco-Roumanian Treaty signed on June 10, 1926, adds little to what was already known about the document from the summary issued last year. France detaches Roumania from any possible combination against her; but whereas she would not look for Roumanian help for herself if she were at war with Germany, the Roumanians would certainly have liked to be able to count on French help, if they were at any time embroiled with Russia. This satisfaction, however, the treaty does not give them. France binds herself to examine, in conjunction with Roumania, any question that might threaten the latter's external security, or in the event of an unprovoked attack on Roumania to consult without delay on their respective action to be exercised within the framework of the Covenant of the League. From Roumania's point of view this assurance would seem to be hardly worth an elaborate treaty, which, however innocuous or superfluous, encourages other countries to seek safeguards outside the League of Nations against possible hostile combinations, and so brings about the establishment of rival camps that it was the object of the League of Nations to prevent. To a certain extent, indeed, the treaty may be found by Roumania to undo the service that the Bessarabian Pact had rendered her. By that document, in which the principal Allied Powers recognised the sovereignty of Roumania over Bessarabia, France incurred at least a moral responsibility to see that the decision thus formally recorded was not upset. By her treaty with Roumania, however, she escapes from any personal responsibility in the matter by sheltering herself behind the League of Nations, which might not have the same interest to-day in binding Bessarabia to Roumania. Both the treaty with France and the later one with Italy are the work of General Averescu's Government. Internal dissatisfaction with the Italian agreement is the greater because it failed to provide for the ratification by Italy of the Bessarabian Pact, which she signed in October, 1920, in company with the other Powers, but has refused to ratify. The two documents, however, provide General Averescu with proof that under his Government any stigma attaching to Roumania regarding the estrangement of foreign opinion has been successfully removed.

The Greek Army.

Further light on the condition of the unfortunate Greek Army has been thrown by the publication of reports submitted by an officer of the Intelligence Service to the General Commanding the First Army Corps. These documents, which are dated December 29 and 30, reveal the fact that the Army considers it among its duties to maintain a system of political espionage, and was at the time actually engaged in "shadowing" the Royalist members of the Coalition Government. According to the reports the three Royalist Ministers had been observed talking to Royalist officers, and they were accused of meditating a Royalist *coup d'état*. The Government has charged the Minister for War to deal drastically with the offending officer. It is pointed out that the Intelligence Service had been "dissolved," and the Press generally is said to deprecate the circulation of ridiculous reports. The revelations, it is to be feared, disclose a state of affairs in the Army that can hardly be remedied merely by the disciplinary punishment of the writer of the reports. General Pangalos is credited with responsibility for establishing the "Hamidian Secret Service," but the fact that the system continued to flourish six months after he had been deposed suggests that it was planted in very favourable soil. Even the Dictator, it will be supposed, did not use the Service to watch his colleagues in the Ministry; but the Army had so far improved upon his creation that the Service is now known to have constituted itself as a spy on members of the Government, and the system was sufficiently organised to call for reports from subordinates to their seniors and so up to the Officer Commanding, who presumably regarded the whole affair as part of his military duties. Unless far more drastic measures are taken with the Army than seem at present contemplated, it will be inferred that the country does not realise how serious is the state to which it has been brought by the demoralisation of the Army and its degradation to political purposes.

"The Future of Egypt."

Under the above heading Mr. Josiah Wedgwood, one of the bright stars in the Labour firmament, contributes an article to last Sunday's *Observer* in which with much pleasant badinage he ventilates the idea of an Egypt confided to Italy's protection. Mr. Wedgwood would appear to have been recently in Egypt and to have realised that, in no way deterred by the fact that Great Britain's Egyptian shoes pinch her, Italy has a keen desire to step into them. Such a development would hardly be in accordance with the gospel of the Labour Party; but then Mr. Wedgwood, seeing perhaps farther than some of his political associates, cannot stultify his intelligence by pretending to believe that, if Great Britain divested herself of all responsibility for and interest in Egypt, the country would necessarily be left to the Egyptians. He points out very shrewdly that Italy would carry out her task in a very different way from that in which Great Britain has tried "to guide the people to freedom, economic stability and prosperity." "A prosperous Egypt, disciplined and efficient under some Fascist guidance, might provide a better market for our trade. Our trade has no benefit from our occupation of Egypt. . . . If it be said that we should remain in Cairo for the protection of foreign capital, let us admit frankly that that capital (not most of it British) would be quite as secure if that protection were afforded by those so efficient Fascists who have done such wonders in Italy. We were too neutral." So neutral, indeed, as he points out in another place, "that now everybody in Egypt talks French or Italian." Labour, when next in power, may well be looking for old worlds to evacuate, and it might bring unction to many souls to make a gesture of noble surrender in the knowledge that it "might provide a better market for our trade." It would remain to be seen, however, whether Egypt, for all her dislike of the British frying-pan, prefers an Italian fire.

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THURSDAY, JANUARY 27, 1927.

THE UNITED STATES AND TURKEY.

It is not necessary to take seriously, still less to take tragically, the refusal of the American Senate to ratify the treaty of amity and commerce between the United States and Turkey, signed at Lausanne on August 6, 1923. This treaty provided for the resumption of diplomatic relations between the two countries after their severance on April 20, 1917, and in effect constituted by its provisions America's acceptance of the salient points of the Treaty of Lausanne, to which she had refused to be a party on the ground that she had not been at war with Turkey. From the outset a considerable body of public opinion in the United States displayed a determined hostility to this treaty, and no attempt was made at the time to submit it to the Senate for ratification. That this step should now be taken without success is a testimony to the strength of American convictions, even if it leaves the Turks wondering at the logic of American institutions. To all intents and purposes the treaty has been in force during these three years, although the relations between the two countries have formally depended on a provisional agreement, prolonged as required, by which most-favoured-nation treatment was secured to each party pending the ratification of the Treaty. This arrangement can, presumably, be continued indefinitely without embarrassment to either country, until such times as the United States change their mind on the subject of spilt milk, unless indeed Turkey is to renounce all that the Republic stands for. The explanation given for the rejection of the Treaty by the Washington Senate is that it fails to give effect to President Wilson's views, or award, regarding Armenia, that it does not contain guarantees of protection for Christians and non-Moslems in Turkey, and that it does not provide for the recognition by Turkey of the American nationality of former subjects of Turkey who had to be nationalised in the United States. In other words, the Senate would fain traverse once more the whole of the ground covered by the long-drawn negotiations between the Allied Powers and Turkey at Lausanne. For the treaty was as much the outcome of those negotiations as was the Treaty of Lausanne itself. In the statement issued by the State Department at Washington at the time this was made clear in the following passage: "The prospective conclusion of peace between the principal Allied Power and Turkey made it appear advisable, in order appropriately to protect American interests, that the relations between the United States and Turkey be regularized at an early date. This appeared all the more necessary in view of the fact that in the course of the Allied negotiations with Turkey the abrogation of the capitulations had been agreed to." The American signatory of the treaty, Mr. Grew, had followed the Lausanne negotiations from the beginning as one of the American "observers," and the conversations which led up to the treaty were spread over three months, being brought to an end a fortnight after signature of the Treaty of Lausanne.

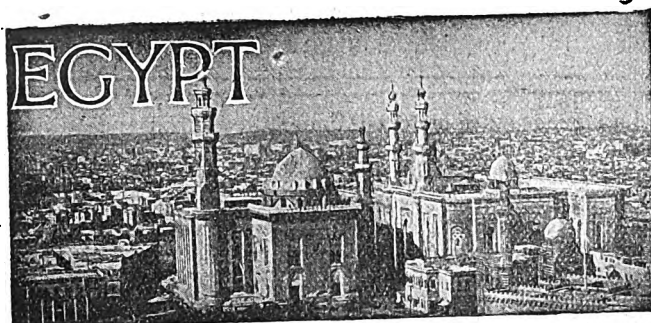
Whether the Senators who are opposed to the treaty imagine that Turkey can now be persuaded to concede what she refused in 1923 is not disclosed. It is more probable that their action is intended merely as a gesture to show that the motives which actuated America in enter-

ing the Great War still appeal to large numbers of her citizens. The same, we imagine, can be said of Great Britain; and if our attitude towards Turkey is different to-day, it is because, through being closer in touch with realities, we realize that the world will not stand still while we proclaim the everlastingness of even the most cherished opinions. No one can pretend that the abandonment of the Armenians was not a grave blot on the Allies' escutcheon. Yet when the Lausanne negotiations began the Armenians, to all intents and purposes, were not. If it had been possible to eliminate the Turks and to install the Armenians in the regions that were at one time claimed for them, Western conceptions of justice would, no doubt, have been well served. Such a course, however, was not practicable, and those people who were obliged to face facts, however disagreeable—including Mr. Grew and the American Government of the day—decided that they must again resort to the only possible alternative, in making the best of the Turkish will to become modernized. On the Turks' failure to respond in every particular to the hope thus placed in them there is no need to dwell. The fact remains that the Turkey of to-day has in it the makings of a better country than the Ottoman Empire ever was. The Turkish Government can be, from the foreigner's point of view, as exasperating as before; but the most prejudiced observer would be obliged to admit that there is a something stirring in the new Turkey which did not exist in the old. That it will suffice to carry the Turks through until they make entirely good by modern standards cannot yet be predicated. There can, however, be no doubt that Turkey has gone forward, and not backward, since the Treaty of Lausanne. With that measure of progress the Allies have to be content, while American Senators hug to themselves counsels of perfection which will make the world not one whit the better, because they are, and have been from the first, incapable of being carried into effect.

Curious contrasts are presented by America in her handling of Turkey. Writing in 1919, an American authority in the Near East stated: "Where others have invested for material profit we have invested twenty million dollars in founding colleges, forty million in feeding the hungry and fifty million in preaching, instruction and free medicine." The Near East Relief claims to have distributed seventy million dollars. All these sums, it is true, were not spent on Turks alone. Robert College was founded in 1863, but in 1914 there was only one Turkish student there. The United States refrained from declaring war against the Turks, and full advantage of this attitude was taken in the post-Armistice years to further American economic interests in Turkey. The Chester Concession, granted on April 9, 1923, a few days before the resumption of negotiations with the Allied Powers, represented, according to a Turkish newspaper, Turkey's *quid pro quo* for American help at Lausanne. The conclusion of the treaty between Turkey and the United States immediately after the Treaty of Lausanne suggested that the understanding between the two countries was complete. At an earlier date Mr. Hughes, the American Secretary of State, had declared that the United States in regard to Turkey would stand on seven points of policy, which included the maintenance of the capitulations, the protection of American philanthropic institutions and the protection of Christian minorities. Yet under the title of a treaty of "amity and commerce" all these points were specifically or by implication abandoned, for the simple reason that the United States Government learned, as the Allied Governments had discovered before it, that the demands could be enforced only at the point of the bayonet. America, however, for all her specific promises to the Armenians, refused to implement them by accepting an Armenian mandate mainly, if not entirely because the Harbord Mission had reported that American troops would be required in the early stages. To kick against the pricks at this point cannot further the cause that the United States have at heart, and it is to be hoped that, before the Turks feel encouraged to make some equally foolish reprisal, the American Senate will realize its responsibility in the matter.

The Near and Middle East*

From Our Own Correspondents.



Cairo, January 16.

Mr. Churchill's "Visit."

The movements of Mr. Winston Churchill have been a subject of excited interest to the local Press during the past week. From the time when the Genoa correspondents of the News Agencies, apparently jumping to conclusions from the fact that Mr. Churchill embarked at that port in the s.s. *Esperia*, announced that he was to visit Egypt, the vernacular papers have not ceased to speculate on the purpose of his supposed coming. Not unnaturally, there have been recalled the "elastic circle of Empire" phrase and the fact that when last Mr. Churchill visited this country we were in the period of political effervescence and demonstrations. A very large sized specimen of the latter form of manifesting political sentiments had been prepared for Mr. Churchill on his arrival at Cairo Station. Only the explanation that his train had stopped at a small halt a few miles out of the Capital, to which he was taken by motor-car, enabled the disappointed would-be demonstrators slowly to grasp the fact that the man for whom they were waiting had eluded them. They sadly dispersed, with their enthusiasm baulked of the opportunity they had hoped for.

Not even the denial which was not long in coming could convince Egyptian journalism that Mr. Churchill was really not on his way to this country. The fact that he was not on board the *Esperia* when she docked at Alexandria last Monday morning could not be disputed, so another theory—that he had disembarked at Brindisi and gone aboard a waiting British warship which would land him unnoticed on Egypt's shores—became prevalent. The circumstances that no British warship entered Egyptian waters last week, excepting the *Barham*, on Friday, did not prevent a number of journals from announcing that Mr. Churchill had positively arrived on Tuesday or Wednesday, and was staying at Mena House Hotel, incognito. One paper expressed its opinion that the member of the British Cabinet had come to settle the boundary line between Egypt and Palestine, a most unlikely theory, to say the least of it. But now the Churchill myth has at last been laid and the Arabic Press, which has lately been rather short of local political news of really exciting quality, has had to admit that it has been misled.

Captain Gordon Canning.

Another visitor whose presence here has aroused some interest is Captain Gordon Canning, who is staying at Shephard's Hotel. Although there seems to be no reason why the former would be intermediary between the French Government and Abdel Krim should not spend a part of the winter in Egypt, just like anyone else who dislikes fogs and cold, it has immediately been assumed that Captain Canning must be here with some secret design. As a result he has been interviewed by a number of local newspapers. Either Captain Canning has been rather obscure in his statements or else the journalists detailed to see him have been remarkably stupid, for in each instance where an interview with him has been published parts of it have subsequently been rectified by Captain Canning sending to

the editor a disclaimer of sentiments attributed to him. In any case, he has been as great a disappointment to the Arabic Press as has been Mr. Churchill's non-arrival, for Captain Canning's interviews have been discreet to dullness.

Village Fires.

The season of village fires is with us once again, and already there have been several disastrous blazes, of which the most serious occurred last week at Kafr Shubra, between Quesna and Shebin el Kom. The greater part of the village was burnt out and 179 families were rendered homeless. With characteristic generosity and promptness, the Khedive Mother immediately instructed the officials of her teftish of Mit Khallaf, which adjoins the village of Kafr Shubra, to distribute £E1,000 amongst the sufferers from the fire. The distribution was carried out yesterday by the Mudir of Menoufieh, Shaheen Pasha.

The regular recurrence during the first three months of the year of these disastrous village fires is a problem which has been exercising the Government for some time past, but of which no solution has yet been found. Two causes are chiefly responsible for the fact that the fires occur annually during the first quarter of the year. It is at that time that the cotton and sugar cane stalks and other similar products which are used by the fellaheen for fuel have become thoroughly dried and have been stacked on the housetops, to be drawn upon as required throughout the summer. January, February and March are also the months of violent winds which render almost impossible the task of restricting the area of a fire, once it has obtained a good start. Another circumstance makes it particularly difficult to cope with these conflagrations at this season, and especially during the present month, when the majority of the irrigation canals are practically dry, with the result that even if fire engines reach the scene of the blaze in good time they are often unable to do any useful work.

The real cause of these fires is no secret to anyone. It consists in the persistence of the fellaheen in storing their fuel, than which nothing can be more inflammable, on the roofs. The obvious solution is to forbid the use of housetops for this purpose. But that is much more easily said than done. The Delta villages are such closely-packed conglomerations of hovels that there is nowhere else where the stalks could possibly be put. It has been suggested that an effective solution would be to have a common storing ground, just outside the village and on the opposite side to that from which the prevailing winds blow. But the general opinion of provincial officials is that this proposal is impracticable because not only would it impose considerable hardship on the housewives, many of them old and infirm, who would have to walk a considerable distance each time they needed a little fuel for cooking purposes, but also because communal storing grounds of any kind have always been found in Egypt to be a fruitful source of disputes and factions, which too often have fatal consequences. The provision of adequate fire-fighting appliances is almost impossible, on account of the initial cost and would be of doubtful value, because few villages have amongst their inhabitants men with sufficient mechanical knowledge to keep fire engines in good working order. Moreover, as already explained, the water supply is usually inadequate or entirely lacking during the period when these fires occur.

The problem is a very serious one indeed; last year over fifty villages were wholly or partly destroyed by fire. And

*Under this heading appear weekly or at regular intervals communications from correspondents in Egypt, the Sudan, Roumania, Yugoslavia, Greece, Bulgaria, Albania, Turkey, Palestine, Iraq, and Persia.

an Egyptian village may hold anything up to ten or twelve thousand inhabitants. Anyone who can devise some practical and not too expensive means of dealing with village fires will be rendering a real service to the most likeable, the hardest-working and the least considered section of Egypt's inhabitants.

GREECE.

Athens, January 9.

Intrigue and Counter-Intrigue.

Two interesting documents have appeared in the Press during the last few days. One gives the details of an organisation styled "The Republican Sentinel," a league of Republican officers on the active list, of which the aims are admittedly not connected with the military profession, but political. They are as follows: (a) to defend the Republican régime; (b) to ensure that admission to and loss of officers' rank shall conform with the laws in force; (c) to hinder the return to the active list of officers retired or dismissed. Then follow details of the composition of the League and regulations for membership, subscriptions and the rest.

The other document, published in the *Eleftheros Typos*, exposes the aims and organisation of a body called "The Invisible," which, according to the paper, has numerous ramifications. The names of its president, secretary, and influential members are given, as well as of its headquarters and favourite meeting-place. Its aims are subversive of the present Government, and it professes to be at the disposal of the Royalist leaders, if and when required. To it are attributed the numerous reports in the Press of seditious movements in the Army, against which it hopes to poison the public mind. This organisation is said to have increased enormously lately, and to have one hundred and forty branches. The members are armed. MM. Tsaldaris and Metaxas deny all knowledge of it.

It is well known that political changes in Greece have for long been accompanied by corresponding changes in the personnel of officers, and political complexion rather than military efficiency has been the determining factor in these changes. The Smyrna disaster was precipitated, if not caused, by this system (if so it can be called), and the legacy of bitterness which that episode created is reflected in the existence of these two societies. That these societies *do* exist is, in spite of official denials, probable. It would be more remarkable, in view of all that has happened in Greece since 1920, if they did not. Those who suppose that the deep cleavage which runs through Greek life is going to be filled in in a moment are out of touch with reality. Rightly or wrongly the Republican element in the Army believes that it saved Greece after the Smyrna disaster and is determined not to lose the predominating influence which it then acquired. It argues that military interference in politics has not been so disastrous as the interference of politicians with the Army. The Government is, therefore, faced with the problem of reforming the Army without exasperating the Republican element in it. This should not prove impossible, but the danger is that the extremists, more especially the anti-Republicans, may embarrass their leaders by agitation and intrigue. Signs that they are so doing are not wanting.

In the proposed reform, two separate classes of officers are involved, those who have been removed from the Army as a result of political movements since September, 1920, and those who are on the active list but superfluous or inefficient. The first class are to be dealt with by a special Council, of which the list of members is now complete. The second class will be dealt with by the Supreme Council of War; the usual regimental, etc., reports being the basis for dismissal or retention. In this direction, it is hoped, some of the economies which are required for balancing the Budget will be made; but it is clear that great discontent will follow among the "axed." An officer's pay in the Greek Army is small in any case, and many will find themselves without employment. But the elimination is

absolutely necessary, as the Army is over-officered, and it is to be hoped that the decisions of the Council of War will be rigorously enforced.

The Old and the New Calendar.

A movement is going on, fostered, it is believed, by anti-Republicans, to restore the Old Calendar. Churches in Athens and in the surrounding villages have been seized and the office proper to the day according to the Old Calendar recited in defiance of the ecclesiastical authorities and the law of the land. Disedifying scenes have occurred, and, if one believes the anti-Republican papers, the movement is spreading. It has all the appearance of an agitation designed to make the Government unpopular, and it is quite in keeping with Monarchist tradition to make use of popular religious sentiment to injure their political opponents.

Miscellaneous.

The letter from the League of Nations to the President of the Refugee Commission, Mr. Eddy, came as a surprise, but its effect can only be good. It should rally public opinion to the side of the Government in its attempts to reduce public expenditure.

The first caravan of tourists—perhaps one should say rather, pilgrims—arrived a few days ago, the first drops of what, we are told, is to be a record shower. Every year these invasions increase in volume and intensity. The moral of the Greek nation has suffered more or less at the hands of all its successive invaders. It remains to be seen whether these, its latest invaders, will not be the most demoralising of all. No country has ever yet been known to be improved (though individuals have been enriched) by becoming opened up to tourism: and many well-intentioned but cloudy-minded people, who delight in advertising this country, will be horrified, if they are alive fifty years hence, to see the results to which they will have unwittingly contributed.



Sofia, January 17.

The Political Situation.

The Government is taking advantage of the holidays to draw up the Budget for 1927-28. The elaboration of the Budget, always a delicate matter these days, has become a subject of political importance in Bulgaria under the existing conditions, and it is not surprising to find that M. Moloff, Minister for Finance, has called upon his colleagues to revise their estimates with a view to eliminating all increase of credits that they had previously included, and to keep the Budget within seven or eight per cent. below last year's figures. He considers that the new Budget must not exceed the figure of 6,500,000,000 leva by a single stotinka. The Budget for the current

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year amounts to 7,000,000,000 leva, with an additional 700,000,000 leva, representing supplementary credits. Consequently the reduction envisaged by M. Moloff amounts to more than a milliard, and if this goal should be reached it would be the more meritorious inasmuch as Bulgaria's payments abroad—reparations, military occupation, consolidated pre-War debts and first payment of 18,000,000 leva for the Refugee Loan service—show appreciable increases.

The vote on the Budget is likely to be the last work of importance that the Sobranye will undertake. The fate of the Chamber has, indeed, been the subject of an interesting, though possibly academic, discussion. Under the Constitution Parliament exists for four years, during which four ordinary sessions are supposed to be held. As the present Parliament was elected on November 18, 1923, its Mandate should run, strictly speaking, to November, 1927. On the other hand it is essential that Parliament should meet on October 28 of each year, and it would be contrary to tradition that a fifth session should be started. The Government, accordingly, has decided that Parliament should end with the ordinary session on March 28, thus leaving for itself the wide margin of seven months before the regular opening of a new Sobranye, which will be elected in the meantime. Its intentions are not yet known, but there is a consensus of opinion that the elections will be held in April or May, and in the former rather than in the latter month.

It is in connexion with these coming elections that the President of the Council is being approached with a view to alterations in the Cabinet and the formation of a Coalition Ministry to hold the elections. A certain number of Government deputies, for the most part those who obtained election in 1923 as a result of the special conditions of that time, are putting forward this request with a view, it is supposed, to secure their re-election. M. Liaptcheff rightly holds that it is not for him to say who should be deputies and who not, and has referred his followers to their constituencies, giving them to understand without ambiguity that he sees no reason for changing the constitution of his Cabinet, which he proposes should hold the elections in its present form. Whether this decision can be regarded as final remains to be seen, but it may be supposed that the malcontents will have nothing to gain by a rupture with M. Liaptcheff. The latter has equally rejected the request of the Opposition for a Coalition Government, put forward on the grounds that it is desirable to avoid extreme antagonism between the different parties. The Government, however, which suffers from a plethora of electoral candidates, finds it more just to leave it to the electorate to express its will and then, as soon as the new Sobranye has been elected, to make such coalitions as may be necessary between the different parliamentary groups of the Democratic Entente does not obtain a sufficient majority to continue to govern alone. This line of reasoning has much to commend it, provided always that the elections are carried out without any administrative constraint, in spite of the fact that the bitterness of the electoral struggle is apt to render coalition more difficult after than before elections.

Another important effect of the approach of the elections is the outbreak of a crisis long threatening in the ranks of the Agrarian Party, which has shown itself in the beginning of a cleavage. After a vain effort to obtain control of the Agrarian Club those who are dissatisfied with the present leadership of the Party have proclaimed the constitution of a new central committee under the direction of the former Ministers, Alexander Boteff and Constantine Mouravieff. As a matter of fact,

the crisis can only be superficial, for the initiative of the movement of rebellion against the central committee, dominated by the former Ministers, Tourlakoff and Thomoff, comes from the emigrants established in Yugoslavia, while the great mass of the Agrarian population, whose real orientation is the great enigma of to-morrow, are observing an attitude of comparative indifference to the bitter struggles regarding the leadership of the Party. Moreover the possibility of a complete rupture has tended to alarm those concerned and has given rise to an attempt at conciliation in the hope of discovering a moderate nucleus which will be able to eliminate certain extreme elements with communist leanings. The Agrarian crisis will presumably be settled at the next Party Congress, which the Government has finally authorised to take place on April 6 and 7, the first Agrarian Congress since the *coup d'état* of 1923.

The Communist Plot.

Two months ago the police were warned of efforts being made by the Communists of Philippopolis to organise themselves. They kept watch on certain suspects and when the work of reorganisation was sufficiently advanced they proceeded to make numerous arrests. The Communist Party and its political and economic organisations have been formally interdicted by law and every attempt at re-constitution must on this account be considered as an act of conspiracy against the established régime. For this reason it seemed to be an instance of conspiracy rather than organisation, inasmuch as the organisation was trying to extend itself gradually throughout the whole country under the direction of a central committee operating from Sofia. One hundred arrests were made at first, but it was soon found that only 27 people could reasonably be detained, and the whole matter was handed over to judicial authorities. This was all that happened in connexion with what was represented in the European Press as a vast Communist conspiracy aiming at the assassination of Ministers and the abdication of the King.

THE HIJAZ.

Jidda, January 6.

The New Pilgrimage Regime.

The Wahhabi King is due to leave Madina to-day with a fleet of motor cars on a rapid tour of his desert dominion. The first stage of the tour is to Hail, whence he will proceed to the Qasim and eventually to Riyadh, and it scarcely seems likely that he will be back at Mecca in time for the Ramadan fast, as was his original intention. He will, however, certainly be back here before the Pilgrimage, which bids fair to be a good one. Up to date eight ships have arrived from Java and Singapore with a total of 3,714 pilgrims, and the new arrangements for their reception appear to be working smoothly and expeditiously. On the arrival of a pilgrim ship the official reception committee, consisting of six citizens of Jidda, proceed to the wharf and there remain on duty until the last pilgrim has been cleared through the ordinary formalities. Their presence, of course, secures the pilgrims from any irregular attentions on the part of boat-men, stevedores, porters, *et hoc genus omne* and in almost all cases the pilgrims have passed through the Mecca gate *en route* for the holy city within forty-eight hours of arrival. The camel still competes with the motor-car on favourable terms as a vehicle for the transport of pilgrims.

Comings and Goings.

Life at Jidda has been quiet and uneventful during the past week or two, and those who have been looking forward to an outburst of festivities in celebration of the first anniversary of the King's accession to the throne (December 28 or January 8 according as one regards the matter with lunar or solar eyes) have been disappointed by the King himself, who has ruled that none but religious occasions are to receive any special recognition in this country. Qadhi Ahmad, formerly a deputy in the Turkish

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Parliament, passed through here by sea on January 3 *en route* for Angora, where he is to be the representative (whether minister or ambassador is not yet known) of His Yamanite Majesty, the Imam Yahya. Such an appointment, though long since foreshadowed, affords ample scope for speculation as to its motives. Another interesting visitor to Jidda is Mr. Charles R. Crane, formerly President of the American plebiscite commission of 1919 in Syria. He arrived here on Christmas Day and, having found it impossible to get into personal contact with Ibn Saoud—incidentally the Amir Faisal came down from Mecca to greet him here—he leaves to-day with the intention of making a tour in the Yaman from Hudaïda to Sanaa and thence to Aden. He then proposes to visit the Hasa and particularly Hufuf, whose dates (the famous Khalas) have proved as successful as any in a Californian oasis, which occupies a warm corner in his heart. Mention of this tour reminds me of the recent death there of Muhammad Effendi, Ibn Saoud's chief revenue official for the Hasa since the expulsion of the Turks, whom he had previously served in a like capacity. His great personal charm will be missed by future European visitors to the Hasa and his ability by Ibn Saoud, who will find it difficult to replace him. Incidentally he was the father-in-law of Dr. Abdullah Damluji, the Hijaz Foreign Secretary, and it is rumoured that the latter will shortly proceed to the Hasa to see his family through this crisis.

News from the south is scanty but no further developments have taken place in the military dispositions of the Yaman and the Asir. The birth of the Yamanite kingdom has been celebrated by the publication of the first issue of a monthly newspaper at Sanaa. The paper is called *Al Imam*—the Trust, and naturally gives prominence in its first number to the Italo-Yamanite Treaty and the aspirations engendered by it.

IRAQ.

Baghdad, January 5.

Imperial Airways.

The importance of Iraq as a calling station on the air highways of the Empire has been emphasized this week by the arrival in Baghdad of the first liner of Imperial Airways, on its initial flight from London to Delhi. The great aeroplane reached Baghdad at 9.30 a.m. on December 29, and circled slowly round the city before landing on the carefully prepared aerodrome of the company at Baghdad West. Thousands of Arab and British spectators watched the descent of this herald of a new age into the city of Haroun ar Rashid. Sir Sefton Brancker, Director of Civil Aviation, and the two pilots were heartily congratulated on their successful flight. No hitch of any kind had occurred since the aeroplane left London. Sir Sefton remained in Baghdad as the guest of the High Commissioner to await the arrival of the second aeroplane; the first, with its two passengers, and carrying also a doctor whose passage from Baghdad to Basrah had been booked by Messrs. Thos. Cook and Sons, immediately on its arrival, left after only three hours in Baghdad.

The second aeroplane, which is officially inaugurating

the Imperial Airways service, reached Baghdad on the morning of January 2, bring Sir Samuel Hoare, Secretary of State for Air, Lady Maude Hoare, and Sir Geoffrey Salmond, who is flying to India to take up his post as Air Officer Commanding. The party, who were the guests of the High Commissioner, spent only one night here, leaving the next morning at 8 a.m. for Basrah *en route* for Bushire. Sir Sefton Brancker left with them.

Another aspect of the conquest of the air has been illustrated by the arrival of two airmen who are engaged in the adventurous enterprise of flying to India in small 2 h.p. "Moth" aeroplanes. They are Mr. Stack and Mr. Leete both late of the Royal Air Force; the former is chief instructor to the Lancashire Aero Club. Each airman is his own navigator and mechanic as well as pilot, and the light weight and small horse-power of the machines make their achievement in covering such a distance a remarkable one. The two airmen left on Christmas Eve for Basrah.

Proposed New Ministry.

A certain amount of discussion is taking place in political circles as to the desirability of forming a new Department of State. Some favour a Ministry of Economics and Commerce: others, pointing out that Iraq's prosperity depends on the development of her large agricultural resources, would prefer a Ministry of Lands, which would unite Agriculture, Irrigation, and State Lands under one control, instead of under that of the Ministries of Interior, Communications and Works, and Finance respectively. There is much to be said for each of these and other suggested combinations, though the present moment may be an unsuitable one for introducing them, since the expense involved in the creation of a new Ministry seems at first sight inconsistent with the Coalition Cabinet's declared policy of retrenchment. In point of fact, however, the Coalition was only achieved by the promise to create a new portfolio and the new Cabinet, economy or no, may have to fill its obligations.

An experimental census taken at Angora gives the population of the Turkish capital as 58,849. Of the inhabitants 35,674 are males and 23,175 females.

The death is announced from Calcutta of Sir Kailas Chandra Bose. He served as Vice-President of the Indian Medical Congress and President of the Calcutta Medical Club.

Mr. Martin H. Donohoe, whose death occurred in London on January 19 in his 58th year, was a special correspondent of the *Daily Chronicle*. Mr. Donohoe, in the course of his varied career as a war correspondent, was in Constantinople during the Turkish revolution in 1909, and witnessed the capture of the city by the Young Turks. In the Great War he was an officer with the British Intelligence Corps, and served in Greece, Roumania, and Russia. He was special service officer in the North Persia Expedition in 1918-19.

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CYPRUS.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—Allow me to add a few lines to the information that appeared in your issue of December 23 last, as well as some rectifications.

1. It was stated in that issue that "the Turkish quarters were decorated with English and Turkish flags." All the people of Nicosia town know well that not one Turkish flag was hoisted on that occasion, but only British flags were waving over all Turkish clubs and shops, etc.

2. As to the information given for Greek quarters it was accurate, as the Greeks hoisted both English and Greek flags.

3. When their Excellencies the Governor and Lady Storrs landed at Famagusta, the Turkish community as well as the school boys, went out to meet and wish welcome to their Excellencies, and on their way to Nicosia, while the train was passing through the Turkish villages, all the population as well as the school boys and girls went to the station to offer to their Excellencies a welcome with shouts and bouquets of flowers.

4. On the arrival at Nicosia while the band of Turkish schools was playing the National Anthem of England, the Greek Mayor of Nicosia was busy handing over to His Excellency an address demanding the union of Cyprus with Greece!

5. While their Excellencies were driving from the station to the palace all the Turkish quarters were decorated with English flags and some arches were erected, and Turkish ladies and children were offering and throwing flowers to their welcome and esteemed Governor.

Such was the fact of the reception and you will render a justice to the Turkish community if you will be so kind as to insert these additions to your paper.—I am, etc.,

Nicosia, January 5. A READER OF YOUR PAPER.

CYPRUS FRUIT.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—With regard to the Cyprus fruit controversy Mr. "G. L. H.," is quite at liberty, if he so choose, to "adhere to what was said in his first letter," although what was said is proved in the light of official testimony to have been not a statement but a gross mis-statement of facts. The Governor's Colonial Report on Cyprus and the statement by Mr. W. Bevan, a man who was for several years Director of Agriculture in Cyprus and who had ample opportunities to study and compare the Island's products, are simply confirming the opinion of everybody—except, of course, my disputant—who happened to taste the delicious Cyprus fruit and to compare it with others.—I am, etc.,

C. S. HOURMOUSIOS.

34, Northumberland Place, W.2., Jan. 22.

THE HEALTH OF EGYPT.

Foreign newspapers have recently published statements in Europe to the effect that influenza is prevailing in Egypt. Considering that these statements are in contradiction to the facts, the Egyptian Department of Public Health have already published a denial, explaining that the general state of health in Egypt is normal, and that the average number of cases of influenza is smaller, this year, than it was the previous one. Moreover, the cases reported are of a more benign nature.

NEWS IN BRIEF.

The United States Senate has declined to ratify the Treaty of Lausanne with Turkey.

For the seven months ended October 31, 1926, the revenue of Palestine amounted to £E.1,315,160 and the expenditure to £E.1,121,112.

The Greek Orthodox Cathedral of the Holy Trinity in 72nd Street, Manhattan, U.S.A., was destroyed by fire on January 18.

Heavy rain was last week reported from Beersheba, Gaza and Hebron, and the severe drought which has so long afflicted Southern Palestine has thus been broken.

The Adana branch of Orosdi-Back, an old-established general store well known throughout Turkey and the Near East, was recently totally destroyed by fire. The damage is estimated at £75,000.

According to the *Echo de Turquie*, General Refet Pasha, a former Nationalist Prime Minister, who recently resigned his seat as one of the Deputies for Constantinople in the Grand National Assembly in Angora, has now been put on the retired list of the Turkish Army.

General Sir Neville Howse, Australian Commonwealth Minister for Defence and one of the delegates at the Imperial Conference, arrived at Port Said on January 19, suffering from pneumonia, and is now in the British hospital there.

The British Mediterranean Fleet, which was visited by the Archbishop of Athens on January 19, left Athens the following day, some ships proceeding to Salonika and others to Volo, Navarino, the Akarnanian Coast, and the Ochia Islands (off the Akarnanian coast at the mouth of the Gulf of Patras).

Sir Ronald Storrs, the new Governor of Cyprus, formally opened the session of the Legislative Council in Cyprus on January 17 with a Speech from the Throne, indicating the lines on which he hoped to secure the economic, commercial and agricultural development of the island. There was an unusually large attendance at the ceremony.

The Palestine Government has issued the order for the expropriation of the land required at Jisr el Mejamie for the construction of the dam, power-house, and other buildings connected with the Rutenberg scheme for damming the Jordan just south of its exit from the Sea of Galilee for the purpose of providing electric power for the whole of Palestine.

A pilgrimage to the war graves and battlefields in Palestine and Egypt is being organised by the St. Barnabas Gallipoli Pilgrimage Fund, of 7, Hobart Place, London, S.W.1. The Pilgrimage will leave Victoria Station on April 27 and return on May 20. A limited number of assisted pilgrims can be taken on the pilgrimage. Full particulars can be had from the Secretary.

Mr. Robert Williamson, of Penwold, Bridge of Weir, Renfrewshire, and of Harley House, Marylebone Road, London, N.W., lately deputy chairman of the National Bank of India, Limited, and a director of the Chubwa Tea Company, Limited, of the London and Lancashire Insurance Company, Limited, and of the Marine Insurance Company, Limited, who died on November 29, left unsettled personal estate in Great Britain valued for probate at £345,452, including holdings in the National Bank of India, Limited, valued at £102,125, in War Loans, etc., at £49,124, in the Attock Oil Company, Limited, at £46,018, and in the Mercantile Bank of India, Limited, at £33,380.

PERSONAL AND GENERAL

TO-DAY

January 27, 1927 (New Style).

January 14, 1927 (Old Style).

Rajab 23, 1345 A.H., of the Muslim Calendar.

Shebat 24, 5687, of the Jewish Calendar.

The Earl and Countess of Airlie will return to London next week from the Sudan.

Sir Banister and Lady Fletcher have returned to 10, Woburn Square from Egypt.

Sir Trehawke and Lady Kekewich will leave on February 26 for a cruise in the Mediterranean.

Mr. and Mrs. Victor Thomson left London last week for Egypt, and will be away till the end of February.

Viscountess Rhondda sailed from Tilbury on January 21 in the P. and O. s.s. Rawalpindi for Bombay.

Mr. and Mrs. Rudyard Kipling will leave Southampton to-morrow (January 28) in the Andes for Rio de Janeiro.

Lord and Lady Montagu of Beaulieu joined the Narkunda at Marseilles last week on their way to Persia.

Lord and Lady Forster have cancelled their proposed visit to Egypt, and are remaining in England for the present.

Sir Louis Newton, Bt., and Lady Newton left London at the end of last week for the Riviera on their way to Palestine and Egypt.

Field-Marshal Sir Claud Jacob and Lady Jacob have left London for Rome and the South of France. They will remain abroad for several weeks.

Major E. W. Polson Newman has left London for Italy, Tripoli, Tunis, Algeria and Morocco, and will return to England about the middle of March.

The King has approved the appointment of Mr. James Addison, I.C.S., and Mr. Bakshi Tek Chand to be Puisne Judges of the High Court of Judicature at Lahore.

Lady Maffey and Sir Edward and Lady Stern were among the passengers who left London on January 20 for Marseilles to embark in the Narkunda for Port Said.

The newly appointed First Secretary to the Persian Legation, Mirza Ahmed Khan Ardeshir, has arrived in London and taken up his duties at the Legation.

M. George Mélas, hitherto First Secretary of the Greek Legation in London, accompanied by Madame Mélas, left on January 19 for Athens, on vacating his appointment.

The King has approved the appointment of Mr. Sitaram Sunderrao Patkar to be a Puisne Judge of the High Court of Judicature at Bombay in the vacancy created by the death of Sir Lallubhai Shah.

Mr. W. P. D. MacMahon, Ph.B., for two years Headmaster of the English High School at Constantinople and formerly Assistant Master at Rugby, has become Vice-Master of Claysmore School, Winchester.

The Rev. J. H. Jennings, who has for many years been stationed in India and has latterly been S.P. G. missionary at Adra, in the diocese of Chota Nagpur, has been appointed to the vicarage of Hooton Pagnell, Doncaster.

Sir Charles Greenway, Chairman of the Anglo-Persian Oil Company, who was included in the New Year List of Honours as the recipient of a barony, has chosen the title of Lord Greenway of Stanbridge Earls on his elevation to the Peerage. The barony has been gazetted.

Viscount Loftus sailed on January 21 in the s.s. Arcadian for the Mediterranean, Palestine, and Egypt.

M. Slavko Grouitch, former Yugoslav Chargé d'Affaires in England and Minister at Berne and Washington, left London last week for Belgrade after a fortnight's stay in England. Mme. Grouitch is staying on for some time at 58, Jermyn Street, S.W.

Mr. L. Harrington, of Messrs. Waring and Gillow, Ltd., will be visiting Egypt early next month. He is expected to arrive in Alexandria on February 17, where he will remain a few days prior to an extended stay at Shepherd's Hotel, Cairo.

Lieutenant-General Sir Alfred Robert Martin, K.C.B., of St. Peters, Farringdon, Alton, Hants, formerly of the 5th Gurkha Rifles, who saw service in the Afghan War (1878-80) and in numerous other expeditions on the North-West Frontier, formerly Adjutant-General for India, who died on October 27, aged 73, left unsettled property of the gross value of £8,395, with net personalty £5,609.

The funeral service for Lady Allen, widow of the late Sir George Allen, K.C.I.E., was held on January 19 at St. Paul's Church, Knightsbridge. Prebendary F. Leith Boyd, assisted by the Rev. A. T. Keane, officiated. The chief mourners were: Mr. and Mrs. Charles Sturdy, Lieut.-Colonel and Mrs. Mervyn Williams, Sir Montagu and Lady Turner, Mr. and Mrs. Alwyne Turner, Miss Cynthia Allen, Major and Mrs. Fordham, Mrs. Ward and Colonel A. M. Turner. Others present at the Church were: Viscountess Gough, Edith Lady Bradford, Lady Lambert, Miss Lambert, Sir Henry and Lady McMahon, Lady Seton-Karr, Miss Seton-Karr, Sir Richard Taylor, Lady Mason, Lady Norton-Griffiths, Mr. George Berney, Mr. A. J. Brown, Mr. C. B. Calley, Mrs. Denton Carlisle, Dr. E. M. Coxon, Mrs. Edward Darrell, Mr. Kevill Davies, Misses Deacon, Mr. Favarger, Mrs. G. H. Gibbes, Mrs. and Miss Haggerty, Mr. O. G. Herford, Mrs. Streeter Lambert, Mrs. Levita, Miss Kinnell, Mrs. Langton May, Mrs. Jack Michell, Mr. Montague Bell, Mrs. Frank Newman, Mr. Robert Page, Mr. and Mrs. Montague Parker, Mr. and Mrs. Kinsey Peile, Mrs. Pickering, Mrs. Field Richards, Mr. A. Richards, Miss Humphrey Roberts, Mrs. H. Alan Scott, Mr. Edward Sturdy, Mrs. Symes Thompson, Mrs. Threlfall, Mrs. Turnbull, and Mrs. Francis Wood. The burial took place at Shirley, near Croydon.

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Book Reviews

THE SHADOW OF THE TURK 1435-1439.

"*PERO TAFUR. TRAVELS AND ADVENTURES 1435-1439.*" Translated and Edited by Malcolm Letts. (London: George Routledge and Sons. 16s. net.)

It certainly looks as if Messrs. George Routledge and Sons are going to do a great service to those of us who love to follow the footsteps of those who first attempted to see the world and its marvels. Apart from the valuable information to be obtained from the best of these travellers, we have the sensation of being transported into an unknown world with an atmosphere of its own. At the same time the shrewd observations of a man of the world or of learning mix delightfully with the tall tales heard by him which he was often apt to take at something over face value. If this book may be taken as a fair sample of the fare to be set before us, a great and goodly feast is in store. Its general-editorship makes it certain that the kitchen is in charge of two very competent chefs.

Pero Tafur was a Spanish nobleman who went out to see the world at the age of about 25 and was absent on his journey for about three years and a half. These years fell between 1435 and 1439 when the shadow of the Turk was over Eastern Europe, when most of the Powers of Christendom were engaged in strife, when printing had not yet been invented, the renaissance of classical learning had barely begun, and when the last attempt was being made to heal the great schism between the Western and Eastern churches. He travelled with ample credits on the merchants of the chief towns visited, and to judge from his reception by such potentates as the Eastern Emperor, his colleague of the West, the King of Cyprus, the Duke of Burgundy and others, he must have been well furnished with credentials. It is clear that he wrote the book some time after his return, which accounts for some inaccuracies in his itinerary (in those days there was no "Times Atlas" to check himself by), and for some evident confusion in description. But, on the whole, we have a vivid sketch of the many interesting things which he saw and heard, though in places we can but lament that he did not foresee how interesting to later ages would have been some notes on matters deemed, no doubt, by him to be of little moment. He is, in the main, very cautious in accepting as true what is told him. "I gathered much information concerning Damascus, but since I did not see the place I pass it over and leave it to those who have been there." "But no one can remember this, and it seems to me that too much credit must not be attached to the story." "But I would place more faith in anything found in the Evangelists." These extracts are typical of his general mental attitude, though he did fall badly to the yarns of the Venetian Nicolo de' Conti whom he met in extraordinary circumstances in the Sinai Peninsula when the latter was on his way back from his adventures in the Far East.

His tour took him to Italy, Germany, Burgundy, Flanders and other countries in Europe. But what will interest readers of THE NEAR EAST AND INDIA more especially is his account of what he saw in Egypt, Cyprus, Rhodes, Constantinople, Trebizond and Palestine. Cyprus was nearly at its last gasp. Constantinople, was in the position of the mouse on which the cat has her eyes. There was much pomp, but little less sordid misery behind it. The visit paid to the Grand Turk disclosed a very different state of affairs. Trebizond was wholly decadent

and pilgrims to Palestine had to put up with much fleecing at the hands of the Turk. In Rhodes he saw, and describes, the election of a Grand Master. Egypt was strong and prosperous. As was usual with him, he was well received and entertained there. He gives a thrilling account of a game of polo which he witnessed. What a game it was too! Here is his account:—

"That day the Sultan dined in the field, and afterwards they played a game which is customary there, in this manner; they place a ball in the centre of the field, and some thousand horsemen, more or less, take up their position on one side, and they draw lines on either side in front of them, and each one has a mallet in the hand, the handle of which is fixed into a staff, and they all attack the ball at the same time, with intent, on the one side, to drive it across the line, while the others seek to do the same on their part, and those who succeed in driving the ball across the line are the victors. That day one of the players tried to hinder the Sultan's son, and he took out his sword and tried to kill his opponent, and there was a great commotion until the Sultan came up and parted them."

From Egypt he actually did the difficult and trying journey to Mount Sinai, but, indeed, no difficulty was ever allowed to stand in his way and his adventures by sea and land were numerous. All are narrated in the most matter-of-fact way. It is not often that he allows himself to depart from this, but the following little gem from his observations at Constance deserves to be quoted: "I saw there the most beautiful woman it has ever been my lot to see. So great was her beauty that I doubted if she could really be human. If she was as good as she was beautiful, they should make much of her in Paradise."

The few extracts which we have been able to give will show how well Mr. Letts has done his work of translation. His introduction and notes are excellent, while the book is supplied with appropriate and interesting illustrations and is produced in a manner worthy of its matter. The price is, as things go now, wonderfully low, and we look forward to seeing Pero Tafur's successors in the procession of "Broadway Travellers." C. S.-W.

ENGLISH BEGINNINGS IN BENGAL.

"*STUDIES IN THE LAND REVENUE HISTORY OF BENGAL, 1769-1787.*" By R. B. Ramsbotham. (Oxford University Press. 10s. 6d. net.)

This book will be welcomed by students of the history of British India, because it throws new and valuable light on the troubled period when Englishmen were trying to bring into running order the derelict Mogul administrative machine which had come into their hands. A large part of it consists of the text of two import records, the Amini Report of 1778, and the Kanungo Report of 1787, which are now published in full for the first time, and may justly be described as indispensable to a precise study of the subject. Unfortunately the reproduction is apparently not flawless, for p. 105 does not run on from p. 104, and in the same way p. 118 does not run on from p. 117. Conceivably the fault is in the original, but if so it should have been explained in the footnotes, and it looks as if the Indian printers had for once let even Mr. Milford down. With careful reading, however, the text of these documents can be used by those who have not access to the Record Office in Calcutta. Mr. Ramsbotham gives us also by way of introduction a summary drawn from the minutes of the proceedings of various Committees from 1772 to 1786, and this too will be welcomed by students. Its most interesting feature is certainly its vindication of the young Englishmen who were working in the Bengal districts, and there is undoubtedly truth in the author's contention that Warren Hastings fell into the snare of over-centralisation which is set for the feet of every strong administrator. The young men were in touch with facts, and some of them were not backward in bringing important matters before their superiors at headquarters, to

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be snubbed at first, and possibly appreciated later on, as sometimes happens nowadays. Hastings would probably have done better if he had given the young men more scope, and Mr. Ramsbotham has done good work in bringing this fact out, but in our judgment he shows insufficient appreciation of the case of centralisation resting on the earlier history of Bengal, when young men alone in the districts did a great deal of harm; and this brings us to the weakest part of the book, the failure to put British beginnings in their true relationship to what had gone before. The author has apparently not mastered the Mogul system of administration, and a good many instances could be found in his notes where he either misleads or fails to help his readers on points which could easily have been cleared up. To give one only, he boggles at the personage called "Buttickchee," and suggests (p. 163) that the word may be a corruption, but every student of the Mogul system knows that "Bitikchi" was one of Akbar's many experiments in nomenclature, and is the Turkish name which he bestowed on the "karkun" or revenue-clerk. This ignorance of the earlier period appears also in more important matters, as when we read (p. 30) that the British introduced the system of farming the revenue by auction. In point of fact the auction-farm had been a recurring blight over most of India for at any rate four centuries: the *differentia* between British and indigenous methods was not the auction, but the fact (which appears on pp. 60 and 64) that the British authorities did not allow for the indigenous practice under which impossibly high bids could be modified later by corruption and intrigue. To take one other instance, the author seems to accept at its face value the legend that Tadar Mal made a detailed assessment of Bengal: that legend is now out of date, but even in the eighteenth century Sir John Shore had recognised its practical impossibility. We should then have had a better book if Mr. Ramsbotham had based his work on the Mogul system as it really operated in the North, and had traced its gradual corruption in the peculiar atmosphere of Bengal, but, subject to this criticism, the book can be recommended confidently to the student.

SYRIA AND THE SYRIANS.

"CEDARS, SAINTS AND SINNERS IN SYRIA," By E. S. Stevens. (London: Hurst and Blackett, Ltd., 21s. net)

The erstwhile Turkish province now styled "L'état du Grand Libanon" is a mountainous tract lying to the north of Palestine, and extending from the Mediterranean coast to the Syrian desert. Miss E. S. Stevens, who recently visited this romantic region under the guidance of Monsieur Léon Brassell of the French Archæological Service, has given us a fascinating account of the land and its people. The climate of the Great Lebanon is sub-tropical on the coast line and sub-Alpine at higher altitudes. Fairly good roads render every point of interest accessible: motor cars and even taxis are ubiquitous. Western tourists would indeed find northern Syria an ideal winter and summer resort, but for the fact that its mediocre hotels are generally packed with garrulous Levantine families. Its world-famous cedar forests have been nevertheless privileged for three milleniums; and the isolated groves which survive give but a faint idea of the glorious garb of its upland valleys in the days when Hiram reigned over Tyre and King Solomon was building the Temple of Jerusalem. This lovely land has ever been rent by theological hatred. Its Maronite inhabitants belong to a Christian sect dating back to the seventh century of our era; they are sturdy mountaineers, and have never bowed the neck to the Islamic yoke. The Druses, on the other hand, are a kind of fanatical Muslim; and massacres were the rule until their French overlords called a truce between these implacable foes. Of the heterogeneous population of the Lebanon, Miss Stevens writes:—

Syria is a Mediterranean country, washed by the bluest and laziest of seas, a lotus-land of forgetfulness, where *tout passe, tout lasse*. It has seen race succeed race, domination succeed domination;

Phœnician, Greek, Roman, Saracen and Ottoman have in turn swayed its destinies. Now it lies, if uneasily, beneath the protection of France. Versatile, imitative and supple, the Syrian is quick to mould himself on the foreigner. He has little national pride. To-day the Syrian would rather be taken for a Frenchman than for himself, and depreciates national habits while he uses them. But in the souls of these dark-haired, opaque-eyed women, these too softly-living, too fleshy men, with their perfumes, their French soaps and their excellent imitation of European accents and European culture, the East is the East still. They have always imitated the West; they are never of it. Suave, clever, adaptive, fluent in other tongues, supple to perceive an advantage, the Syrian is ever an Asiatic.

Our authoress devotes many pages to a description of the churches and monasteries mostly founded during the epoch when Syria was a congeries of Latin principalities; but the most interesting chapters in her book deal with Anglo-French relations in the Lebanon. Our neighbours' affection for Syria dates back to the Second Crusade, when St. Louis established a evanescent kingdom there. The French claims to a protectorate of Christian communities in this part of the Near East bulked largely among the causes of the Crimean War; and now threatens the endurance of the Entente with ourselves. The history of Syria since the Great War does not redound to the credit of either country; and the friction thus generated has left a leaven of jealousy on the French side which makes more difficult cordial relations with Great Britain. Miss Stevens's peroration will be echoed by all who desire to see civilisation advancing in the Near East:—

The almost childish suspicions that have troubled past relations may surely be put aside with childish things and relegated to the dustbin. Syria under the French Mandate, once the country has recovered from the present check, may have a time of prosperity and quiet before her which she sorely needs.

F. H. S.

A PRIMITIVE PEASANTRY.

"ECONOMIC LIFE IN A MALABAR VILLAGE," By S. Subbarama Aiyar. (The Bangalore Printing and Publishing Co. 1 rupee.)

The author of this little work has chosen an individual village in Malabar as typical of the District, and has produced an interesting survey of the life of the peasants of a curious and rather isolated community. The natural advantages of the country are considerable, as it receives both the South-West and North-East monsoons and is blessed with an abundant rainfall: and, protected by mountains, forest and the sea, it has escaped the invasions from the North that played so large a part in the history of India. But it has some serious disadvantages, chief among which are the system of Matriarchy and an intense demarcation of caste—the latter a curious fact in view of the general belief that the caste system was introduced into India by the Aryan irruption from the North. The young Nair woman, after going through a ceremony of marriage with some casual stranger who is paid a trifling sum for his services, is free to bestow her favours on any number of men not of a lower caste than her own, provided that she takes them one at a time. All her children, whatever paternity, are entitled to maintenance from the family property, and her daughters transmit the same right to their children. This system tends to a high rate of natural increase, and to any excessive number of men untrained to any form of labour. The lowest caste is not allowed to enter a caste village at all, and its members must not approach, within a radius of 72 feet, any member of any of the higher castes except the next lowest, where the distance is 48 feet: the latter themselves, though allowed to enter a caste village, being obliged to stand at a distance of 24 feet from any of its inhabitants. The lowest caste exists in a state of semi-serfdom, some of its members being attached to their masters' soil and changing hands with the land in case of its sale. Communications and transport facilities are very defective, railways and roads being few, and most of the internal transport is carried on the backs of cattle or human beings.

In these circumstances, it is not surprising that the

peasants are a shiftless folk. Their lack of capital is excused by the author on the ground that "saving in itself is no virtue and perhaps is not to be recommended in the case of a people earning only just sufficient wealth to satisfy their bare necessities of life, for it is absurd to sacrifice the present if that involves jeopardy to the future." The author gives statistics of the income and necessary expenditure of his typical village of 620 inhabitants: and makes the former about 150 rupees a year less than the latter, exclusive of interest on debts, which he puts at 1250 rupees. Of the 107 families represented, he finds 30 to have a balance on the right side, 30 to be just solvent, and the remainder to be "trying hard to make both ends meet." In regard to debt, he reports a characteristic reply to an inquiry on the subject: "Who is to lend me money?" he said, with a sigh and evident despair. "If I can get, I am quite willing to borrow; but my earnings hardly suffice to keep me through from day to day." Measured by the British standard, the author reckons that the Malabar agriculturist does, on the average, during his five to eight months' field work in the year, about the equivalent of one month's effective work. As for cottage industries, during the agricultural slack season, he says that, though the fly shuttle loom is from 50 to 100 per cent. more effective than the hand loom, the worker objects to turning out in the day more than he has been accustomed to, and it is an almost hopeless task to persuade them to the contrary.

The author's suggestions for the future improvement of the Malabar peasant's lot are ineffectual: he sets up three proposals, only to knock them all down again—intensified cultivation, encouragement of cottage industries, and emigration. As to the first, apart from the small effective value of the peasant's labour, he describes it as seldom possible and sometimes not to the interest of the cultivator; for "so long as there is full and free competition for the use of land there is a dense and hungry population to be fed, the landlords will screw up the rent to the utmost, whatever be the intensification of cultivation"; though, as a remedy, he recommends that "capricious eviction of tenants or arbitrary enhancement of rents should immediately cease." As to the second, with the previously quoted attitude of the cloth weavers before him, he opines that "the sustained efforts of industrial leaders of a new type, as well as organised education of the masses" may, in time, lead to "the rehabilitation of village industries on modern lines with all the advantages of a central agency, an organisation for the purchase of raw materials and the disposal of finished products, and the use of efficient tools and materials." As to the third, though a number of labourers do find seasonal work in the rice-fields outside Malabar, "as a remedy it is quite defective, for it exposes the local agricultural industry to most serious danger at the most critical seasons of the year." In short one finds, in this interesting and, in its way, valuable little book, the characteristics of the Indian intelligentsia of the present-day: patience and skill in the collection of knowledge, and an almost complete absence of the power of turning it to practical account.

A MUSLIM VIEW.

"**INDIAN POLITICS**," By *Hakim Barham*. (The Bharat Prakash Press, Gorakhpur.)

This little brochure contains the report of the speech of a Muhammadan landholder before the United Provinces Zamindars' Association, with a foreword by the author. The speech was mainly devoted to a plea for special representation for landholders in the Indian Legislature; the foreword contains the views of a Muhammadan publicist on the Reforms. These, though written with a strong communal bias, are not without interest. The author declares that the continued presence of the British Government in India is indispensable: that "the disintegrating effects of the War unhinged the minds of British statesman and, in a moment of confusion and depression, they yielded to the clamours of Indian agitators." This is not to say they made no inquiry before the passing

of the Government of India Act of 1919; but that this inquiry ought to have preceded the announcement of policy made in August 1917, instead of following it as a method of giving effect to a decision already announced. The author declares that the establishment of self-government in India means the establishment of a Hindu Raj: and that this is unfair to Muhammadans, who have always been friendly to the British and from whom the latter, as the successors of the Moguls, received the Empire of India. The British Government is disconcerted to find that its efforts to meet Indian aspirations have not been appreciated; but "the moment it changes its attitude and begins to favour the Muslim position, it will see that the trend of Indian politics takes a new turn." It is untrue to say that self-government is the birth-right of any people; "there can be no self-government without power and capacity, and these things are badly wanting in India": at any rate (one must suppose the author to mean) among the Hindu majority.

Sir Sefton Brancker left Karachi on January 22 in a Royal Air Force aeroplane for Jodhpore, proceeding to Delhi the following day.

M. Auguste Ponsot, French High Commissioner in Syria, is reported to have been visiting Palestine, staying in Jerusalem for two days as the guest of Lord Plumer.

The Indian Government has chartered the Takliwa and Sirdhana as transports for service in China, to which country the Jhansi Brigade is unofficially reported to be sailing from Calcutta this week.

It is officially estimated that the population of Palestine on September 1 was 887,000, of whom 641,000 were Moslems, 158,000 Jews, 78,000 Christians, and 10,000 Druses and persons of other religions.

The pilot of a Greek military aeroplane, who landed in error on Bulgarian territory in the neighbourhood of Petritch on January 21, was detained by the Bulgarian authorities, who are opening an inquiry.

On the advice of the General Staff of the Greek Navy, only one battleship, two ocean-going destroyers, and two smaller destroyers will remain in commission. The rest of the ships will be put in reserve.

Rear-Admiral Bristol, United States diplomatic representative in Turkey, left Constantinople for Angora on January 21. On February 20 the provisional commercial treaty between Turkey and the United States expires.

Lieutenant R. C. Freeman, Royal Tank Corps, son of Mr. Oliver Freeman, Principal of Portsmouth Municipal College, died at the Abbassia Military Hospital, Cairo, on January 16, as a result of a motor accident on December 19. He was 25 years of age. A memorial service was held in Portsmouth on January 22.

The death has occurred of Vice-Admiral Sir Maurice FitzMaurice, who had 43 years of distinguished service in the Navy. In the Great War he served in the Far East, the Dardanelles and Salonika, and the Eastern Mediterranean, being Commodore on the coast of Palestine at the time of the Armistice. In 1925 he was appointed to be Commander-in-Chief of the African Command.

The *Times* Belgrade correspondent states that regular diplomatic relations are being instituted by Yugoslavia with the Baltic States. M. Liuba Neshitch, Yugoslav Minister in Warsaw, will be also accredited to Helsingfors, Riga and Reval, while the Minister in Berlin will represent Yugoslavia in Kovno. Hitherto Yugoslavia, out of special regard for pre-revolutionary Russia, had no diplomatic representatives in States which were once parts of Russia, though it had Consuls.

NEAR AND MIDDLE EAST ASSOCIATION.

Lady Muir lectured to the Near and Middle East Association on January 21 on the subject of "The Ancient History and Religion of Bulgaria." The meeting, which was presided over by Mrs. Aubrey Herbert, took place at 14, Hans Crescent, S.W.1.

Lady Muir began her lecture by stating that Bulgaria of to-day represented only a very small part of the Bulgarian Empires of the 10th and 13th centuries, and included within its present frontiers only a fraction of the Bulgarian people. The early origin of the Bulgarians might be traced to a Tatar tribe, whose home was far to the east on the banks of the Volga. The Bulgarians or "Vulgari" as they were called by the historians of that period, were driven southward from their Volga settlements by the Avars. During the early centuries of the Christian Era Bulgarians invaded the Roman Empire every year.

The Bulgarians made several incursions south of the Danube, but no definite settlement took place until the 7th century. When in 679 A.D. they settled in the present Bulgarian territory they mingled with the Slavonic tribes already settled there, first as conquerors, then gradually becoming absorbed into the Slavonic race. Thus the dominant characteristics of the Bulgarian people of to-day were essentially Slavonic, but these characteristics differed from those of the equally Slavonic inhabitants of Russia. The first incursion of the Bulgarians across the Danube was followed by a definite migration, and they soon spread southwards over the territory that is now Bulgaria along the valleys of the rivers Maritza, Mesta, Struma, Vardar, down to the Ægean Sea. From the earliest times the Bulgarians were a vigorous, brave and essentially agricultural people.

From the 7th century the history of the Bulgarians until the destruction of their independence in the 14th century, was a chronicle of war with the Byzantine Empire. The country was governed by a succession of Czars; chiefs of the nobles called Boyars, formed the Czars' Council; and there was no intermediary class between the Boyars and the peasants. Lady Muir then gave a brief sketch of the reigns of the Czars Boris, Simeon, Samuel, Assen, and others.

Christianity was introduced under Czar Boris (852-888) and the civilisation of Bulgaria dated from the introduction of Christianity. Their Church was an independent branch of the so-called Greek Church.

During the rule of the Turks the Bulgarians preserved their language, religion and traditions through the monasteries. The Turks never opposed the Bulgarian religion and the Turks gave more freedom to the Bulgarian Church than some Christian nations in the Balkans had given since the last War to Bulgarian populations of territories which had been annexed.

In regard to the present situation Lady Muir said that as the Bulgarian nation had once been the pioneer of Christianity in the Balkan Peninsula to-day Bulgaria was the bulwark against Bolshevism. Bulgaria had always been a buffer State and had therefore suffered more than other nations. History proved that Macedonia, the cradle of the early Christian religion in the Balkans was an integral part of the Bulgarian race.

The present geographical position of Bulgaria was a dangerous one, but the Bulgarian nation had survived centuries of oppression and wars and had maintained its language, religion and traditions intact. The qualities of the Bulgarian peasant remained unchanged, their steadiness of purpose unimpaired. Lady Muir pointed out that the history of Bulgaria showed that to-day the Bulgarians could not be suppressed or made a mock of in future and that the legitimate interests of Bulgaria could not be neglected. Bulgaria to-day was a valuable asset to the Western Powers in the maintenance of stable conditions in the Balkans and in the preservation of the Balkan Peninsula from the inflow of Bolshevism. Although Bulgaria had lost her "historical territories"—Macedonia and the Dobruja—Bulgaria accepted the

decisions of the Treaty of Neuilly and would abide by this Treaty.

Lady Muir concluded by saying that it was at a meeting of the Near and Middle East Association in the same room that a loan to Bulgaria for the refugees in her territories, was first publicly advocated.

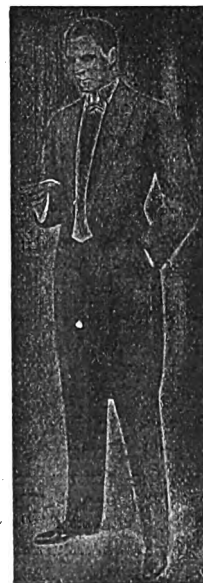
The following were among those present:—The Hungarian Minister, accompanied by M. E. Nelky, the Albanian Chargé d' Affaires, the Egyptian Chargé d' Affaires and Mlle. Sidarouss, the Counsellor of the Bulgarian Legation (in the absence abroad of the Bulgarian Minister), M. Dimitri Naumoff, M. Papazoff, the Counsellor of the Polish Legation, M. and Mme. Biega, Orhan Halid Bey, M. and Mme. Stancioff, Prince and Princess Soumbatoff, Viscountess Dunedin, Viscountess Dupplin, Gen. Sir Ian and Lady Hamilton, Constance Lady Boyle, Edith Lady Bradford, Lady Hewitt, Lady Penson, Sir William Clark, Sir Harry Lamb, Sir John Foster Fraser, Hon. Mrs. E. C. Feilden, Hon. Mrs. Yorke-Bevan, Captain Hon. H. Fitzalan Howard, The Baroness de Knoop, The Rev. Chancellor Gordon Ponsonby, Mrs. and Miss Eckstein, Mr. Ronald Michell, Mrs. Charles Hancock, Miss Edith Durham, and Miss Stavridi.

Abdul Rahman Fikry Bey, hitherto Second Secretary at the Royal Egyptian Legation in London, has been appointed First Secretary. We understand that the Legation is moving into its new quarters in Bute House this week.

The Bishop of Bombay leaves India at the end of January for England to assist the progress of the Measure, and the Metropolitan in India (the Bishop of Calcutta) follows him in March.

Mr. James Alfred White, grandson of John White, a veteran of Lord Lake's army of Nepal, and son of Alexander White, of the H.E.I.C.'s Bengal Infantry, a veteran of the Mutiny, died at Cawnpore on January 17.

Professor E. Hultzsch, who was Epigraphist to the Indian Government from 1886 to 1903, has died at Halle, where he had been Professor of Sanskrit till a few years ago. An important work of his on the Edicts of Asoka was recently published by the India Office.



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Pindi and Murree.

THE PERSIAN GULF.

Sir Arnold Wilson lectured before the Royal Geographical Society on January 10, on the subject of "A Periplus of the Persian Gulf." Sir Arnold began by referring to the absorbing interest which the Gulf held for Great Britain: there was not an island, not a port, not a tract of water therein that did not recall some gallant or tragic incident in British annals.

The geological history of the Gulf began in late Secondary times, when the Zagros range on one side and, on the other, the great plateau of Arabia rose out of the Cretaceous Sea. When man appeared, the Hamitic peoples entered from Africa, the Dravidians pushed along the Baluchistan coast, and from the north, at a much later date, came Aryan races, while Semitic tribes occupied the western and northern shores.

The earliest records concerning this region related to commerce. Dhufar, an outlying province of Oman, was the oldest and perhaps the most productive of the frankincense districts of Arabia, and its people were of the Qahtan tribe, the sons of Joktan mentioned in Genesis. A hundred miles further along the coast lay Masira Island, the Sarapis of the unknown author of the Periplus, famous even in those days for its tortoises.

Coming to Ras al Hadd, Sir Arnold said that five million tons of shipping—95 per cent. British—made the cape every year. Just round the corner lay the port of Sur, the first sheltered port on the Oman coast touched by dhows from India or Africa. Sur was long the centre of the shore trade from Africa, and in view of its geographical position was still a serious rival to Muscat and Matra.

Another hundred miles up the coast lay Muscat, one of the most picturesque harbours in the world. The stronghold of the Portuguese upon the place was not relinquished until 1650.

The lecturer then described Musandam, within which were the wondrous fiords of Elphinstone and Malcolm Inlets, probably the hottest places on earth. Here once was established a submarine cable station, but it was destroyed, and relay stations were arranged at Jask and Hanjam. From Jask the land telegraph lines ran along the Makran coast to Karachi. A cable ran eastwards as far as Charbar and westwards to Hanjam, where there was a wireless station.

To the north of the "Quoins" (as the old British tars called two rocky islets standing athwart the Strait of Hormuz) lay Larak and Hormuz. This stretch of water here was the key of the Gulf, for in that sheet the whole British Fleet could ride safely at anchor. Hormuz, once an emporium comparable with modern Bombay, was now almost uninhabited; its sole commerce being red-oxide for export and rock salt for local use. On the destruction of Hormuz (owing to joint Perso-British action against the Portuguese), Shah Abbas planned that a great sea-port on the mainland should bear his name: Bandar Abbas rose from the ashes of Hormuz.

The lecturer then proceeded to Qishm Island, and, south of it, to the Great and Little Tanb Islands. He sketched the history of British relations with the Jawasmi pirates, and of how the "Pirate Coast" became the "Trucial Oman"—the change being signalled by a treaty which was not concluded until after the enemies of law and liberty had been thoroughly defeated. Retired pirates had now become pearl divers. He retraced his steps from Tanb to look at Lingeh, on the Persian coast, now a shadow of its former self, and also to Qais Island, where lay anchored a lightship. Qais succeeded Siraf (the modern Tahiri) as chief emporium of the Gulf in the eleventh century. It was Siraf, Qais, and Hormuz, in conjunction with Basra, that epitomised the commercial history of the Gulf during the Muhammadan era. They flourished, successively, at a time when the Persian Gulf still formed part of the principal route of communication and trade between East and West—before the "sea-way" round the Cape was found.

Sir Arnold then went to Bahrain, the centre of the pearling industry. The value of the pearls exported from

the Gulf at the present time was probably £3,000,000 a year. The richer merchants were mostly Arabs. It was also the centre of American missionary enterprise in the Persian Gulf—other points being Kuwait, Basrah, and Muscat. Upon the work of missions in the Persian Gulf, Arabia, and Mesopotamia, Sir Arnold said:—"I should not like to speak about the Persian Gulf without bearing testimony to the wonderful work they are doing. I do not suppose they have made converts in appreciable numbers, but they have, by their labours, assisted by the high standard of rectitude displayed by British officials and British merchants, profoundly modified the Arab outlook in ethical matters. The Arab is a Muhammadan first, and an Arab after, like all Islamic races: he regards Europeans likewise as Christians first and foremost. He knows, perhaps better than we do, that our standard of conduct has its basis in the religion of our country: he respects our standard of conduct, and without adopting our religious views he tends, unconsciously, to recognise our standard of conduct as higher than his. He does not despise, but greatly respects, those who devote their lives to spreading, by example and by teaching, the Christian religion. There is no greater influence for good in the Persian Gulf than the Christian missions: no Europeans are so universally respected as are the missionaries, such as Zwemer, Van Ess, Harrison, and Mylrea, and those who decry foreign missions do less than justice to themselves, and harm to our good name."

A hundred knots north of Bahrain was Bushire, the headquarters of British political influence in the Gulf, and the terminus of the most frequented and shortest road from the coast of the Gulf to Shiraz and the interior of Persia. Again going towards the head of the Gulf, the lecturer described Kharag and the smaller island of Khargu. Kharag in 1753 became the headquarters of Dutch commercial activities in the Gulf. During the War it was much drawn upon by the Expeditionary Force in Mesopotamia for road metal, and recently the quarries were reopened by the Anglo-Persian Oil Company.

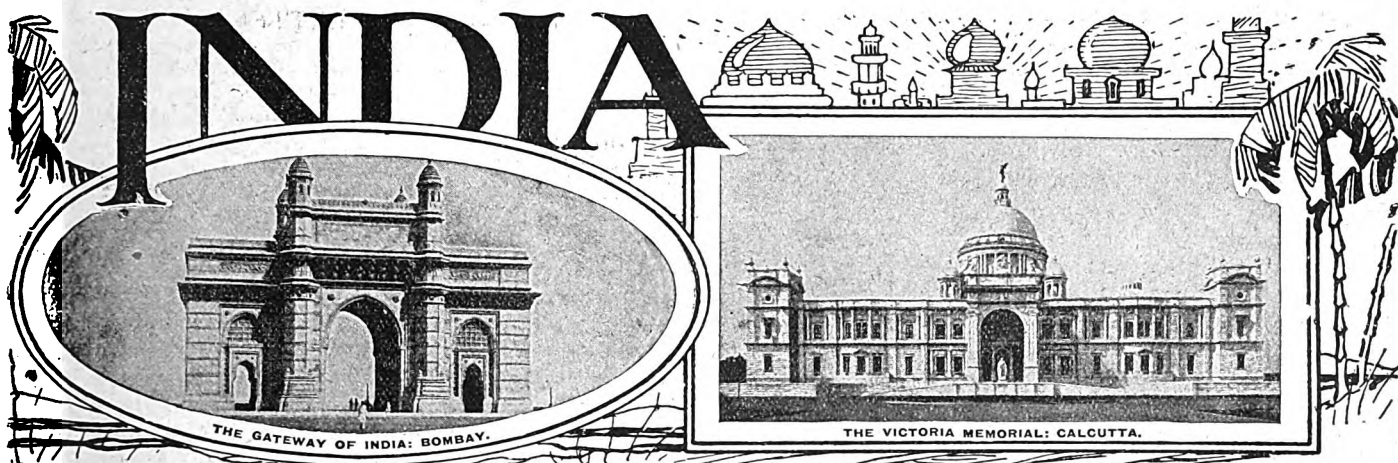
Twelve hours' steaming from Bushire brought one to Kuwait Bay. The jurisdiction of the Shaikh of Kuwait extended nominally for some 200 miles down the western side of the Gulf, when it met the Hasa territory of Ibn Saud. The rule of the Shaikh of Kuwait was absolute.

The lecturer ended his description with an examination of the Shatt al Arab, of Bawarda, of Abadan, and of Muhammarah.

Sir Arnold concluded with a word on the people of the Persian Gulf; they were, he said, not unworthy of admiration. Islam in the waters of the Gulf was rooted in the older faiths: many of its shrines on the Persian side were places of pilgrimage before the teaching of Muhammad had replaced that of Zoroaster: the names of the epic-heroes of pre-Islam days—of Rustam, Zuhrah and Zal, of Solomon, Bahram and Qubad—were still on the lips of men. Among the peoples of such a land it was the Briton's privilege to exercise influence without dominion, to obtain trade without acquiring territory: successive generations of British officials and merchants had set their mark upon the Gulf without impairing the vigour of the local Governments, whose precarious existence Great Britain had often assisted to maintain and had never destroyed.

The Angora Judicial Commission of the National Assembly has approved the law forbidding people under 18 years of age from frequenting cinemas and theatres.

Major-General Sir C. J. Deverell has been appointed Quarter-Master-General in India, in succession to Lt.-General the Hon. Sir A. R. Montagu-Stuart-Wortley (February, 1927). Major-General Deverell was in command of the United Provinces District in India from 1921 to 1925. During the War he commanded the 4th East Yorkshire Regiment, 1915, the 20th Infantry Brigade, 7th Division, 1915-1916, and the 3rd Division, 1916-1919. He was made a C.B. and an Officer of the Legion of Honour, and was mentioned in dispatches nine times.



THE BACK BAY INQUIRY.

The opportunity of examining the report of the Bombay Reclamation Committee, in greater detail than was possible on the appearance in the Press of the original summary of its findings, makes no appreciable difference in the impression conveyed by it. The report is not likely to commend itself to extremist opinion in India, which has been loudly demanding a scapegoat—for choice, one who could be “impeached”: not because of the absence of any such provision, but because it has provided too many. The comprehensive indictment of every person, and of every body, connected with the scheme will doubtless be popular: less so, the emphatic repudiation of the charges of “graft”—the Committee holds that there has never been the slightest foundation for the suggestion that anyone connected with the scheme “has been guilty of any dishonesty of any kind whatever.” It has always been the fashion, in extremist circles, to characterise official reports, of this nature, as “white-washing”; but it will be difficult for the most violent partisan to apply this particular epithet to the present report; though it is not at all unlikely that extremist perverseness may make such a suggestion regarding the Committee’s findings in the matter of “dishonesty”—a reckless charge in which it is certain that no one ever believed; not even the man who made it without being able to put forward the faintest grounds for its acceptance. So far as recollection serves, one of his complaints was that consignments of spare parts for the dredger “Sir George Lloyd” were so marked, and might, therefore, have been delivered to the individual, not to the vessel, of that name, and treated by him as his private property!

The Committee’s main strictures are directed against what has now proved to be the under-estimate of cost, and the failure to realise the difference between hard and soft clay. The latter point—which, on the face of it, seems reasonable enough—is really a matter for the expert: and it is worth notice that, in his letter to *The Times* of January 21, Sir George Buchanan complains that no practising civil engineer served on the Committee or was associated with it. To the ordinary observer, it certainly does seem that this point has been over-emphasised. Both Sir George Buchanan and the firm who built the dredger emphatically declared that it was fully equal to the work for which it was required and would have performed it satisfactorily if its operators had been competent. Recent reports from Bombay, quoted by Sir George Buchanan in his letter, certainly seem to substantiate this view: they say that “the dredger has been doing excellent work this season, the results and output having been far more encouraging than those achieved previously.” Indeed, it would seem that the failure to work the dredger successfully is much more largely responsible for the falsification of the estimates than any other factor. It is certainly true, as the Committee has pointed out, that this was partly due to the initial failure to obtain the previous agreement of “the statutory

owners of the sea bed, the Bombay Port Trust, and also of the Royal Indian Marine,” both of whom refused permission to dredge over a large part of the area contemplated in the original scheme. This failure certainly does seem inexplicable—so much so, indeed, that it is difficult to avoid the conclusion that permission was looked upon as a matter of course, and that the failure was the sole cause of the refusal, which was merely obstructive. The Committee’s phrase, that these authorities, in refusing permission, “acted within their rights,” seems to suggest that it takes the same view. It is certainly difficult for a layman to imagine any harbour authority objecting to getting its harbour deepened free of cost for any other reason than wounded *amour propre*. Whatever the reason for the refusal, it admittedly deprived the dredger of most of its best material and also compelled it to use a much longer pipe line than that originally contemplated. Another important point, which the Committee does not appear to have noticed, was the omission to “waterproof” the sea wall: so that a ruinously large percentage of the filling, actually pumped inside it, escaped through it back again into the sea. There would, therefore, seem to be some reason for thinking that the Committee has not been altogether fortunate in its apportionment of blame: a considerable amount of which might have been shifted, from the designers and the tools provided for the work, to local obstructionists and incompetent workmen.

The last of the Committee’s main strictures is directed against the “disastrous” decision to begin the sea-wall at both ends: which, they say, “meant a great capital outlay without giving any early financial return”: and they add that “more than three-fourths of the wall so far built is at present serving no useful purpose whatever.” Here it would seem, to the layman, that they are arguing backwards: for it is not to be supposed that it would be held, in the case, for instance, of a tunnel which it was thought advisable to abandon before it had been pierced, that the engineers ought to have kept this possibility in view and had, therefore, wasted money by beginning it at both ends. What the engineers of the Bombay reclamation had in view was not “any early financial return,” to guard themselves against criticism which they had no reason to expect, but to bring a great scheme to completion in the shortest possible time. It has been decided, in accordance with the recommendation of the Committee, to complete the four outside blocks—the two at either end of the existing sea wall. It is quite true that the four middle blocks—only one of which is not already enclosed by the wall—are to be left for better times; but, if the small portion of the wall, still unbuilt, is completed now, those times will come soon. If it is not completed, they may never come at all. If, before they began it, the designers had contemplated the partial abandonment of the work, they would, no doubt, have begun the sea wall from only one end: with the result that less of it would have been completed, and less reclamation achieved, than has been the case now; but it is hardly reasonable to condemn them on this account. Two or three weeks ago, the

dredger broke down altogether—an accident that was hailed with delight by the Bombay extremists, who saw in it the final abandonment of the scheme: and they will not be pleased to see that the completion of the four outside blocks is still to proceed, with dry filling, in accordance with the Committee's recommendation that this should be done "unless the work of the dredgers is as economical and satisfactory." Bearing in mind their criticism in the matter of the sea wall, it really seems as if the Committee ought to reassemble, in order to add a minute of censure on themselves for not having foreseen the breakdown of the dredger.

CURRENT TOPICS.

The Delhi Council House.

The cable reports of the opening of the Council House in New Delhi by the Viceroy seem to show that the function was an unqualified success: not only from the spectacular but from the political point of view as well. The chief note in Lord Irwin's speech was an appeal to his hearers "to let their thoughts pass through the building to that of which it is the visible and external sign—the reality of the intention of His Majesty's Government in their declaration of August, 1917, and the set purpose and sincere desire of the British people as then expressed towards India." To this, as *The Times* report remarks, there has been an immediate response "in the quarter where belief has hitherto been hardest to produce"—a remark by a prominent member of the Swaraj Party that, if they had been sitting in that building last year, there would have been no walk-out; "for this great building means reality and permanence, and this cannot be denied." Another of the reports published gives interesting details as to the cost of the new Capital: which is estimated at about £10½ millions, of which £9¼ millions have already been spent. It is stated that the average cost of the Council House, the Secretariat and Viceregal Lodge works out to eleven annas, or about a shilling, per cubic foot: and that the corresponding cost in England now would be about nine shillings.

The Currency Bills.

Several interesting points emerge from the announcement, made at Delhi on January 16, of the terms of the Bills that the Government of India proposes to introduce in order to give effect to the recommendations of the Indian Currency Commission. One is that, in the Bill for the stabilisation of the rupee at rs. 6d., the demonetization of sovereigns and half-sovereigns as legal tender is included: the omission of any such provision from the Bill originally brought in last autumn, but subsequently dropped, was a subject of criticism at the time. Another is the decision that, during the transition period until the proposed Reserve Bank takes over the issue of currency notes, the Government of India "will not exercise the option to sell gold," as it will be engaged in building up a gold reserve. It will probably be remembered that the method, which the Commission recommended for the establishment of a gold bullion standard, was the free sale by Government of gold in quantities of not less than a bar of 400 ounces: and it was on this visible link between gold and the existing Indian currency that reliance was placed in order to achieve two main objects—a diminution in India's absorption of gold, and the strengthening of confidence in the "token" currency of India. A Bill for the establishment of a Reserve Bank, and one for the amendment of the existing Imperial Bank Act, are being brought forward concurrently with that for the stabilisation of the rupee; but it is at least probable that their translation into fact will entail considerable delay: during which, though the rupee will be technically linked with gold, the visible link will be wanting. Lastly, it is proposed that the Reserve Bank shall have its headquarters in Bombay—an "injustice to Calcutta" which will doubtless give rise to a good deal of heart-burning in the latter city.

CALCUTTA LETTER.

(From Our Own Correspondent.)

Calcutta, January 6.

The Congress.

Mr. Srinivasa Iyengar, President of the Congress has been passing through Calcutta and has granted an interview to the Press in regard to the recent proceedings of the Congress, when he also expressed his views upon the political situation generally. He had little to say in regard to the practical results achieved by the Congress, and this is hardly surprising in view of the fact that the principal work done was to carry a series of resolutions reverting to the policy of blind obstruction. He was, however, eloquent in one respect; he sees in recent utterances of the European leaders that amongst the possible results of the coming of the 1929 Commission there are likely to be three changes; the first is that the electorate will be varied; next that a Second Chamber will be introduced into the Provinces; and last, certain subjects will be re-transferred from the Provinces to the Central Government. All these things are considered by Mr. Iyengar to show the intention of the bureaucracy to defeat the desire of India for self-government. He seems to live in a muddle-headed world in which, given the opportunity to indulge in self-government, his party declines to have anything to do with it; even in governing its own affairs it cannot agree upon any major lines of policy, such matters being either permanently deferred or side-tracked by resolutions for blind opposition. When any attempt is made to suggest alternative forms of government based upon indigenous organisations, the Congressite begins to howl at the inevitable outcome of his own attitude of permanent obstruction, forgetting that someone must carry on government, and, if he is not prepared to take advantage of his opportunities, there are other directions in which experiments can be made.

The Delhi Murder.

Comments in the Indian Press on the murder of the Hindu leader at Delhi are equally ingenuous and eloquent. The Congress Extremist papers beg Indian Moslems to believe that the Hindus have no thought whatever for themselves as Hindus in seeking to control the government of the country by Congress. With charming innocence *Forward* asks the Moslem community to drop its demands for a proportion of patronage, of Government posts, of scholarships, of Colleges and so on and to be satisfied with what can be obtained in competition with brother Hindus; the fact that the Hindu in such circumstances obtains nearly the whole of what is going is too well-known to the Mussalman to make it in any degree possible that he will listen to the voice of the charmer. Meanwhile *Forward* sees in the establishment of the Islamia College in Calcutta, and in fact in all official acts which reserve any benefits to the Mohammedan minority, only further proofs of the fiendish plan of the bureaucracy to encourage communal hatred for its own ends. The President of the Congress is not intimidated, however, for in replying to an address from the Corporation, he stated that he will achieve communal unity, or break in the attempt; brave words.

Communal Hatred and Swaraj.

Forward this week admits that the attainment of Swaraj by legitimate means is unrealisable so long as "Hindus and Moslems go on in the way they have been doing for some time past;" it states that Moslem-Hindu unity is the foundation of the whole of the structure and, if the foundation goes, all must crumble in ruins. Its leader may be quoted; the problem which "has repeatedly defined all our attempts at solution in the past requires very delicate handling by men who are above all sectarian prejudices in an atmosphere of justice and toleration. In spite of all pacts and agreements made in the past the atmosphere to-day is surcharged with mutual suspicion and intolerance, and fanatics are not wanting on both sides to whom no solution will be acceptable but the extermination of their rivals." This is a very frank

admission and it is probably the most eloquent comment upon the demand which is continuously made by the Congress Party, of which *Forward* is the official organ, for the grant of immediate self-government. Probably the most tolerant view to take is that both the claims and the admissions are a product of a mixture of inexperience and innocence.

Cricket.

The M.C.C. have come, conquered, and gone, on their way to Rangoon; their visit was a tremendous success in spite of the fact that the public stands were only completely filled upon one day of the visit. At this time of the year there is so much doing in Calcutta that something has to be missed out, and cricket was bound to suffer when it clashed with the cold weather race-meetings. Unfortunately Gilligan was down with fever for the greater part of his stay and this accounts for his non-success at the wickets; we hope that the sea-voyage on the way to Rangoon will put him straight. The team has won golden opinions and its members have been most popular everywhere. They attended the pantomime on Saturday night and took an abundant ragging in excellent part, Gilligan's solo being especially popular! The last match was very exciting and at one time it looked as if the visitors would have all their work cut out to get 183 in two and three-quarter hours on a badly cut-up wicket; thanks principally to a perfect 97 of Wyatt's they won by four wickets and were warmly congratulated on a fine all-round exhibition. In particular the visitors' fielding has been model, and it should do a good deal to tone up this department of the game, which tends to be rather lax in the tropics. J. L. Guise and Major Brooke made up for their bad luck in the "Bengal" match, putting up a record first-wicket stand in the second of All-India; "gratters" to Guise on a fine 91 for his last innings as a bachelor, his wedding to Miss Joan Thomas having taken place yesterday.

Men and Things.

The annual Proclamation Parade took place on the first day of the new year, and in the opinion of competent judges the crowd this year was larger than it has been for eight or nine years past at least. All Calcutta seemed to have turned out, and the Maidan was a wonderful sight. It has always been held that the size of the crowd on this occasion is a barometer of public opinion in regard to the popularity of Government, and, if this is so, things are better.

The New Year's Honours list was particularly short so far as Calcutta was concerned, the only knighthood being that for Mr. J. W. A. Bell, head of Mackinnon Mackenzie's and President of the Bengal Chamber. There were a few other items, mostly of bureaucratic interest, and rumour has it that there is more than one bad disappointment.

Sir Dinshaw Petit of Bombay has been addressing the so-called Indian Industrial and Commercial Congress which has been sitting in Calcutta this week. To judge by the number of political Extremists present, this function is merely another branch of the Congress, and in any event it would not do to take too seriously the speaker's suggestions as to the exploitation of India for the benefit of foreign traders; Sir Dinshaw himself is one of them!

Sir Ronald Ross has arrived in Calcutta and is giving an official lecture at the Empire Theatre on Monday next. A Gateway of Honour has been constructed adjacent to the laboratory of the Presidency General Hospital where his epoch-making discovery was made, and even the Corporation is giving him an address.

In reply to a question in the Corporation this week, it was stated that over 160 buildings had collapsed in Calcutta within the last three years, many of them actually falling down whilst they were being erected; 1929 Commission, please note.

The Trivial Round.

Saturday was Grand National Day at headquarters and this event was won this year by Mr. J. Mein Austen's More Sanity ridden by Captain Leetham. The Cooch

Behar Cup was also run the same day and, the weather having cleared up, the show on the stands made up for Viceroy's Cup Day. All the new dresses seemed to be out, and the Viceroy and the Governor arrived in state, which is one of the finest shows it is possibly to see anywhere.

The Annual Horse Show at Tollygunge produced a good display of animals, and the general opinion was that the average quality is improving again. Captain J. A. Herbert's "Viceregal" was awarded the Cup for the best horse in the show, having previously won the Heavy-weights and the Ladies' Hacks Classes.

The paperchase this week produced one of the best finishes ever seen. Captain Leetham beat J. S. Johnston by about a short nose, a number of others being close up; the thrusters are all out this year.

The Polo Championship has been won by the Army in India team, who defeated a make-up side by 2-0 in the Final. The other events are still running.

Golfing interests this week are centred upon the Ladies' Open Championship, in which the Finals take place to-morrow. Mrs. Alan Macbeth, the English player, is favourite at the moment.

"Sinbad," the C.A.T.S.'s pantomime, has settled at the Empire into the best and brightest show given by them since the War and it is drawing record houses. The *ensemble* and dancing are really first-class and the greater part of the show could be put on in London without any change. It is a fine achievement.

Markets.

In the jute market the firm tone ruling before the holidays has been fully maintained on the re-opening and gunnies have remained steady with a majority of the business transacted for near deliveries. The piece-goods market closes slack and prospects of business in the near future do not appear to be good. Prices continue to be easy, and with everybody in the local bazaar keen sellers it is possible to pick up lots at very cheap rates. There has been no tea sale here this week, and the majority of the interest in this market is centred round the question of restriction for next season; no decision, however, has yet been made.

The Stock Exchange opened again this week; but apart from a good demand for jute shares there is little to report. Government securities show an easing off all round, and the extent of the fall is somewhat unexpected, in spite of the conditions prevailing in the money market where Call money is quoted 4 per cent. There has been a slightly better demand for coal shares, but teas and rubbers remain almost neglected. In the miscellaneous market Indian Iron and Steel shares have continued to change hands in large quantities at increasing prices, and there is evidence of good inquiry for sugar shares.

The Exchange Market has been very steady with Ready T.T. closing at 1s 6 1/32. Money is in good demand and may be quoted Call, Short Notice and One month 4 per cent.; two and three months 4 1/4 per cent.

THE INDIAN MAIL.

Trade Returns for November.

The returns of India's sea-borne trade for November show a decline, both in imports and exports, from the figures of the preceding month; their value having fallen from 1997 to 1830, and from 2313 to 2120 lakhs respectively. India's net import of treasure amounted to 335 lakhs, against 301 for October; and the visible balance of trade in favour of India was 22 lakhs, compared with 98 in October.

The three major heads of imports all show a decline in value from that of the previous month: food, drink, and tobacco having fallen from 339 to 298, manufactured articles from 1428 to 1329, and raw materials from 198 to 161 lakhs. Compared with October, the total imports of piece-goods fell from 143 to 129 million yards in quantity, and from 456 to 391 lakhs in value: grey goods

declining from 54 to 48 million yards and from 141 to 123 lakhs, and coloured goods from 45 to 37 million yards and from 174 to 137 lakhs; while the quantity of white goods remained unaltered at 4 million yards, but the value fell from 141 to 131 lakhs.

Under the major heads of exports, food, drink, and tobacco, and raw materials and produce, both show an increase in value over October's figures, from 617 to 626 and from 805 to 874 lakhs respectively; but manufactured goods fell heavily, from 866 to 593 lakhs. Japan again entered the market seriously as a buyer of India's raw cotton, she and Italy each taking 4000 tons out of the total export of 11,000, the greater part of the balance being taken by China and Belgium, with 1600 and 1000 tons respectively. India's export of raw jute rose slightly from that of the preceding month, amounting to 89,000 tons valued at 310 lakhs, against 84,000 tons valued at 306 lakhs in October; but her exports of manufactured jute fell heavily, the figures for gunny cloth being only 89 million yards and 167 lakhs, against 157 million yards and 300 lakhs, and of gunny bags 42 millions and 210 lakhs, against 50 millions and 275 lakhs in October.

The United Kingdom's share in India's trade shows a satisfactory rise, from 47 per cent. in imports and 25 per cent. in exports, to 49 and 30 respectively; while the shares of Japan and the United States both increased slightly, at the expense of Germany; the figures for the three countries, in that order, being 7, 9, and 6 under imports, and 4, 13, and 5 under exports, against October's figures of 6, 9, and 7, and 3, 11, and 7 respectively.

Polite Habituals.

The following address of welcome, presented by the inmates of an Indian jail to a party of five Inspectors-General of Prisons who were making a tour of inspection, deserves to be rescued from oblivion.

"Most respected Sirs,—We welcome you gentlemen to our special habitual Central Jail. We invite you to see our jail specially built for habitual prisoners of all castes and creeds, to see how well the habitual criminals are trained in duty and in discipline by the selected officers, to right the wrong, to leap from Satan's foot to Peter's knee. May it please you to appreciate our work carried on in this habitual jail. We thank you, gentlemen, and express our heartfelt gratitude for the keen interest taken by you to pay a special visit to this habitual jail, in the advancement of our welfare. Your most obedient prisoners, inmates of the Central Jail, Salem."

The M.C.C. in Bombay.

Some weeks ago a paragraph in these notes mentioned the offer, by the Indian proprietor of a Physical Training establishment in Bombay, of a free course of physical training for the local cricketers selected to play against the M.C.C. History does not relate whether the offer was accepted or not; if, by any chance, it was, the results of the three matches played in Bombay should provide a good advertisement for the enterprising owner of the "Health Home." It is true that the only finished match was won quite easily by the tourists; but the Bombay cricketers had none the worse of the first, and all the better of the second, of the two drawn games. When, in the former, the Bombay team only failed to equal the M.C.C. first innings score by a few runs, the feat was hailed, by the Bombay Anglo-vernacular Press, as only another proof that Indians could, if given a fair chance, beat Englishmen in any form of undertaking, even one that is peculiarly British; and when, in the latter, the Indian eleven headed the M.C.C.'s first innings score—the first, and so far the only, occasion on which this feat has been performed—the dictionary was dredged for superlatives. Bombay cricketers have, indeed, the right to be proud of themselves; and the scene of enthusiasm that ensued, when the Englishmen's score was passed, must have seemed strange to the M.C.C. men. Excited members of the crowd rushed out on to the pitch and garlanded the two batsmen, while some ultra enthusiasts prostrated themselves at their feet; and some little time elapsed before it became possible to proceed with the game.

"A Regrettable Incident."

A curious incident occurred when the "All-India Indians" team passed the M.C.C. first innings score in the last of the latter's matches at Bombay. Two boys from the crowd ran out on to the pitch and placed their caps at the feet of one of the batsmen. The umpire at the bowler's end, who happened to be an Englishman, kicked one of the caps aside—an action that the *Bombay Chronicle* characterises "with due deference to Mr. Higgins' integrity, as highly reprehensible." The report proceeds: "The action of the boys represented sincere unbiased admiration in its simplest form, and certainly did not deserve such treatment. All fair-minded persons in the arena were shocked at the official's arrogant behaviour . . . Mr. Higgins' action bears only one interpretation. It does not entail undue mental strain for a man to decide whether he is to insult another who has performed an act which should rather appeal to the better nature of a man. Mr. Higgins' desire to avoid interruptions is certainly commendable, but his methods are redolent rather of spleen than zeal."

There is a moral to this story—how quick the average Indian is to take dire offence at the most innocent action, and how hard it is for the Englishman in India to live up to the ideal of perfect good manners, which have been defined as the possession of him who is never unintentionally offensive. The instructed Briton is continually on the watch, though seldom with complete success, to avoid giving offence; while the uninstructed is for ever treading on the toes of his Indian friends, often hardest when he imagines himself to be behaving with special politeness. It is quite true, of course, that many Indians—especially those who write to the vernacular Press about the "insolent" Englishman—are deliberately looking for offence where none is intended; but, if we are to expect them to be less thin-skinned, it behoves us to try, so far as in us lies, to do what we can to help them to become so.

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NOTES AND NEWS.

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Tuesday Morning.

The British Industries Fair.

In a very few weeks now the British Industries Fair will be in progress, and if the present indications are any guide the business done on this occasion should far surpass previous figures. Abroad, with the exception of China, the situation is clear; orders are coming in rapidly for our manufacturers; we are now holding our own in competition with our rivals for important tenders; and generally the way seems clear for a steady trade revival. The Fair is looked to to give a stimulus to our commercial activities, and I do not think that this time there will be disappointment on this account.

The Outlook in Palestine.

In another column will be found a detailed report on conditions in Palestine in the closing quarter of 1926. It will be seen that a distinctly hopeful view is taken of the outlook. As I pointed out last week, the year has been anything but a good one for Palestine, but the works of development in view are such that it would be surprising if they failed to go far in redressing the economic balance. It will be noted that the value of the imports for the year is estimated at an increase of one million pounds on those of the previous year, and of the total unfortunately Great Britain has only a very small share. There is really no valid reason why this should be the case, for the conditions in Palestine may be said, broadly speaking, to be in our favour, and it can scarcely be maintained that we are not equal to showing the same enterprise and to giving our traders the same support as other countries. One or two hopeful features in the trade from our point of view are indicated in the report. Thus there has been a steady increase in the sale of British motor cycles, a feature which Palestine shares in common with so many other outlets in the Near East. What is difficult to understand is if it is possible to foster a trade in motor cycles why the same thing cannot be done in regard to motor cars. If the hire-purchase system is to be introduced for motor cycles it is difficult to see why it cannot be utilised also for cars. British gramophones are also in good demand in Palestine it appears, which is most encouraging as record sales of gramophones were reported last year. Our success in these two commodities ought to be repeated, however, in many other directions. It may be hoped that the present year will show a great improvement in this respect.

India and World Trade Tendencies.

Mr. H. A. F. Lindsay, the Indian Trade Commissioner, had some interesting things to say regarding the way in which world tendencies are reflected in Indian trade in a paper he read before the Indian Section of the Royal Society of Arts on January 21. Lack of confidence, he pointed out, is admitted on all sides to be the first most obvious and most deep-seated cause of the economic ills from which we are suffering to-day, there being a general uncertainty on all sides which hampers trade. Price fluctuations constitute, of course, one of the principal handicaps to the development of trade, and as Mr. Lindsay showed there have been since the War abnormal fluctuations in the markets handling India's staple commodities. One need scarcely cite cotton in this connexion, since its fluctuations have been specially pronounced. This season's record American crop has resulted in a sympathetic decline in the price of Indian cotton to sixpence which compares with eighteen pence which was the

maximum for 1924. An important phase of post-War conditions to which Mr. Lindsay drew attention is the wide gap which has developed between the prices for raw materials and those obtained for manufactured goods in the world's markets, though this, of course, does not apply to all classes of commodities. Food grains and oilseeds, for instance, never reached the level—by comparison with the pre-War period—at which manufactured goods were sold. The effect of this in the case of a country like India, Mr. Lindsay pointed out, was that while the producer of, say, food grains was obtaining for his produce prices only 40 per cent. over pre-War levels, he had to pay for the manufactured goods he required, whether they were made locally or abroad, prices 80 or even 100 or 180 per cent. over pre-War prices.

Sudan Cotton Progress.

The latest report on cotton in the Sudan to reach me shows an estimated crop of 575,506 kantars which would be equal roughly to 143,870 bales. That will mean an appreciable advance on the past season's production, but it only represents a small part of the output of which the Sudan is capable. If things go well the present figures should seem small a decade hence. Of the present season's production the Gezira accounts for 400,000 kantars, Tokar for 27,000 kantars, and Kassala for 50,000 kantars, the total for the Sakellaridis variety being approximately 486,114 kantars. This only leaves 57,756 kantars or 14,440 bales for the American type which is the one disappointing feature of the position. Sakellaridis cotton we must have, but American cotton is equally indispensable to us, and in the case of the latter type we have the exchange question as a further factor which makes it imperative that we should be able to buy as much of this cotton from sources other than America the less the strain on the sterling exchange in New York, but apart from that the American production is a fluctuating quantity. Last season it was a record, but another season it may be millions of bales below the total then reached with the result that if there are not alternative sources of supply there may not be sufficient cotton to go round. For these reasons the cultivation of the American type in the Empire is an urgent matter, and in the Southern Sudan we have a region particularly suitable for the cultivation of this type. The position, however, has been complicated by the price factor. What is an attractive crop when American stands over

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is. is quite a different thing when it is in the neighbourhood of sixpence, and the problem that has to be solved in the Sudan is to devise means of making it a profitable crop even if the price is low. Transport is essential for the expansion of cotton cultivation in the Southern Sudan—indeed the vital factor—and it is interesting to learn that important developments are now contemplated by the use of railless trains. Progress in this direction will be followed with interest, for cheap transport will solve the cotton problem.

COMMENTATOR.

IMPROVING CONDITIONS IN PALESTINE.

British Trade Handicaps.

Messrs. T. S. Boutagy and Sons, of Haifa, in their report on trade conditions in Palestine for the three months ended December 31 last, give a most encouraging survey of the outlook for the country. The report states:—

There is reason to believe that the last quarter marked the beginning of a most prosperous era in the history of Palestine. The passing of the Bill in the British Parliament authorising a large loan to equip a harbour at Haifa has been received with marked enthusiasm by all sections of the population who are now anxiously awaiting the commencement of operations. It is universally acknowledged that the imminent commencement of the harbour works will add considerable impetus to the present rate of progress. The engagement of several thousand workers and engineers is no small matter for the country.

The cultivation of oranges which has progressed in the northern area, notably in Zichron Jacob and Hedera, as well as the Tiberias sub-district, continues steadily, and has so far produced satisfactory results. Several thousand cases have been exported to Egypt and abroad. It is estimated that about two and a half million cases will be exported from Palestine this season. Prices in England have continued to improve and cases fetch from 15s. to 20s. The improvement in price is chiefly due to the poor crop in Spain consequent upon blizzards and cold weather. The success of the present season has given a welcome stimulant to the cultivation of oranges, and the planting of new orange groves continues.

The first tourist ship of the season arrived in December with a crowd of tourists who spent an average of about one week in the country. The prospects of the present season are very good, to judge from the bookings that have been made so far by the leading hotels and at the railway administration who announce that a "record" tourist season is anticipated. These encouraging prospects lead to the belief that Palestine has a special attraction to travellers.

Tourist agencies complain that hotel accommodation provided for tourists in Palestine is not adequate. Hotel proprietors are handicapped by the lack of funds and credit facilities to enable them to effect suitable improvements and enlarge their present accommodation.

A good deal of satisfaction has been caused throughout the country by the news that the Palestine Electric Corporation has succeeded in securing the capital necessary for the execution of the River Jordan hydro-electric scheme. It is reported that the preliminary work on the scheme will be commenced early in the spring, and it is estimated that the number of labourers to be engaged will be between 1,000 and 1,500. It is confidently hoped that

the commencement of the work will contribute to a visible improvement in the present rate of the country's progress and development.

The cigarette industry continues to grow steadily. The Karaman Dicke Salty Factory on the outskirts of Haifa is nearing completion. The Matossian Society of Cairo have decided to start a branch factory in Haifa, and the contract for its construction has recently been placed with the Solel Boneh.

Trade in general manifested signs of steady improvement during the last quarter. Distributors and retailers report record sales for the winter season. The demand for all classes of goods was satisfactory, and normal prices have been maintained throughout.

It is estimated that the total imports of Palestine during 1926 will exceed eight million pounds, an increase of one million over those of the previous year. Out of this large total Great Britain's share is very small. Importers identified with the sale of British goods in Palestine complain of the absence of special machinery or organisation to encourage and foster British trade in this country. Importers engaged in the distribution and sale of British goods continue to make consistent endeavours in the face of the greatest difficulties. It has been explained that Palestine is capable of considerable development the result of which will open up markets for British industries. Industrialists and visitors to this country such as Sir Alfred Mond have pronounced Palestine to be a good "business proposition": the soil is fertile, the climate favourable and the agricultural industry good.

The imports of American cars continue to increase. It is estimated that the total value of motor car imports during 1926 exceeds £100,000, chiefly American and Continental makes. The American industry is devoting much attention to the Palestine market, and arrangements have lately been introduced whereby they finance their local agent by accepting their clients' bills in connexion with the sale of cars in lieu of cash. Importers of British cars complain bitterly of the lack of support received from both manufacturers and bankers, and it is predicted that it will be difficult for the British made car to secure a footing in the Palestine market in spite of the existence of a unique opportunity for the sale of British cars to the extensive community of British officials the majority of whom for sentimental reasons prefer to buy an English car.

The sale of British motor cycles continues to show steady improvement. Local agents hope to be able to sell an average of five motor cycles per month throughout the country. A local distributor has recently expanded his business by creating an outlet in Jerusalem for the sale of his goods. It is hoped that a volume of trade of £5,000 per annum may be possible in this line provided agents secure the necessary facilities from their bankers to enable them to supply officials and private and responsible individuals on the hire purchase system which has hitherto proved to be a very practical arrangement affording an opportunity to purchase out of income.

The gramophone business continues to expand. Local distributors report record sales for 1926. The demand for English gramophones is steady. Excellent sales have been reported from all over the country.

Colonel H. P. Picot, C.B.E., has been appointed Chairman of the Euphrates and Tigris Steam Navigation Company, Ltd.

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THE WEEK'S FINANCE.

(By Our Financial Expert.)

London, January 25.

Interest in the Stock Markets during the past week has largely centred in the gilt-edged market, partly by reason of expectations of an early reduction in Bank Rate and partly because of the commencement of dealings in the new 4 per cent. Consols. The result of this new loan was fully up to the best expectations, cash applications amounting to over £81 millions (which means that the Treasury will receive £69 millions in cash, the loan being issued at 85) and conversion applications to £128 millions. Although these two amounts do not cover the nominal total of debt maturing during the current year, the financing of the debt should cause no difficulty, since those holders of maturing bonds who have not converted into the new Consols have still the right to convert into 5 per cent. War Loan on the basis of £95 of bonds for £100 of stock, and many, no doubt, will exercise this option before the date of maturity. Dealings in the new 4 per cent. Consols opened on Thursday and small premiums were quickly established on both the A and B classes—the former being the loan issued for cash, on which the first dividend will be 25s. per cent., and the latter that issued in exchange for maturing bonds, on which the first dividend will be 2 per cent. After July 2 next both classes will rank equally.

The sharp rise which has occurred throughout the gilt-edged list in the past week or two has been due to anticipations of a lower Bank Rate, but those who expected a change last Thursday were disappointed, for at the present time the directors of the Bank of England are acting with the utmost caution. This week the Bank failed to secure the bulk of the gold which came to the market, and in addition the New York exchange is not in quite so favourable a position as it should be at this time of the year. Moreover, money rates in New York show no signs, at the moment, of weakening and London is hardly yet in a strong enough position to take the lead in the matter of lowering rates.

Some observers, in the meantime, are inclined to think that the rise in quotations in the market for British Government securities has been overdone, seeing that 3½ per cent. Conversion Loan now yields 4½ per cent., Funding Loan a little over 4½ per cent., and 2½ per cent. Consols a little less. The new issue has had the effect of drawing attention to investment securities throughout all sections of the Stock Exchange, and business generally is on a good scale, though Chinese developments continue to put the brake on enterprise. The Home Railway market has reacted after last week's little spurt, the approach of the dividend season giving rise to some nervousness. In industrials a feature was the relapse in Imperial Tobaccos owing to disappointment at the dividend which is at the same rate as for the previous year, namely, 24 per cent. free of income tax, and the absence of a share bonus.

Banking Results.

Most of the joint stock banks have now issued their full reports and accounts for 1926. As anticipated, dividends were in all cases maintained at the 1925 levels, and there were no striking changes in net profits, those of the "big five" being in the aggregate £10,000 higher than for the preceding year. Barclays showed an outstanding increase of £137,000 in net profits, while those of the Midland were £13,000 higher, but the other three banks recorded decreases of between £40,000 and £50,000. Thus these great institutions have weathered with complete success the most disturbed and unsatisfactory industrial year which Great Britain has experienced for several decades.

A feature of the balance-sheets is the increase both in loans and advances and in deposits. The former is no doubt partly due to the fact that the banks have been called upon to carry a large number of undertakings,

especially those concerned with the export trade, through a disastrous period, and for this reason may not only have to make larger allowances for bad debts but may find for a time that much of their resources is tied up in "frozen credits" which may only be thawed as trade revives. As regards the increase in deposits, it was stated at the annual meeting on Thursday by the Chairman of Barclays Bank to be in part due to the bank's overseas developments and to a large number of new customers. The banks have been severely tested during the past year, but they emerge successfully, thanks to their staunch adherence to fundamentally sound policy.

A List of Preference Shares.

During recent weeks quite a number of new capital issues have taken the form of preference shares. If it may, therefore, be assumed that there is a public demand for preference shares, it may be useful to give a short list of the preference shares of established undertakings, since it is generally advisable to take up the shares of established concerns against those that have still to win their spurs. On the other hand, the investor should not miss an opportunity to subscribe to a good new issue, for it is often cheaper thus to acquire shares than to buy existing securities; but he should first make certain—so far as this is possible—that the issue is a good one.

The Dunlop Rubber Co.'s 6½ per cent. "A" cumulative preference shares give a return of approximately £5 15s. per cent., while a yield of some 2s. less is given by the 6 per cent. cumulative preference shares of Bovril, Ltd. The 7 per cent. cumulative preference shares issued by both J. Lyons and Co. and the Mond Nickel Company yield approximately £5 12s. per cent. Somewhat lower returns are given by the 6½ per cent. cumulative preference shares of Callender's Cable and Construction Co. and by the 6 per cent. cumulative preference of John Barker and Co., the figures being £5 9s. per cent. and £5 6s. per cent. respectively. A fair amount of ordinary stock ranks for dividend after these preference shares and all the companies are paying good dividends on their ordinary capital.

NOTES FROM BULGARIA.

(From Our Own Correspondent.)

Sofia, January 17.

Industrial Exhibition at Gabrovo.

On January 16 an exhibition of samples of Bulgarian industry from the earliest times to the present day was opened at Gabrovo, one of the two great industrial towns of Bulgaria.

Concession for Air Transport.

The Council of Ministers has granted to a Bulgarian company financed by German capitalists a concession for aerial transport in Bulgaria.

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THE BULLION MARKET IN 1926.

The fall in the price of silver and other developments during the past year impart a special importance to the annual bullion review of Messrs. Samuel Montagu and Co. which has just been issued. We give the following extracts:—

The year 1926 was one of disappointment and anxiety. Though further advances have been made in international amity, exchange difficulties and the new or more stringent tariff barriers created by the new national entities and other countries have still continued to hamper world trade—so vital for the recuperation of labour and capital. Besides these external drawbacks, industrial strife has occupied the domestic arena, and part of the community practically declared war upon the nation as a whole.

Unfortunately the dispute in the coal mining industry lasted for six months. The after effects of this prolonged struggle upon the prosperity of the nation are serious. The actual cost to the nation and how it is to be met await publication. Nor can it yet be estimated how many coal miners will remain to swell the total of unemployed, or how soon, if ever, the industries handicapped by the strike will regain lost ground.

The pressure from keen industrial competition of countries possessing a lower standard of living, or exchanges favouring their exports, was aggravated by the coal dispute, yet the currency system met every strain with a surprising amount of ease.

The gold holding of the Bank of England, which stood at £142,763,880 on December 30, 1925, rose by December 29, 1926, to £149,856,430, a gain of £7,092,550 during the year (though a net loss of £4,049,885 since April 29, 1925, the day after the gold standard became again effective). Thus the British pound, despite many adverse circumstances, well maintained its value in the markets of the world.

It is of general interest to point out that the total held by the Bank of England against notes on December 29, 1926, is £1,274,115 more than would have been expected from the daily announcements of receipts and withdrawals. Some of this variation is accounted for by the fact that the amounts figuring in the daily bulletin are in round sums (and that small movements under five thousand pounds are not necessarily included), and possibly by transfers of gold from the Banking to the Issue Departments of the Bank.

Basis of National Strength.

Visible returns of trade do not account for the strength of sterling exchange during the dangerous crisis. The fact was that the world relied upon the sober commonsense of the British people, and was well aware that national finances had been conducted, during and after the exhausting world catastrophe, on sound business principles, and that there were ample reserves upon which to draw. Moreover, it was perceived that the resources of this country, drawn from international banking, insurance and shipping, and other outside sources, made no small contribution to the nation's financial strength. The country's ability to maintain its position as an international clearing house has thus been closely tested, and the early return to an effective gold standard has been justified by the result.

All restrictions placed upon the export of gold were automatically removed by the expiry of the Gold and Silver (Export Control) Act of 1920, on the first day of the year under review. Great Britain actually crossed the Rubicon on April 28, 1925 (when the Bank of England received a general licence for the export of gold), and her courage was rewarded by an access of internal confidence. The step she then took has been, and will be, followed by other States.

A large number of European countries have now succeeded in reducing their currency affairs to order. A gold standard obtains in many countries, including Great Britain, Holland, Germany, Belgium, Switzerland, Austria, Hungary, Czecho-Slovakia, Sweden, Finland, Latvia, Esthonia, and Lithuania. But the buying and

selling prices of gold in many of the countries, even if officially quoted, become effective only when the authorities are content to make them so, and gold transactions, when desired, become a matter for negotiation. It is understood that Denmark will return to the gold standard as from January 1, 1927. The serious attempts being made by France to deal with her currency problems are being watched with sympathetic interest.

Indian Gold Imports.

During the calendar year 1926, the net import of gold into India was very much less than that of 1925, which constituted a record. It will probably be found to be about £17,100,000, as compared with about £45,600,000 in the previous year. The export of gold from this country to India included £1,942,549 in bars and £630,069 in sovereigns, and from South Africa £7,144,826 in bars and £2,689,000 in sovereigns. Owing to the drastic currency changes in prospect, it is more than usually difficult to forecast the future gold absorption by India.

Canadian Production.

The gold mining industry of Canada is of considerable interest, not only because of its substantial contribution to the gold output of the world, but also because of its importance to Canada herself. The gold production of Canada in 1925 was 15.8 per cent. of her total mineral output in value, and was only exceeded by that of her coal production.

The Province of Ontario in 1925 produced 84.2 per cent. of the Canadian gold total, and the immediate prospects of increasing figures are very promising. The improvement in the province has been phenomenal—from 9,096 ounces in 1903, to 1,461,039 ounces in 1925. The production of British Columbia dates back some 70 years, but development has been slow, though distances in that province are so great that improvement may be looked for with some confidence.

The Yukon, which promised so well in 1900 with a yield of over 1,000,000 ounces, has reduced its contributions year by year to 47,817 ounces in 1925. This output, derived mostly from alluvial deposits, is naturally more uncertain than extraction from mining operations where gold is found in conjunction with other metals. Some other provinces add to the Canadian total, but their rock formations are less favourable to the occurrence of gold.

Silver.

The tendency of the silver market in 1926 was unmistakably downward. The helpful factors that made for steadiness began to weaken and even to disappear, so that it became apparent, almost before half the year had run its course, that silver was distinctly losing the buoyancy shown in the last few years. The reason was not far to seek. China and India, the great silver absorbing countries, had now to bear almost the whole weight of supplies, to which, in recent years, production alone has contributed some two hundred and forty million ounces. During part of the preceding decade the two countries had difficulty in supplying their demands, so that when supplies were more plentiful they absorbed with such freedom that their markets became satiated, and, as a consequence, prices failed to possess resilience.

The pronounced decline in the last half of the year was mainly owing to the recommendations of the Commission on the Indian Currency, whose report was made public on August 4. It was rumoured in the Indian bazaars that the finding would not be favourable to silver, and the price fell about a penny before its publication.

The Commission advised that the paper currency should cease to be legally convertible into silver coin, and that the silver holding in the Reserve, which on April 30, 1926, stood at 85 crores, should be reduced to 25 crores (on the basis of the then circulation) during a transitional period of 10 years. (The proportion of silver to the note circulation was then 46 per cent.—at the close of the year, December 31, it had risen to 57 per cent.) The recom-

mentations suggested the possible sale of rupees as bullion, if not absorbed into circulation, and postponed indefinitely future coinage. The adoption of these suggestions by the greatest silver using country in the world would obviously constitute a new adverse factor which could not be ignored.

Falling prices further augmented visible supplies in China—the only important country where silver forms the basis of currency—so much so, that a consignment of about 6,000,000 ounces in bars was sent to this market for disposal in July. It is many years since Shanghai shipped silver to London—on the last occasion it was in the form of sycee—though frequently silver has been transferred from China to India when the latter market was the more favourable. This unusual movement was a danger signal too plain for any to disregard. Bears commenced active operations, often closed but again reopened, with the result that each month recorded a lower average price. Some sales of French demonetised coin, in October and November, coincided with the decline, and the lowest quotations of the year were reached in the former month.

Reason for Heavy Decline.

The fact that the value of silver, after fluctuating for three years either side of 31d., should have fallen so suddenly and heavily needs some explanation. Sentiment alone is often the most potent factor in the silver market. The amount of silver which comes into the market from production or other sources represents but a fraction of the silver bought and sold daily in the London Market. The bulk consists of silver which figures upon previous or fresh contracts for forward delivery. China exchange operations also are tantamount to buying or selling silver, and daily dealings in Shanghai, etc., are often many times larger than London silver contracts. Hence, on a given day, London silver contracts and China exchange contracts may easily total twenty-five times the value of that day's silver output throughout the world. Hence the sentiment which dictates these orders—in other words the attitude of bulls and bears—may actually have much more to do with the world value of silver than transactions based on the mining output of the day.

Speculation in the China exchanges, and in silver for forward delivery on account of the Indian bazaars and China, when large enough, can, by a preponderating pressure from bulls or bears, raise or lower the quotations effectively for long periods; for, given the necessary courage and persistence, a possible future factor can always be discounted by operators in advance. The Report of the Indian Currency Commission, foreshadowing possible sales of silver in the future, discouraged the bulls and encouraged the bears, thus creating an unhealthy atmosphere, although the balance of actual supplies and absorption had not yet been disturbed. Failing important coinage orders, which might have stemmed the collapse, the market failed to be more courageous at 25d. than it had been at 30d.

The highest prices during the year were recorded on January 4, namely, 31 13/16d. for cash and 31 3/4d. for two months' delivery; similar figures were fixed for cash on January 7, 8, and 9, and for two months on January 2. The lowest prices were recorded on October 20, namely, 24 1/2d. for cash and 23 7/8d. for two months' delivery. The former was the lowest since November 1, 1915—at that time no quotation was fixed for forward delivery. We append a comparison of the annual extreme fluctuations during the years 1920 to 1926.

	Cash Delivery	Two Months' Delivery
1926	... 7 11/16d.	... 7 3/4d.
1925	... 2 8d.	... 2 8d.
1924	... 4 9/16d.	... 4 7/16d.
1923	... 3 3/16d.	... 2 3/4d.
1922	... 7d.	... 7 7/16d.
1921	... 12 3/4d.	... 13d.
1920	... 50 3/4d.	... 48 3/4d.

It will be observed that no such wide movement has taken place since 1921, when the price was returning to a more

normal level after the record high year of 1919, with its peak at 89 1/2d. for cash and 87 3/4d. for two months' delivery.

Silver and Gold Ratio.

Large as these variations appear, they are but slight compared with the change, in the value of silver as measured in gold, during the lapse of fifty centuries. Within a tomb discovered during the year on the slope of a low hill close to the village of Dendra in Greece, and reputed as more ancient than 3,000 B.C., lay the bodies of a king and a queen.

As the last procession wound its way in regal state, the most precious possessions of the pair were borne to be interred within their tomb. There—after long ages—have they been brought to light. On the breast of the king lay a magnificent golden cup, cunningly chased with what we might almost call a submarine seascape. On the lower part of the king's body lay two silver vases, a gold cup sheeted with silver on the outside, and a bronze vessel. At the other end of the pit lay the queen, and on her breast another splendid gold cup, its outside covered with silver, on which are five bulls' heads inlaid with gold, bronze, and black silver.

The composition of these vessels confirms the statement of Agatharcides (181-145 B.C.) that some thirty centuries before his day ten ounces of gold were worth one ounce of silver, for these gold articles were adorned with silver. During these five thousand years, the ratio—alas! for bimetalism—has been astoundingly reversed. To-day ten ounces of gold equal 376 ounces of silver, and we naturally do not embellish gold with silver, but silver with gold.

Chinese Politics.

The internal affairs of China—a great silver using country—continue in a state of apparently hopeless entanglement. Military leaders have come into prominence and retired into obscurity. Chinese campaigns have been lost and won, being often decided by subtlety, not force. Despite the use of modern weapons—aero planes and suchlike—a strange air of unreality pervades military operations in China. A telegram was published in *The Times* of August 28 that "Kiangnan arsenal here is working overtime producing ammunition and considerable quantities of straw sandals and umbrellas for the troops."

The disturbances caused by contending war lords, however, are mainly local, and the great life of China pursues the even tenor of its way. Trade is sometimes hindered for a while, as during the Cantonese boycott, but trade returns, as a whole, are little affected by the internecine strife. Indeed, the tendency is towards higher figures than ever, so materially prosperous are the masses of the people. Unrest in the neighbourhood of the disturbances is still preventing the free flow up-country of specie, which is retained at the treaty ports for safe custody in increasing quantities.

Chinese military operations are financed on lines not dissimilar from those practised in the West during the Great War, though more drastic. For instance, the paper currency or "fengpiao," forced into circulation around Mukden, gradually fell to a heavy discount as against silver. When it touched 5.80 to the Mexican dollar in July last, Marshal Chang Tso-lin took the matter in hand and gave orders that his dollar must improve 50 points a week. The exchange market not responding as quickly as he wished, the Marshal is reported to have arrested several exchange brokers and merchants, who, after arraignment before the Marshal himself, were condemned to death, and shot or strangled offhand. The methods of the Marshal met with such speedy success as must rouse the envy of some Finance Ministers in Europe, for his dollar promptly doubled in value.

Net imports into China during 1925 were estimated at 68,000,000 standard ounces, as compared with 28,300,000 in 1924. In 1926 the amount will probably be found to be also substantial. It is possible that the capacity of China to import silver may increase as its gold value depreciates, but actual absorption will possibly be a slow process.

Indian Prosperity.

The *ability* of India to absorb during coming years an increased proportion of the world's silver output for industry depends upon a continuance of her present favourable conditions. The fact that the rainfall of 1926 may be regarded as a 16-anna monsoon is an encouraging feature. The *willingness* of India to do so, however, is another question, which we shall discuss later. Details from the latest official returns show the remarkable wave of prosperity upon which Indian fortunes are now being borne.

Considering the large figures involved, the increase in India's foreign trade is striking, and a very sound index of her satisfactory participation in the profits derived from international intercourse.

The success of the co-operative movement in India is very marked, and indicates a very healthy advance in social conditions. During the nine years 1915-16 to 1923-24 the total of societies, members, share capital and loans have increased roughly 300 per cent., and the reserves of the societies appreciably more.

The healthy state of Indian internal trade is shown by the railway returns. Notwithstanding that the mileage has only increased 4 per cent. in the decade ending 1924-25, the net earnings have improved by 46 per cent. The average passenger rate per mile in 1924-25 was 3.47 pies, say $\frac{1}{4}$ d., for 3rd class, and for goods 6 pies, or $\frac{1}{2}$ d. per ton, charges so reasonable that residents in this country may well take note!

Indian Bullion Movements.

The importation of silver into India during 1926 may be found to exceed that of 1925, which constituted a record. India's power of absorbing silver depends upon the price of the metal. A point of saturation must always exist, and the very heavy net imports of 1925 and 1926 suggest that, unless demand be stimulated by further falls in price, importation may begin to slacken, for, be it remembered, the demand is not for currency, but for trade, and the use of jewellery cannot be indefinitely expanded, even though prices become still more tempting.

Further, in considering the prospect of India future consumption of silver, the possible inducement to the peasant—when once the currency is placed upon a gold bullion basis—to hold his scanty reserves in the form of a gold saving certificate, a security bearing interest and convertible at will into a readily exchangeable commodity of stable value, must be taken into account. It is reasonable to suppose that in course of time the ancient silver customs will be affected by changing circumstances, and that the people of India will make such use of new State facilities for saving as to diminish the practice of hoarding in silver, though their strong liking for the use of silver for jewellery and other ornamental purposes will continue.

Price and Output.

Movements to the present price level are not likely to affect materially the output of the world. When the bulk of supplies was derived from purely silver mines a close connexion existed, but such mines are now few in number. Nowadays smelting and refining are conducted upon such scientific lines that the silver traces—of more or less extent—found in lead, copper, and zinc ores furnish by far the most important quota to the world's output. The base metals after various processes are turned out in an almost pure state, and the expense of extracting the silver, an inherent part of a mechanical process, does not enter into the calculation. Science has been constantly discovering new methods of dealing with refractory ores, and in recent years contributions have been made to silver supplies hitherto untapped.

Some important mines, anticipating a lower level of silver prices—have been contemplating a less specialised treatment of low grade ores, and leaving some small quantity of silver in the base metal sent to market; this may result in reducing production by a small percentage. Keen efforts, however, will undoubtedly be made by mines, whose main support is silver production, to go on working as long as possible, even under adverse circumstances, by cutting down costs wherever possible and by more economical and scientific working.

United States producers do not look for any great contraction of output from the above causes, but the returns from Burma mines may show some falling off. The Canadian output, which shows an increase, notwithstanding the falling prices of 1926, may be maintained even in more adverse circumstances. Mexico is trying to avoid shrinkage, for it is proposed to ease the silver mining industry by lowering taxation if a lower level of quotations is reached. On the whole we do not anticipate any large reduction of world output in 1927, even if the price should be driven to a decidedly lower level than that which has ruled during the last three years.

FORTHCOMING SAILINGS.

The following are the sailings for the Near East and India, the ports of departure and closing dates for cargo being given in parentheses:—

Anchor Line.—S.s. Tarantia for Bombay (Birkenhead, January 31). (For passenger sailings and dates see advertisement.)

Anchor Brocklebank Line.—S.s. Malakuta for Port Said, Colombo, and Calcutta (Birkenhead, February 5).

Bibby Line.—S.s. Shropshire for Port Said, Colombo, and Rangoon (Birkenhead, February 9).

British India Line.—S.s. Mandala for Bombay and Karachi (London, February 5); s.s. Manela for Colombo, Madras, and Calcutta (London, February 12).

Cunard Line.—S.s. Brescia for Gibraltar, Malta, Patras, Piræus, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza, also Algiers and Volo if inducement offers (Swansea January 27, Liverpool January 29); s.s. Cyprus for Gibraltar, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Corfu, Bari, Gruz, Venice, Trieste, and Fiume, also at Ancona if inducement (Liverpool February 19, Swansea February 22).

Johnston Line.—S.s. Quernmore for Piræus, Volo, Salonika, Smyrna, Constantinople, Bourgas, Varna, Constantza, Sulina, Galatz, and Braila (first steamer of the season for the Danube) (Liverpool, February 5); s.s. Jessmore for Piræus, Volo, Salonika, Bourgas, Varna, Constantza, Sulina (Liverpool, February 12), also Galatz and Braila, closing February 17.

P. and O. Line.—S.s. Ranpura for Bombay (London, February 4); s.s. Novara for Colombo, Madras, and Calcutta (London, February 5).

Prince Line.—S.s. Syrian Prince for Tunis, Malta, Alexandria, Jaffa, Haifa, Beyrout, and Cyprus (Manchester, February 4).

Ellerman and Papayanni Lines.—S.s. Kioto for Malta, Alexandria, Jaffa*, and Haifa* (Liverpool, February 2); s.s. Gerano for Gibraltar, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Gravosa, Ancona*, Venice, Trieste, and Fiume (Liverpool February 5, Swansea February 8); s.s. City of Lancaster for Gibraltar, Malta, Alexandria, Jaffa*, and Haifa* (Liverpool, February 9); A steamer for Gibraltar, Malta, Alexandria, Jaffa*, and Haifa* (Glasgow, February 12); s.s. Andalusian for Gibraltar, Malta, Patras, Smyrna, and Constantinople (Liverpool, February 12); s.s. Flaminian for Algiers*, Malta, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, Varna and Constantza (Liverpool, February 26). * Subject to sufficient inducement. Transshipments.—Algerian ports via Algiers; Moroccan ports via Gibraltar; Tripoli (Barbary) via Malta; Syria and Cyprus via Alexandria; Greek outports via Piræus or other convenient port; Fiume via Trieste.

ANCHOR LINE

LIVERPOOL TO BOMBAY.

KARACHI via Bombay, calling at Gibraltar and Egypt.

LARGE STEAMSHIPS. UPPER DECK CABINS.

MODERATE FARES.

RECOGNISED BY INDIAN GOVERNMENT.

Indian Government Vouchers accepted.

Passenger sailing dates:—

*ELYSIA ...	Feb. 4	*CIRCASSIA ...	Mar. 4
*ASSYRIA ...	Feb. 15	*BRITANNIA ...	Mar. 19

*First class passengers only. Specially low fares.

SPECIAL NOTICE.

New T.S.S. California, 17,000 tons, carrying 1st, 2nd and 3rd class passengers, sails from Liverpool Oct. 26; Marseilles Nov. 1.

ANCHOR LINE,

48, FENCHURCH STREET, LONDON, E.C.3.

THE EMPIRE AND THE OIL AGE.

Address by Sir John Cadman.

Sir John Cadman, K.C.M.G., chairman-designate of the Anglo-Persian Oil Company, was the chief guest at a luncheon given by the Royal Colonial Institute on January 18 at the Cannon Street Hotel. Sir Hamar Greenwood, Bart., M.P., presided.

Sir John Cadman, in the course of an address on "Oil from the Empire Point of View," said that it was reasonably safe to predict that the "to-morrow" of petroleum, using the word "petroleum" in its most comprehensive sense, would far outshine even the brilliance that to-day attended its achievements. Aviation, and particularly the adaptation of the airship and the all-metal aeroplane and flying-boat, would shortly herald the arrival of an important new stage in transport. Remarkable as might have been the marine use of oil during the last fifteen years, there were indications that by the development of new processes and of more economical methods they would shortly enter upon a much more scientific phase in the use of oil.

What would be the ultimate fate of petroleum in relation, say, to the destiny of coal as a producer of power? More than once he had recorded his conviction that, except within narrow limits, what had been called "the profound antagonism" of coal and oil was really a profound illusion. Even at present the two were very largely complementary, and he expressed disagreement with the view that the revival of coal in this country would sound the death-knell of the other new industry. He thought they would find, as time went on, that except where coal possessed advantages in its natural state, it would tend to embrace and adapt the technical processes already far advanced so far as petroleum was concerned. Again, processes still in the experimental stage might win through to proved success. Thus they would come to welcome the dawn of a new era in which comparable oil products might well be obtained from coal as from natural oil. Under those circumstances it would be possible for coal of the required characteristics—and by that he meant the great bulk of their potential coal production—to enter the refining plant in its solid form; by far the greater part of its calorific value and

potential power would then be extracted and carried off in universally convenient liquid or gaseous form, leaving as a solid a residue of no heating value.

The catalogue of mineral resources within the Empire made but scant reference to petroleum. India, Trinidad, and Sarawak were the only countries that produced it in considerable quantities, and the aggregate of their entire output was relatively small; in fact, it did not exceed 2 per cent. of the world output. At the other end of the scale was the United States, producing from its own oilfields in 1926 something like 70 per cent. of that total. Exploration throughout the Empire would press forward unceasingly, but in the light of the knowledge they possessed to-day, they were not entitled to look for results comparable to those of the United States. The great world work of the Shell group in peace and War was, he thought, well comprehended by observers in this country. He was sure the members of the club would join with him in expressing deep sympathy, on Lord Bearsted's death, with the members of his family, and with the Shell organisation. He was a great figure in the world of oil and a great citizen of London.

Sir John Cadman went on to refer to Lord Fisher's enthusiasm for oil and to the great contribution made by Mr. Winston Churchill to the evolution of the present oil era. But for the timely participation of the British Government, he declared, it was probable, almost certain, either that the Anglo-Persian Oil Company would have been compelled to pursue its development in a restricted, a hasty, and therefore a wasteful manner; or, alternatively, there must have loomed the peril of its control passing to hands definitely alien from Britain. True, there would have remained the Burmah Oil Company—a pillar of real strength. When all was said, there would appear to be ample materials to justify a conclusion that in future public opinion would applaud the candour, the foresight and the true statesmanship which, finding British supplies of oil dangerously exiguous, did not hesitate to take a hand in the development of that great centre of supply.

It might be of interest to inquire whether there were not circumstances in which their interests could be advanced as actively in foreign countries as within the limits of their own Dominions. Who, for instance, would attempt to assess the value of proving to Persia the benevolent effect of British activity? In that country British energy and British capital had been successfully mobilised to stimulate and to crown the efforts of the inhabitants themselves. The engineers of the Anglo-Persian Company first arrived in South-West Persia to find a rocky wilderness equipped with none of the apparatus of modern civilisation, and so inaccessible that normal methods of transportation were ruled out. To-day, that region had become a flourishing area of industrial activity, with comfortable bungalows and other dwellings, many miles of first-class roads, electricity for lighting, gas for cooking and heating, and abundant supplies of pure water. About 25,000 people were employed in the oil industry there, the very great bulk of whom, but for 1,000 Europeans, were of Persian nationality; and if those dependent on wage earners be included, a total of some 150,000 Persians was involved. Obviously, all that represented a great stabilising influence in the country. Further, a well-sustained effort was being made to give technical training to Persian youths and also to assist in providing educational facilities, not only in the areas of the company's operations, but also at the capital of Persia and elsewhere in the country.

With the best will in the world, relations with a foreign Power could never be free from occasional ambiguities and misunderstandings. It might well be that, even to this day, many Persians did not yet entertain a sufficiently clear idea of the favourable significance of those activities. Fortunately, however, there were also very many who did. He need hardly add that it was a prime factor in the Anglo-Persian Company's policy to do all it could to maintain the friendliest understanding with the Persian Government and people, and he felt confident that the longer its association with them and the more they saw of the effects of its

INDIAN AFRICAN SERVICE

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Information for Freight and Passage may be obtained from the following:—

RANGOON—J. & F. Graham & Co.
CALCUTTA—Andrew Weir & Co.
COLOMBO—Skrine & Co.
BEIRA—Beira Shipping Agency.
DELAGOA BAY—John T. Rennie & Sons.
DURBAN—Andrew Weir & Co.
EAST LONDON—Messrs. Dunn & Co.
PT. ELIZABETH—Mackie, Dunn & Co.

MOSSEL BAY—Messrs. E. Searle & Co.
CAPE TOWN—Thomson, Watson & Co.
HONG KONG—The Bank Line, Ltd.
BANGKOK—Siam Forest Co., Ltd.
SINGAPORE—Huttenbach Bros. & Co.
MAURITIUS—Adam & Co.

LONDON—ANDREW WEIR & CO., 21, Bury Street, E.C.3.

operations in their country, the more pride they would feel in the great industry that had sprung up in their midst.

A concluding word must concern this country where, after all, the Anglo-Persian Oil Company occupied a place, although not a dominant place, in the counsels of those who controlled oil distribution here. The central feature of the Anglo-Persian Oil Company, for weal or for woe, was, of course, its altogether British character in ownership, in control, and in the spirit of its every operation, but it was not an instrument of government to be employed in attaining political objectives. It was a purely commercial industry, conducted for strictly commercial ends on severely commercial lines.

The Near East Markets.

AN ANNUAL JAFFA ORANGE SHOW.

Encouraged by the success of the show held last year, the Committee have decided to place the Jaffa Orange Show on a permanent basis and to organise an annual show.

This season's show, which H.E. the High Commissioner has consented to open, will be held on February 17, 18, 19, and 20. Owing to the large number of exhibits received last year and the general interest taken by the

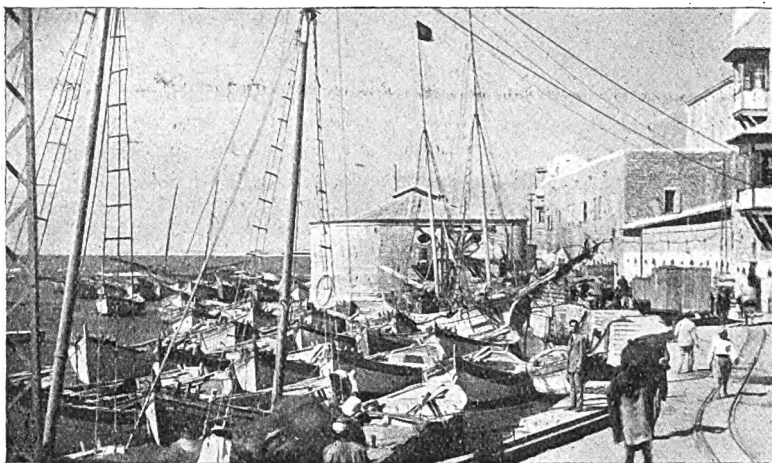
early sowings germinated unusually well and an increased area of cereals is anticipated. On the other hand, the remainder of the second flush of cotton sustained damage directly from the rain, and unopened bolls were also subjected to fungoid attack favoured by damp conditions. Grazing is unusually plentiful and stock generally are in good condition.

Little progress was made with cotton picking owing to rains. The deliveries of seed cotton to the ginnery of the British Cotton Growing Association, up to the end of November, totalled 3,720,038 lb., equal to approximately 2,325 bales of 400 lb. lint., as compared with 1,883 bales for the same period in 1925 and 2,000 in 1924.

Over 200 tons of seed wheat of four varieties selected by the Department of Agriculture have been disposed of to cultivators; this having been made possible by the generous co-operation of the British Cotton Growing Association, who have financed the transactions. These wheats, which, with hundreds of other varieties, have undergone rigorous comparative tests for 6 years at the Government Experimental Farm, Rustam, are acknowledged by growers to be much superior to types commonly grown in the Iraq, and their steady propagation should add to the prosperity of the country.

At the Government Experimental Farm, Rustam, sowing of cereals, linseed and flax was much interrupted by rains but satisfactory progress was made. Practically all cotton pickings were suspended, and the yield from the

**Jaffa :
The Customs
House.**



**View of
the
Port Traffic.**

trade, the Committee have decided to engage the Exhibition Hall of the Palestine and Near East Fair at Tel-Aviv. A large number of valuable prizes will be offered, and it is expected that, not only for the growers and those otherwise interested in the cultivation of citrous fruits in Palestine, but also for the public generally, the show will be the great event of the year.

Both the twin cities of Jaffa and Tel-Aviv now enjoy excellent hotel accommodation, and there are already indications to show that many visitors to Egypt will avail themselves of the opportunity offered by this season's show to spend a few days in the Holy Land.

Visitors who desire to be present at the official opening, are requested to apply to the Hon. Secretary, Jaffa Orange Show, District Offices, Jaffa, who will be pleased to send them the necessary entrance tickets.

AGRICULTURE IN IRAQ.

The official report on agricultural conditions in Iraq for the month ended December 15 states :—

The last three weeks of November were characterised by a most unusual rainfall; at Hinaidi no less than 6.24 inches were recorded, falling on 14 days, whereas the average for November during forty years is 0.84 inches. It is interesting to note, however, that at Mosul the rainfall during the month was only 3.43 inches.

There was great activity in cereal sowings throughout the country whenever land became dry enough to plough,

second flush will be very light owing to rain damage.

Preparations for an intensive campaign against locusts in the areas invaded this year are in active progress. The main line of attack will be by the scattering of poisoned bait over swarms of hoppers; materials are now being delivered to locust areas and arrangements made for further distribution.

The July to November exports of wheat from Basrah were 860 tons and of barley 27,959 tons; total 28,819 tons as compared with 840 tons for the same period last year. The August-November exports of dates from Basrah were 67,950 tons valued at Rs.1,47,15,600 as compared with 129,888 tons valued at Rs.1,69,90,160 for the same part of last year's season. The July-November exports of wool from Basrah were 2,713 tons in 1926, and 6,589 tons in 1925.

SMYRNA FRUIT MARKET.

Messrs. C. J. Giraud and Co., report as follows under date January 12 :—

The arrivals of sultanas up to December 31 are estimated at 29,222 tons and the sales to date are put at 28,207 tons.

Owing to the holidays it has not been possible to obtain before this date the complete figures of shipments and stocks as at December 31, given above. Total stocks now remaining in this country are estimated at between 2,000 and 2,200 tons. Low grades are practically unobtainable. Type 13 is scarce, and the bulk of fruit now

on the market consists mainly of 14 and 15 grade qualities. The demand showed a gradual improvement throughout December and prices advanced, showing a gain of about 7s. (fl.7) since early December. Closing prices c.i.f. U.K. to-day are:—Type 13, 63s.; type 14, 65s.; type 15, 67s.; type 16 96s.; type 17, 73s.; nominal. We give the price of 17 as nominal as this grade is now practically exhausted.

The arrivals of figs up to December 31 are estimated at 28,742 tons, and the sales to date are put at 28,316 tons.

Cotton and Cotton Goods.

THE LIVERPOOL COTTON MARKET.

Messrs. Reynolds and Gibson report as follows for the week ended January 19:—

Egyptian Futures.—Sakel Contract.—Since we last wrote, values in this market have shown a steady appreciation, and judging from the undertone at present in evidence the movement appears likely to continue. The chief influence in operation at present is the more active measure of trade support accorded, and in addition to this we have had the backing of advancing American markets, which certainly exercise a sentimental effect, although, strictly speaking, bearing little relation to the to the cotton covered by this contract. In contrast to the last two or three weeks, during which the market was called upon to digest some heavy selling orders, there has latterly been little pressure, as, apart from the customary profit-taking operations on a rising market, contracts have been at times rather difficult to purchase in quantity without causing a distinct stiffening in values. With Alexandria generally showing a somewhat poor response to the course of values at this side, we have commenced to regain in part some of the premium at which we are entitled to stand above the overseas market. Reports indicate that a good deal of undesirable and poor quality cotton is now in stock in Alexandria, and the fact that their contract may have to bear this cotton would seem apparent judging from the discount to which the near positions have now worked down.

Local trade reports continue to be encouraging, and spinners are operating more freely in the raw material than has been their custom for a considerable period. We understand that Lancashire is now receiving, apart from the flow of orders from customary sources, a steady demand from the Continent, where, owing to the cost of production and adverse rates of exchange, they can undercut local producers.

To sum up, we maintain our view of the outlook. The continued improvement in the trade offtake justifies a further rise in values, if not in the immediate future, at least during the later spring months. This being the case, we think that purchases at round the present level, or preferably on any reaction, should the opportunity occur, are to be advised.

Upper Contract.—We have again to report a further advance in values in this market; at the same time, it must be confessed that the appreciation witnessed has not been commensurate with the firming up witnessed in other markets. Probably, this is due to the fact that our difference over competitive cottons has now widened to the extent to check, at any rate for the time being, any further decided upward tendency. Trade reports rather bear this out, as we are informed that margins on to-day's basis have lost a great part of the attractiveness they offered a few weeks ago. This does not debar us from the view that ultimately further price advances will be witnessed.

Egyptian Spot.—A steady, if somewhat slow, improvement has again occurred and, on the whole, conditions have ruled very similar to those of the previous week.

A series of remarkably steady American markets has again attracted more buying by the trade, and reports from Manchester and district have been sufficiently good to indicate that a considerable volume of business is now

being transacted up-country. So far, these reports have dealt chiefly with the American side of the trade, and, at the moment, there is undoubtedly some difficulty in bringing together buyers and sellers of Egyptian yarns. Nevertheless, it is not disputed that there is big business about in Egyptian counts for those who can arrange terms. Spinners are apparently showing a firmer front.

The sales of ordinary Egyptian show but a slight increase on those of the previous week (an average of approximately 200 bales per day), but it must be borne in mind that Sudan cotton is now being used very largely in lieu of Sakellaridis and, if the Sudan sales are included (as they should be), the daily average of spot sales for the past two weeks is brought up to 1,100 bales, a figure which can only indicate that a much improved trade is taking place and that spinners regard the current level of prices as being a reasonable one.

The local inquiry for Sakel cotton has continued on moderate lines only, but here and there a welcome increase in interest has been noted. The low qualities particularly are still much in favour in certain quarters. The best qualities have been comparatively neglected. Prices have hardened. A very steady trade has continued in Uppers, chiefly for the Strictly Good Fair to Fully Good Fair qualities, at from 9½d. to 10½d. A considerable inquiry exists for Low Uppers at from 7½d. to 8½d., but there is little offering here at these prices. Pilon has been entirely neglected, but a small inquiry for White Egyptian has recently been noticeable. As we have mentioned above, the bulk of the business has been done in Sudan cotton, both Sakel Seed and American Seed showing a good turnover on the week.

C.i.f. business has remained quiet. Forwardings to spinners for the week ending 14th inst. were returned as 9,803 bales Egyptian and 2,500 bales Sudan. Estimated sales 1,100 Egyptian and 5,450 bales Sudan. Quotations of Sakel have been advanced from 40 to 65 points and those of Uppers 35 points. F.G.F. Sakel 13.95d. F.G.F. Upper 10.55d.

NEW COMPANY.

Yugoslavian Developments has been registered as a private company with a nominal capital of £4,000 (3,500 ordinary of £1 each and 10,000 preferred of 1s. each). The objects are to adopt an agreement with E. Y. M. Schwarz and to carry out all kinds of financial operations in Yugoslavia and other countries other than ordinary banking business. E. Y. M. Schwarz is permanent director so long as he holds 500 ordinary shares. The registered office is at 66, Victoria Street, S.W.1.

FOREIGN EXCHANGES.

Country.	Method of Quoting.	Parity of Exchange.	Latest Quotations.
Alexandria.....	Piastre to £	97½	97½
Athens	Drachmæ to £ ...	25.22½	373½
Belgrade	Dinars to £	25.22½	275½
Berlin	Marks to £	20.43	20.49½
Berne	Francs to £	25.22½	25.16
Bombay	Sterling to Rupee	24d.	18-3/64—5/64
Brussels	Belga to £	35	34.90½
Bucharest	Lei to £	25.22½	927½
Budapest	Pen to £	27.82	27.70—27.80
Calcutta	Sterling to Rupee	24d.	18-3/64—5/64
Constantinople	Piastres to £	110	955—970
New York	Dollars to £	4.86 2-3	4.85 5/16—11/32
Paris	Francs to £	25.22½	122.7/16—½
Prague	Kronen to £	24.02	163½
Rome	Lire to £	25.22½	112
Sofia	Leva to £	25.22½	667—680
Teheran	Krans to £	52	51
Vienna	Sch to £	34.58½	34.40—34.45
Warsaw	Zloty to £	25.22½	42—45

Company Meeting.

BARCLAYS BANK (DOMINION COLONIAL AND OVERSEAS).

Development of Activities.

Mr. F. C. Goodenough's Speech.

The adjourned ordinary general meeting of Barclays Bank (Dominion Colonial and Overseas) was held on January 21 at the Cannon Street Hotel, E.C.

Mr. Frederick Craufurd Goodenough (the Chairman), in his speech in moving the adoption of the report and accounts, said:—This is the first balance-sheet of the combined institution, and is one which we present with considerable satisfaction. Our deposits exceed £50,000,000, while our assets show a satisfactory degree of liquidity. Cash in hand and at bankers and gold bullion exceed 16 per cent. of the deposits, bills discounted exceed £14,000,000, or 27 per cent. of deposits while investments at over £6,000,000 represent another 12 per cent. Advances to customers are under 44 per cent. of the deposits.

Profit and Loss Account.

The profit and loss account to September 30, 1926, includes the profits of the Colonial Bank and the Anglo-Egyptian Bank, Ltd., as from July 1, 1925, and those of the National Bank of South Africa, Ltd., as from April 1, 1925. I should like to emphasise that this covers from 15 to 18 months' profits of the bank. The net profit, after making full provision for rebate, bad and doubtful debts, and staff bonus, amounts to £637,020. To this must be added the Colonial Bank's carry-forward at June 30, 1925—namely, £27,330, making a total of £664,350.

We have written off the non-recurring expenses of the amalgamation, and have made appropriate provision for income-tax. The reserve fund has been increased by £100,000, to £1,100,000, a step which I am confident will meet with general approval. A final dividend on the Eight per Cent. Preference shares is proposed, covering the period April 1, 1926, to September 30, 1926, and the Board recommends a dividend of 3 per cent. on the "A" and "B" shares, less income-tax, leaving a balance of £114,294 to be carried forward.

The consolidation of this institution with its widespread branches and the co-ordination of the various organisations have been no easy task, and the Board desire to acknowledge the valuable assistance and cordial co-operation of the various local Boards of the different sections of the bank, and to pay tribute to the general manager, Mr. Caulcutt, the assistant general managers and the managers of the various sections, and to the staff for the rapid and efficient manner in which the various component parts of the institution have been brought together.

I have much pleasure in stating that Mr. A. M. Mostert has accepted an appointment to the local Board in South Africa, which Board has the advantage of being presided over by Mr. Leisk, whose co-operation in South Africa is of inestimable value to the bank.

It is our intention to establish a local Board to watch over our interests in Egypt.

Mr. W. O. Stevenson, foreign general manager of Barclays Bank, Ltd., has been appointed a member of the London Committee.

It was felt that the arduous work of the staffs should receive some tangible acknowledgment, and the Board therefore granted a bonus to the staffs of the National Bank of South Africa and the Anglo-Egyptian sections, the staff of the Colonial Bank having already received their bonus in October, 1925.

I desire to take this opportunity of informing our shareholders and clientele that this bank is now equipped to act as executor and trustee, and offers its services in these capacities to its customers.

Union of South Africa.

The transfer of the business of the National Bank of South Africa, Ltd., has been carried through in a satisfactory manner, and has been well received by the customers of the bank. The business of the bank in South Africa is expanding, and there are already indications that the amalgamation, with its provision of larger resources and wider organisation, will prove to be for the mutual benefit of the Dominion and of the bank.

The production of gold continues to increase. In 1925, £40,800,000 worth was produced, or just one-half of the world's production. The output for 1926 was £42,300,000, which exceeded the output for the

previous year by £1,500,000, and constituted a record in volume in the history of this industry in South Africa.

The production of diamonds continues to increase, particularly of alluvial diamonds, now aggregating nearly £500,000 per month. The increase is largely due to the discoveries in the Lichtenburg district, Trafsvaal. These alluvial discoveries attract large populations, principally drawn from agricultural areas.

The total exports of South Africa for the first nine months of the year 1926 amounted to £57,000,000, a decrease of £3,000,000 compared with the corresponding period of 1925, which is more than accounted for by the diminished crop and the fall in wool prices.

The imports during the same period totalled £54,000,000 (an increase of £4,750,000), of which textiles and metal goods (machinery, etc.) provide the greater portion; 65 per cent. of the imports came from the United Kingdom and British Possessions.

The commercial and agricultural prospects of the Union are encouraging. Good rains have fallen over most parts. The manufacturing industries are, however, disturbed by the awards announced by the Wages Board, which are alleged to threaten the existence of the industries in question, but the Government has postponed confirmation of the awards until the position has been re-examined.

Northern and Southern Rhodesia.

In spite of the gradual decline in the gold production of Southern Rhodesia, reports from the territory are encouraging, owing to the good crops of tobacco and maize which have been harvested during the past twelve months. A good export trade in these products is being established, as well as in the export of beef through Union ports.

Copper developments proceed in a most promising manner, and production on a large scale is taking place in Northern Rhodesia.

Your Board is giving careful attention to the question of providing extended banking facilities in East Africa. Certain points in Kenya and Uganda have already been decided upon for the establishment of branches.

There has been a rapid increase in the production of such commodities as cotton, coffee, oilseeds, etc. For instance, Uganda, which in 1909 produced 5,000 bales of cotton, exported in 1925 196,000 bales, and as more than two-thirds of that country's native population of 3,000,000 are engaged in agriculture the prospects of still larger production are favourable when the railway taps the cotton areas in the south-east.

The principal West African colonies, Nigeria and Gold Coast, continue to show expanding trade returns. The total imports and exports of Nigeria for 1925 showed an increase of £5,000,000, or 19 per cent. over the figures for 1924, and Customs duties collected during that year were the highest on record, not forgetting the inflation period six years ago.

In the Gold Coast, as well as in Nigeria, high prices are being paid for cocoa, which should help in turn to give the import trade a much-needed stimulus. The export of cocoa from the Gold Coast for the year 1926 has reached 226,000 tons, which is a record.

I cannot turn from British West Africa without congratulating Mr. Ormsby-Gore, Under-Secretary for the Colonies, upon his report on his visit to these colonies, which contains a wealth of valuable information upon the present position of that part of our Empire.

Egypt, Etc.

The fall in the price of cotton has had its inevitable effect upon the commerce and conditions of Egypt. Although the 1925-26 crop was 700,000 kantars (a kantar is, say, 100 lb.) larger than the 1924-25 crop, yet its value showed an enormous decrease.

In order to alleviate the position of the cultivators, the Government have set aside from their general reserve a sum of £E4,000,000 to be advanced to them against their cotton, through the medium of the principal banks in Egypt, at 4 per cent. per annum. Further, a law has been passed limiting the cotton area during the three years 1927-29 to one-third of every holding, and cultivators have been warned that this limit will be rigorously enforced.

In the Sudan there has been depression, largely due to the lack of sufficient rain in the Blue Nile Province, and the consequent failure of the durra crop, which is the main food supply of the natives. Importation of this food has been necessary and consequently prices have risen. On the other hand, in spite of the fall in price, cotton exports show a considerable increase in total value.

The main influence upon the business prospects of Palestine is immigration. The attendant influx of capital has not been directed solely into productive channels, and at the moment there is acute depression.

A Currency Board is being established, of which this bank has been appointed agents.

West Indies, Etc.

In the Island of Trinidad the sugar crop of the past season exceeded 73,000 tons, being the largest figures recorded for 29 years.

Oil exports for the first ten months of 1926 were 113,000,000 gallons, an increase of 15,000,000 gallons by comparison with the corresponding period of 1925.

During 1926 a West Indian Conference met in London under the Presidency of Sir Edward Davison, a director of our Colonial Bank Local Board, whom we congratulate upon the baronetcy recently

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conferred upon him in recognition of his considerable services to the Empire.

The above report will have given you some information in regard to the conditions prevailing in certain of the territories where we have branches. You will have noted that these territories are widely spread, which, from a purely banking point of view, has considerable advantages, and this is especially the case since the various localities are subject to considerable fluctuations in prosperity, both on account of climatic forces and also as the result of wide movements in the price of the various commodities which they may produce. For these reasons a strong bank must prove to be of great benefit to them, besides which our own institution serves to bring the exporter and importer into closer touch, since the bulk of the import and export trade passes between those places and Great Britain. In conclusion, therefore, the directors are fully satisfied as to the result of the past year, and that the bank is giving and will continue to give valuable and increasing services to our overseas trade generally, and, in particular, to our trade within the Empire.

The Chairman moved the adoption of the Report and Accounts, which was seconded by Sir Herbert Hambling, Bart., and was unanimously passed.

A vote of thanks to the staff was moved by Mr. C. F. Wood, seconded by Mr. James Tuke and unanimously accorded. It was replied to by Mr. John Caulcutt (General Manager).

The proceedings terminated with a cordial vote of thanks to the Chairman and the Board for their services, on the motion of Col. G. R. C. Westropp, C.B., seconded by Mr. A. Hepworth.

BENGAL AND NORTH WESTERN RAILWAY.

The ordinary general meeting of the Bengal and North Western Railway was held on January 25 at the offices of the company, Gresham House, Old Broad Street, E.C., Sir Henry P. Burt, K.C.I.E., C.B.E. (the Chairman), presiding.

The Managing Director (Lt.-Col. W. R. Izat) having read the notice convening the meeting and the auditors' report,

The Chairman, in the course of his speech, in moving the adoption of the report and accounts, said:—For the fifth year in succession we are able to record a further and very satisfactory advance on previous records as regards the gross earnings of the joint undertaking. Compared with the previous year the increase amounted to 10 per cent. Under general merchandise the traffic in sugar contributed the largest increase; and, although, owing to dull markets and absence of demand, there was a falling-off in the traffic in rice and wheat, there were increased earnings from most of the other principal commodities.

It is again very satisfactory to note that our third-class passenger traffic continues to expand, both as regards numbers carried and the earnings therefrom, and I should like to emphasise how very large is the contribution which this particular traffic alone makes to our total gross earnings, amounting as it does for the year under review, to as much as 47 per cent. Our working expenses show a small decrease in spite of the improved earnings, with the result that our working percentage has fallen from 43.39 to 39.36, a figure which is lower than that on any other railway in India, and is not approached, I believe, by any railway of importance in any other part of the world. The net earnings of the company realised £825,426, calculated at 1s. 4d. per rupee, and adding the gain in exchange, £87,847, which is slightly larger than last year, the total net earnings amounted to £913,273 against £788,278 in 1925. Making the necessary adjustments on account of income tax, the payment of interim and preference dividends, and carrying £75,000 to reserve, and providing £35,000 for the sinking fund, the amount to be dealt with to-day is £421,546. Out of this amount we recommend a dividend of 6 per cent., together with a bonus of 3 per cent., making a total dividend and bonus for the year of 16 per cent., or 2 per cent. higher than has ever been paid in the past. I am sure that you will regard this as eminently satisfactory, and with these results before us let us remember how much we owe to that great pioneer of this company's system, the late Mr. Alexander Izat, and to the late Colonel Gracey, who was associated with him in more recent years, for the wisdom and foresight with which they laid the foundations on which the company's present prosperity rests.

From the first the Board have steadily pursued a consistent policy in husbanding our resources, even when our earnings were low, and although the increase in our traffic during the last few years has, of course, helped us considerably, we have been able, in pursuance of the policy to which I have referred, not only to raise our dividends during the last eight years from 10 per cent. to 16 per cent., but have also built up a reserve fund of over one million pounds, and established a sinking fund which has made it possible to redeem our debenture and preference stock to the nominal value of £896,939, at a cost of £664,062 3s. 5d. And as regards the present, our thanks are, of course, due to our staff of all ranks in India, for the zeal and efficiency they have displayed in the discharge of their duties.

At our last two meetings I referred to the serious damage which was caused to the Bagaha Bridge by the floods of 1924, and I informed you that an expert committee, which had been convened at the request of the Board to report on the situation, considered that the bridge could be retained at its present site if the training works were effectively restored. An extensive scheme of repairs, designed to hold the river to its course through the bridge, was carried out during the last working season. I regret to say, however, that our endeavours to secure that end have failed, as a serious flood, which occurred last September, breached the railway embankment to the west of the bridge, and led to the river being diverted into an entirely new channel, and to the consequent isolation of the bridge. It has now been decided, with the approval of the Railway Board, to abandon for the present all further restoration work, and to wait until the position has become more defined, before taking any definite decision as to the necessity or otherwise of replacing the existing bridge by one at another site. There is still a possibility, although I am afraid a faint one, that it may be practicable to train the river back into its channel through the bridge.

In the past and when the time was sufficient to enable traffic to develop before our property could be acquired, we have never hesitated to extend our system by the construction of new branches, even when it was known that the earnings would be poor at the outset. The result has been that, speaking generally, there are few parts of India which are at present better provided with railway transport facilities than the area opened out by this company. The only extensions which can now be regarded as in any way urgent for the further development of the country we serve are the Muzafferpur-Darbhanga, the Mashrak-Thawe and Chakia-Sahibganj. At the instance of the Railway Board, these projects are being resurveyed and the traffic prospects further investigated. It is not likely that the estimated earnings on first opening will be sufficiently attractive to justify the company providing the necessary capital. In that case it seems probable that, should their construction be decided upon, the needed capital for these extensions will be found by the Railway Board, the work being carried out on behalf of the Railway Board by this company.

Before I leave the subject of new extensions, I should like to inform you that the Pharendra-Nautanwa Branch, which was opened for traffic in December, 1925, has already fulfilled our expectations as regards earnings, the reports for the first 10 months after opening showing that the return on the capital expenditure is fully 5 per cent.

The latest telegraphic advice from India indicates that the prospects for the current half-year are satisfactory.

The report and accounts were unanimously adopted.

TENDERS INVITED.

Tenders are invited for the following contracts, and must be made by the dates mentioned.

(Particulars of tenders marked D.O.T. are to be obtained from the Department of Overseas Trade, 35, Old Queen Street, S.W.) EGYPT.

Machine Tools.—The Principal of the Royal School of Engineering, Giza, invites tenders for new high-grade machine tools and small tools. February 5.

Asphalt.—The Director-General, Tazim Department, Cairo, invites tenders for the supply of 3,700 tons of solid asphalt required for the year 1927-1928. March 1.

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Total Assets - - - £5,663,445

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Sir N. M. Murray.

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Paid-up Capital - Rs. 5.62.50.000

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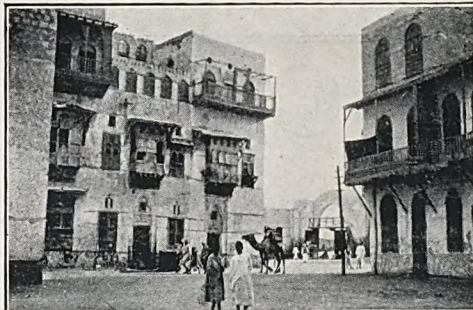
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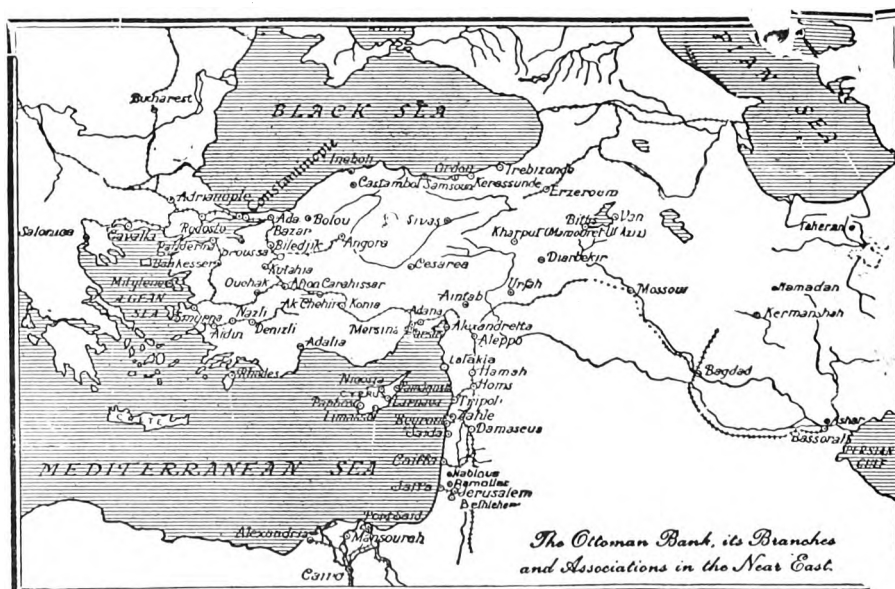
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THE NEAR EAST AND INDIA.

No. 820.—VOL. XXXI.

THURSDAY, FEBRUARY 3, 1927.

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Islam and the "Haj."

The question of the *haj*, or pilgrimage to Mecca, is one that concerns not only all devote Mussulmans, but also the Western world. Once again the desirability of making the *haj* while the Wahhabis rule in the Hijaz is being keenly discussed by Muslims, and it may be that very much more will be heard of the matter before the actual season is upon us. Of the non-Muslim Powers chiefly interested in this question the most important are Great Britain, who is said to be responsible for 106,000,000 of the Faithful; Holland, who has 39,000,000 Muslim subjects; and France, who has in surveillance 32,000,000 Mussulmans. Now the main anxiety has to be borne by the British Empire, for it is in India that the campaign is being most furiously waged against the present keeper of the Holy Places. The Shiah, of course, are anti-Wahhabi, but they can at least console themselves with pilgrimages to other shrines than Mecca and Medina; yet even among the Sunnis in India there is being shown great animosity against Ibn Saoud and his "Najdians." Even after the Wahhabi leader had denied the alleged sacrilege done to Muslim holy places in the Hijaz the campaign against the Wahhabis went on. And it continues yet. Towards the end of last year, for example, the Maharaja of Mahmudabad sent messages to the King Emperor and to various Muslim rulers soliciting intervention to check the defacing hand of the Wahhabi. And at a large meeting in Bombay the suspension of this year's *haj* was openly advocated. Behind this anti-Wahhabi campaign it is not difficult to discern the hand of the Ali brothers, and of the Indian Muslims who last year attempted to foist upon Ibn Saoud the conception of a Republican Hijaz. It is strange indeed that the very Indians who a year or two ago denounced the British Government for warning intending pilgrims of the dangers from civil war in the Hijaz, and praised the Wahhabis as against the reputed British protégé, the Hashimite representative, should now have turned completely round, and be denouncing Ibn Saoud, the conqueror of the Sharifian dynasty in the Hijaz, as the tool of the British!

It is naturally no part of the British Government to claim any one man as particularly worthy of Islamic support, especially when that man represents the most puritanical sect in Islam, for British statesmen well know that puritanism in religion is at least as likely to be a product of geographical conditions as of anything else. For our own part, however, we lean emphatically towards the view—which we believe is endorsed by the major section of Sunni Islam—that under the present Wahhabi régime *hajjis* will secure not only greater comfort and security than they have enjoyed for years, but also an adequate degree of toleration. It is at least significant that a goodly number of pilgrims from the Far East have already arrived in the Holy Land, for it is the opinion of some observers that the Javanese constitute one of the finest parts of Islam. Nor does it seem probable that the number of pilgrims from Egypt, who last year were more numerous than usual, will not be maintained; for the existing bond between Egypt and the Wahhabis is one of the most remarkable, and hopeful, features of the Islamic world. If Muslims in the British mandated territories do not, for dynastic reasons, largely favour this year's pilgrimage, if Syria is still too shaken by recent events, and if Persia still maintains her opposition—even then the 1927 *haj* may still be a resounding success. The whole season really depends upon the Indians, of whom it may yet be hoped that they will not decide against journeying to Holy Places merely because they are controlled by a man who considers the highest interest of Islam not incompatible with friendship for Great Britain. Whether the reforms which the Wahhabis are said to have made in the interests of the pilgrims are all that is claimed for them we have no means of knowing, but to suggest, as was suggested at the Bombay meeting on December 31 already referred to that the step that was taken during the Barmecide régime of suspending the *haj* as a protest against the maladministration of the Hijaz should now be repeated would seem to indicate a fanaticism at least as great as that of which certain politically-minded Indians are now accusing the King of the Hijaz.

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THURSDAY, FEBRUARY 3, 1927.

WAR ALARUMS IN ARABIA.

For some time past there have been the rumblings of another war in Arabia, that home of perennial unrest. As usual in affairs concerning this Peninsula, a certain obscurity overhangs the actual position, but it appears to be a fact that, as the Jidda Correspondent of THE NEAR EAST AND INDIA was, we believe, the first to point out, the armies of the Idrisi of Asir and of the Imam Yahia of the Yaman stand arrayed against each other, although the distance between Jizan and Maidi yet separates them. It would appear, further, that the Idrisi, lately encouraged by the granting of a concession to the Anglo-Saxon Petroleum Company for work in the Farsan Islands, opposite Jizan, is spoiling for a fight against the Imam's troops, who in the last year or two have quietly been taking to themselves a considerable section of the Tihama which after the Armistice and the disappearance of Turkish control from the Peninsula was governed, or misgoverned, by the Idrisi. Most notably, they have recaptured the ports of Hudaida, which is, indeed, the key to Sanaa, the capital of the Yaman, and Luhaiya. Now it seems that the present Idrisi recognises the Imam's claims no more than his predecessors, Saiyid Muhammad and the Amir Ali, recognised them, and he has but been awaiting his opportunity to assert his rights, at least his right to the southward of his State. Again as usual in affairs concerning the Peninsula, "opportunity" implied the possession of money. While the Idrisi was penniless he had perforce helplessly to watch the Imam's troops slowly creep up the Tihama, but now, fortified both by the Farsan Islands concession, to which sufficient reference has already been made in previous issues of THE NEAR EAST AND INDIA, and also by the open backing of Ibn Saoud, King of the Hijaz and Sultan of Najd, he grows warlike and threatening. A conflict, however, has not yet broken out, and it is not unreasonable to suppose that European interests, namely, British and Italian, have exerted a certain influence in the preservation of peace. Whether war will eventually be waged, in spite of the general interests of the British in the Peninsula and of the particular interests of the Italians in the Yaman, it is difficult to say: the issue depends in considerable measure upon the patience or impatience of the Imam and upon the restraining or urging hand of the leader of the Wahhabis, whose control of Asir, as manifested in the Treaty of Mecca of October 21, 1926, a translation of which the *Daily Telegraph* published last week, is fairly absolute. One would hazard the guess that Ibn Saoud's immediate preoccupation is with the *haj* and with the second Mecca Conference, and that he would not, therefore, willingly undertake another war at the present moment.

In the actual circumstances there are one or two documents which are of peculiar pertinence and importance. First, there are the two treaties which Great Britain made with the Idrisi, that is, with Saiyid Muhammad, Amir of Asir, in April, 1915, and in January, 1917. This second treaty is commonly called the Farsan Treaty. The Idrisi

took the Farsan Islands from the Turks in January, 1915, and still holds them. Next, there is the treaty which the Yaman last autumn. And finally, there are the treaties which Ibn Saoud has made with the Idrisi, that is, the 1920 treaty with Saiyid Muhammad (who died in March, 1923), and the 1926 treaty with Saiyid Hassan ibn Ali. Upon the first treaties, the war treaties between Asir and Great Britain, it is only necessary to remark that they do not imply the permanent protection of the Idrisi's domains against any enemy; as a matter of fact, the enemy implied in their clauses was the Turk, not a fellow Arab. There would appear to be no justification, for instance, for supposing that Great Britain is under any obligation to restore to the Idrisi Hudaida, which, being surrendered to the British Navy on the Armistice, was given to the Idrisi upon its evacuation by the British in February, 1921. Hudaida languished under the Saiyid Muhammad; nor were its fortunes restored by his son, Ali, so that it was no surprise when the late Idrisi's cousin, Saiyid Mustapha (who, incidentally, was instrumental in getting passed the Farsan Islands concession) combined with Saiyid Abdal Qadir and Mahmud Nahim Bey, in April, 1924, to take Hudaida. This capture did not endure long, but it may be said to have heralded the Imam's repossession of it. In other words, the Idrisi was not capable of running the place. Mention of the second of Saiyid Mustapha's assistants brings one to the Italian Treaty with the Yaman, which, although it seems to have taken many observers by surprise, was quite definitely foreshadowed before it was actually signed. In March, 1925, for instance, it was reported from Massowa, whence Italian negotiations originated, that the same Mahmud Nadim Bey, the last Turkish Vali in the Yaman (and now Pasha and Counsellor to the Turkish Legation in the Hijaz) had concluded an agreement on behalf of the Imam Yahia with the Italian authorities. The climax of these negotiations, which Commendatore Gasparini lately achieved, was inevitable as soon as the views of the British Government upon the presence in the Aden Protectorate of tribes subject to Imam was made known to the Sanaa authorities by Sir Gilbert Clayton early last year. But there is no reason to suppose that the Italians are desirous of war between the Imam and his northern neighbour, whose ancestor, indeed, helped them to some extent in the Turkish-Italian War of 1911: Fascist interests are pre-eminently in the peaceful and commercial development of the Yaman. It is over the exact interpretation of the Wahhabi-Idrisi treaties that doubt enters the situation.

Now how is Great Britain affected by the present uncertain position of the potentates in Arabia? Her precise relations with Ibn Saoud will be clarified when Mr. Jordan, British Consul at Jidda, has returned to the Hijaz and concluded a fresh agreement with the Wahhabi leader. It is quite safe to say in the meantime that Great Britain is as friendly to Ibn Saoud as he is to Great Britain, and that she will go far to make any readjustment of the general situation which he may request. That fact—the cordiality between Britain and the Wahhabis—is perhaps the main point in Arabian affairs to-day. Nor is there any ground for supposing that the present Idrisi, although it may be true that he is not the man that Saiyid Muhammad was, should not be on friendly terms with Britain. And even of the Imam's friendship there is no reason to despair, although the Italians' successful treaty with the Yaman might, at first blush, seem to indicate that the Fascist Government, or, perhaps, the Governor of Eritrea, had ruffled the waters of what superficial observers would have liked to be a British lake, on the analogy of the Persian Gulf. For our part, we cannot see why there is not room for both British and Italians in the Red Sea; and that, to judge by the recent conference in Rome, is the view of Sir Gilbert Clayton and of Commendatore Gasparini. If these two great influences work for harmony, the prospects of peace in Arabia, at least along the sea-board (and it is virtually along the sea-board alone that the Idrisi's influence extends), are by no means so black as it is the fashion to paint them.

Notes of the Week.

Political Difficulties in Yugoslavia.

After a little more than a month in office with his fifth Cabinet M. Ouzounovitch, Prime Minister of Yugoslavia, has found himself obliged to hand in his resignation again. The irrepressible leader of the Croat Peasant Party is once more the stumbling-block. Local government elections have recently been held throughout the Kingdom, and their results did not prove as favourable to M. Raditch as he gave the country to expect. They showed, indeed, very little change in public opinion since the last parliamentary election. Out of the thirty-three County Councils the Radicals obtained an absolute majority in nineteen, the Raditchists in nine, the Democrats in three and the Slovene Clericals in two. The Radicals retained their hold on Serbia, although in a minority in the Belgrade Council, and on the Voivodina. Bosnia was divided among the parties, the Radicals claiming the capital, Sarajevo. The Raditchists gained successes in Dalmatia, outside their Croat stronghold; the Slovene Clerical successes were restricted to Ljubliana and Maribor, and the Democrats have the consolation of knowing that Montenegro is with them. Taking umbrage at these results which entirely belied his confident predictions, M. Raditch has indulged in fresh attacks on the Radicals on the ground of their conduct of the elections and maltreatment of his followers, and last week instructed his party in the Skupshtina to vote against and so to defeat the Government on the first issue that presented itself. As the subject in question was of minor importance, it was a foregone conclusion that King Alexander would not accept the Government's resignation, or would entrust M. Ouzounovitch with the formation of a new Ministry. Possibly M. Raditch did not intend to be taken quite so literally. He had, perhaps, overlooked the fact that M. Ouzounovitch thrives as much on resignations as he himself does on permanent hostility to his political allies.

Barren Controversy.

For a whole year the political history of Yugoslavia has been the story of internecine disputes in the Radical-Raditchist combination, with constant resignations and reshuffling of portfolios. Whether in such circumstances any useful legislation can be enacted and the country as a whole can avoid serious prejudice is a matter which would seem to concern the Yugoslav people very vitally. The *impasse* becomes the more acute as the time approaches for the new Budget to be passed. M. Ouzounovitch has continued the unworkable alliance with the Raditchists only because he could bring about no other combination in the Skupshtina that offered him a majority. This fresh defection on the part of the Raditchists should convince him finally that the present coalition is hopeless. In connexion with the Budget, it would be thought, all the parties could be induced to make common cause with the Government against the purely destructive tactics of M. Raditch. In spite of the fact that the County Council elections hold out no hope of the parliamentary tangle being cleared up by a general election, it is obvious that fresh elections will have to be held in a few months' time. For this short period it should be possible to make M. Raditch politically harmless by a coalition of the other parties for the business of the Budget, without any one party being called upon to sacrifice its cherished convictions. M. Ouzounovitch has made repeated overtures to the Slovene Clericals for help against the vagaries of the Croat leader, and Dr. Koroshetz's "terms" have been published. His more important stipulations deal with the question of Slovenia's position of the Triune Kingdom; he wants all the State revenue raised in Slovenia to be spent on that country, and the system of taxation in force there to be revised. In theory there may be something to be said for the first contention, especially if the Slovenes have been led to suppose that they make an unequal contribution to the State

Exchequer and then that damage done by floods in Slovenia cannot be repaired because there is not enough money to go round. In practice, however, the problem must be settled by the greatest good of the country as a whole. It would be suicidal for Yugoslavia to starve one section of the Kingdom, while another was accumulating unused balances. On the other hand, the Belgrade Government must desire that there should be no ground for the Slovenes to imagine that Serbia is dipping her hand freely into Slovenia's pocket without allowing the latter to have an adequate voice in the expenditure of the money. The question, however, cuts into the Vidovdan Constitution and calls for a round-table conference. No attempt should be made to compel M. Ouzounovitch to come to a decision on the subject before the parties combine to protect Yugoslav interests against the Croat leader.

The Little Entente.

Few things seem able to happen in Central or Near Eastern Europe without a declaration from one or other of the members of the Little Entente to the effect that the Entente has not been in any way prejudiced and that it is in the healthiest of conditions. The reason for these protests is not apparent, as the Little Entente for all practical purposes affects the outside world only in regard to its reaction on Hungary and, possibly, Austria. If exception can be taken to what tripartite agreement by anyone apart from these two countries, to whom it must necessarily remain a studied offence, in addition to being a hindrance to a united Europe, it will be by the friends of Yugoslavia and Roumania who are anxious to see these two States attain their full political and economic development in the shortest time by means of a Balkan Federation, which has geography, self-interest and common sense to recommend it. If Czecho-Slovakia, Yugoslavia and Roumania are still frightened of Hungary, the Little Entente is there to give them a sense of security; but it is not so apparent that it adds to the standing of any one of them in the councils of Europe in the way in which close co-operation between the four or five States of South-Eastern Europe would, enabling them to speak as a single Power with over forty million inhabitants. There would be no occasion for a Balkan Federation to apologise for the conclusion of re-insurance treaties by any of its members, for the reason that they would not feel in need of safeguarding themselves in this way against one another. This time it is Dr. Benesh who has to insist upon the unimpaired vigour of the Little Entente, whatever arrangements may be made by Italy with Hungary; but he was forced to admit that a certain international nervousness existed, that there was a certain crisis that had to be carefully watched, as big events regularly sprang from small causes. This *caveat*, not unnaturally, has been taken to refer to Italy's activities; yet it is strange that, as each of the three States has an understanding with Italy, the pacific nature of which is always emphasised, they should challenge the conclusion of a similar treaty between Italy and Hungary. For geographical reasons Czecho-Slovakia must always remain in a state of nervous watchfulness; but she will have rendered no service to Yugoslavia and Roumania by infecting them with her anxiety. A pact against Hungary might possibly have been justified for a few months after the Armistice, until the League of Nations found its feet; but the attempt to found upon such a pact a permanent factor in European politics can never be convincing, and is likely to lead to the repetition of pathetic assurances regarding the Little Entente's health.

Napoleons in Albania.

The quarterly announcement of a revolt in Albania had come to be regarded almost as a harmless indulgence on the part of the Belgrade Press, so long as no attempt was made to supply further details than that the Government

had the situation well in hand. When the last revolt did break out, after two years of false alarms, the Belgrade Press was behindhand with the news. This fact may have suggested to an Italian newspaper the idea of stealing a march on its Belgrade contemporaries by discovering an *interim* revolt in Albania. The *Giornale d'Italia*, however, it is to be feared, introduces some malice into the game. Its particular revolt, it announces, is a much graver affair than any of those which presumably originated in a dearth of news in the Belgrade Press. Yugoslavia, indeed, is to furnish the money, munitions and the men, and, in order not to do the thing by halves, two Cabinet Ministers—Generals both—are said to be looking after the Albanian revolt, with yet a third General as Commander-in-Chief. Evidently money is to play the chief part, as the first step has been to give the insurgents—to-be three napoleons each. Wiser heads, it would be thought, would have insisted on payment by results. The gift of a rifle is comprehensible, as in the hands of an Albanian tribesman a rifle is apt to go off, and there is always a good chance of its going off in the direction of the Tirana Government; but three napoleons conjure up visions of a village fair, and the revolt may be left to look after itself. Unfortunately, there are always people who take these allegations seriously, and further bad blood is engendered between two nations who have little love for one another at the present moment. The Belgrade Press cannot complain when others copy its favourite pastime of inventing news; but many will have hoped for better things from Italian newspapers.

Greece and her Army.

It is not a matter for surprise that the Royalist members of the Greek Coalition Cabinet, who have been the victims of espionage and false denunciation on the part of Republican army officers, should have refused to gloss over the incident as readily as their colleagues were anxious that they should. The personal affront was not as serious as the condition of affairs in the Army that it revealed; that a system of political espionage should be maintained and should be countenanced by every grade of officer up to the Commander of the First Army Corps. It has now been decided that all the officers involved, including General Manettas, should be placed temporarily on the retired list—a moderate penalty in all the circumstances—and the incident may for the moment be regarded as closed. The situation in the country, however, has caused the Government to send General Pangalos hurriedly to Crete, where he will be confined to Izzeddin Prison. It had had knowledge for some time of a movement on foot in favour of the

ex-Dictator; but, until the recent trouble in connexion with the Army arose, it had felt strong enough to cope with any disturbances made by the Pangalists. The removal of General Manettas is likely to be widely resented in the Army, and, in the present state of discipline of that force, the Government has rightly decided that it will try to avoid having to face two troubles at once. Whether the existence of some sympathy with General Pangalos, who has now been under arrest for over five months, will stand him in good stead at his trial when it is held, or will still further prejudice him, remains to be seen. In the meantime it is unfortunate that the Press of the country should continue to lend itself to the embitterment of political passions. The Coalition Government was formed because the people clearly demanded one; and the leaders have come together in an honest attempt to make a success of the coalition. The newspapers alone seem to plough a furrow of hate and bitterness.

Cyprus.

There is a homely directness of speech, as well as a ring of practical sympathy, in the speech of the new Governor of Cyprus to the Legislative Council (a summary of which appears elsewhere in this issue) that augurs well for the new régime on the island. Sir Ronald Storrs has gone straight to the root of Cyprus's problems, for there will be much less hankering after the unattainable, if economic conditions in the island are satisfactory. He is anxious to get into touch with the "realities" of rural life, in regard to which available information is so conflicting, and although committees to this end have been appointed before, we may expect that the Central Committee and the Local Committees that will now set to work on the subject will delve deeper than their predecessors. The difficulties that beset the agricultural population are admitted. Sir Ronald Storrs put his finger on one in the trenchant phrase that "the forest and the goat cannot live together," and one of the problems will be to find room for both. It cannot be done in the way that the flock-owners suggest, by according them extended rights to graze their flocks in State forests. Cyprus cannot afford to forgo the potential revenue of £2,500,000 that the forests under careful exploitation and development represent; but it should be possible to find sustenance for a sufficient number of goats, which are regarded at present as the irreplaceable means of subsistence for the very poor, without threatening the existence of the forests. The speech is not likely to have disappointed those who heard it. The hopes based upon his governorship have run so high that they had materialised into "promises" attributed to the new Governor before he had even reached the island. The fact that Sir Ronald Storrs made no such promises does not detract from the promise of all his earliest acts, not to mention the prospect that the island has of obtaining at long last relief from the unfair Tribute.

The Jews and Palestine.

It is manifest that at the moment the Zionists are making special efforts in conducting propaganda in foreign countries so that the depression which marked Zionist enterprises in Palestine last year may be to some extent set off. The results, indeed, of the campaign of such men as Dr. Weizmann in America and of Mr. Sokolow in Germany, are already visible in the amounts subscribed in support of the Zionist cause. Money is flowing into the Keren Hayesod in a way that is by no means disappointing the Zionist officials. And yet, in spite of the fact that the number of Jews in Palestine has been officially declared at 158,000—a higher figure than that commonly imagined—and the number of Muslims and of Christians combined as 719,000—a lower figure than that hitherto accepted—there is a certain reluctance on the part of both of certain Jewish and non-Jewish observers to pronounce the Palestine policy a success. There still seems to be a considerable section of Jews—exemplified by the recent declarations of "Liberal" Jews in Germany—who believe that the

(Continued on page 117.)

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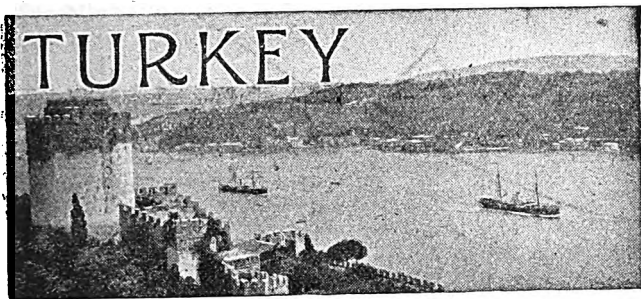
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The Near and Middle East*

From Our Own Correspondents.



Constantinople, January 26.

America and Turkey.

The most prominent question at the present moment is that arising out of the rejection by the American Senate of the Lausanne Treaty with Turkey. As was to be expected, this fact has rudely shaken official circles, but little indication of annoyance has been allowed to be manifested. The refusal to ratify is considered as resulting entirely from the anti-Turkish propaganda of Senator King and the former American ambassador to Turkey, Mr. Morgenthau, but it is undoubtedly far from Turkey's intention to do anything which might be construed by these Turcophobes as justifying their campaign against Turkey. Contrary to what at first seemed inevitable, it now appears quite possible that a further provisional commercial agreement may be negotiated. According to reports from Angora—where Admiral Bristol, the American High Commissioner, has gone to communicate the Senate's decision—everything tending to strengthen American confidence in Turkey's present Government is likely to be done. As it is considered that anti-Turkish elements in America would expect Turkey to have immediate recourse to reprisals on the decision becoming known, the apparent intention of the Government is to take everything very calmly and to deprive all enemies in the United States of any "I told you so" satisfaction by extending every possible facility to commercial, religious and educational institutions. It is, however, too soon to form any correct estimate of what will actually take place, but Press publications have the air of having been warned against resorting to any bitter comment which is likely to have undesirable effects. American circles here naturally manifest considerable perturbation at the non-ratification of the Treaty, as in the event of non-renewal of the provisional commercial comment which is likely to have undesirable effects. Another petition for the re-submission of the Treaty to the Senate is being sent to Washington by the American community in Turkey, and this is receiving the whole-hearted support of Admiral Bristol. As a precautionary measure all goods of American origin which were in the Customs warehouses here on the reception of the news concerning the non-ratification were immediately cleared, so that if the commercial accord really expires on February 20, the coefficient of eight or twelve will only affect future consignments.

The Aviation League.

The Aviation League of Turkey is undoubtedly the most enterprising organisation in the country. Apart from the numerous lotteries which have been organised for its benefit, it now appears probable that certain monopolies will be constituted which will be a continuous source of revenue. Considerable funds have already been amassed by this means, but to-day papers publish the information that the League intends to acquire a monopoly for the supply of hats. The sale of old fezes brought in a good figure and the sale of new hats to the wearers of the former is certainly a paying business. No stone is being left unturned in the quest for funds for the Aviation

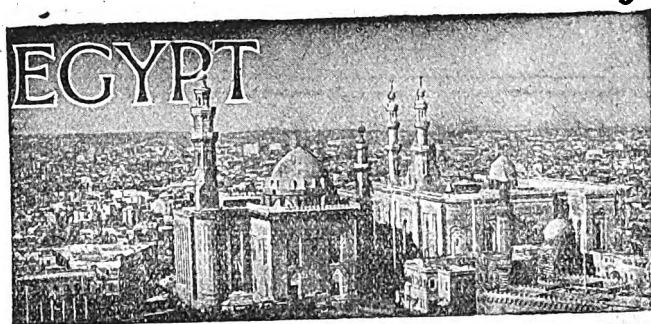
League, and in this manner Turkey will doubtless possess—about a year hence—an air service of really first-class proportions. The above League has already about 15,000,000 liras at its disposal for the purchase of aircraft, but in spite of this fact aircraft constructors in England are apparently making no exceptional efforts to sell their machines to Turkey. Perhaps when they realise that Turkey has acquired a considerable fleet they will make attempts to secure orders already obtained by foreign competitors.

Papa Eftim.

Papa Eftim who, since his excommunication, has become a figure of public interest, and, as a result of his ridiculous activities, the object of innumerable cartoons, has once again had his hopes of immense riches dashed to the ground. He has lost his 100,000 liras claim against the Patriarchate for defamation of character. Despite the fact that he enjoys little sympathy or respect his church is invariably full. The congregation comprises few worshippers, however, as the majority goes for amusement as it would to a theatre. He apparently still cherishes certain hopes of future affluence, as there are yet over 50 cases filed by him against various individuals to be heard in the Turkish courts.

Census of Angora.

The census of Angora which has now been taken gives some idea of what the result of the complete census for Turkey is likely to be. Angora's population amounts to no more than 53,000 natives and 6,000 foreigners as compared with previous statistics which give the number of inhabitants as 100,000. Instead of a population of 12,000,000 in Turkey the ultimate figures will undoubtedly prove 6,000,000 to be nearer the mark.



Cairo, January 23.

An Alexandria By-Election.

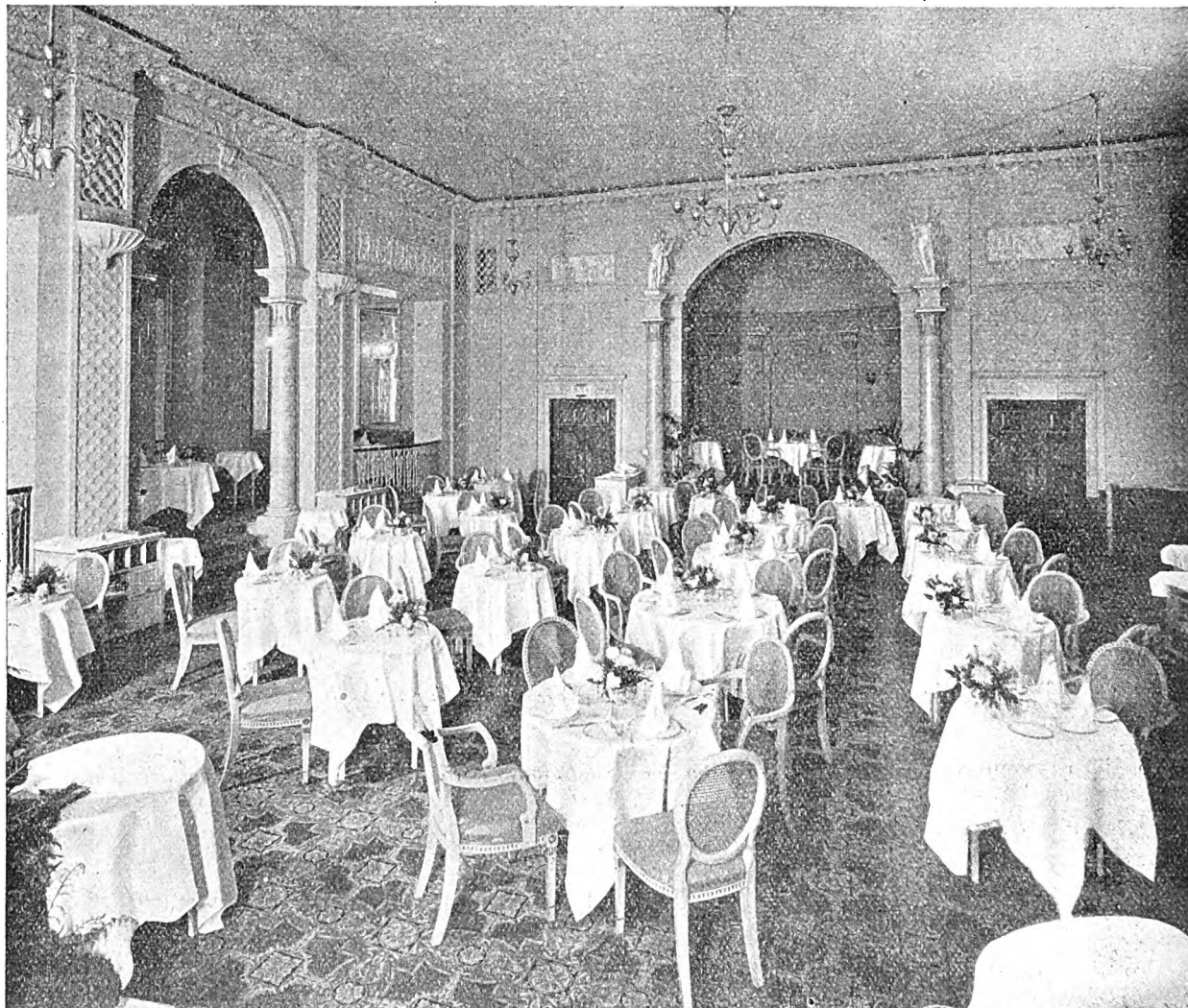
The first defeat sustained by the Wafd in a by-election during the life of the present Parliament occurred last Wednesday in the Minet-el-Bassel constituency of Alexandria, where Mahgoub Sabet Bey, an Independent candidate, defeated the Wafd nominee by seven votes in a total poll of nineteen hundred. The defeat is not a very complete one, for Mahgoub Bey all through maintained that he was quite as good a Zaghloulite as his opponent, but had not been sufficiently fortunate to secure the endorsement of his candidature by the party's central executive. And as soon as the result was known the victor telegraphed to Zaghloul Pasha assuring the latter of adherence to the principles for which he stands—whatever they may be. Nevertheless, there are one or two significant features of the election. It is the first held in Alexandria since the original Parliamentary elections of 1924, since both in

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1925 and 1926 all the Zaghloulst candidates were returned unopposed, in Alexandria constituencies. Again Mahgoub Bey made labour questions the main plank in his political platform, and is described by some of the newspapers as a Labour deputy. If the description is accurate, he is the second in the Chamber which, after succeeding elections, will almost certainly hold a steadily increasing number of legislators whose avowed first concern will be the welfare of the labouring classes. Lastly, not much more than a quarter of the electorate went to the poll to decide what was considered as being a hotly contested political fight.

Officials' Salaries.

Egyptian Cabinet Ministers have decided, says *Al Siassa*, to reduce their own salaries by £E300 annually, without waiting for the approval of Parliament when next year's Budget comes up for discussion. *Al Ahram* says that salaries of Under-Secretaries of State will be reduced, by the same voluntary method, from £E2,000 to £E1,800 annually, and those of Assistant Under-Secretaries of State by £E150 per annum to £E1,500. It is also intended, according to the same authority, to reduce the salaries of officials of rank equivalent to that of Ministers, viz., the Presidents of the Chamber of Deputies and the Senate, the Director of the King's Cabinet, and others, in the same proportion as those of Cabinet Ministers. These are to be the first fruits of the policy of economising all round which the Government has promised Parliament to adopt.

American Undergraduates' Tour.

Six hundred and fifty American undergraduates, including one hundred girls, drawn from universities all over the United States, arrived on Wednesday at Suez in the s.s. *Ryndam*, a Holland-Amerika Line 22,000 ton ship temporarily converted into a floating university. The *Ryndam* left New York last October and, proceeding via the Panama Canal and San Francisco, has visited the Philippines, Japan, China, Siam, Malaya, India, and now Egypt. To-day the *Ryndam* leaves for Haifa, thence going on to Constantinople, Athens and many other European ports, for the itinerary of the cruise, which will conclude in New York Harbour on May 2, embraces most of Western Europe.

Egyptian students have spared no pains to give their American visitors a good impression of this country. Two of the American undergraduates confessed to me yesterday that Egypt was the first country of the tour that had been visited in any spirit other than that of sightseers out for a rather boisterously good time. Here, thanks to the arrangements made by the various Egyptian welcoming committees, there had been a definite attempt to establish contact with university life here and to get to know something of the country's social and political life, as well as to see its monuments. The visit seems to have been a very successful one, from all points of view. The *Ryndam*'s passengers proved themselves very easy to get on with, and many Egyptian students have spent the last three days acting as guides and interpreters to appreciative little parties of Americans. Heliopolis Palace Hotel, where the party has been staying, has been a home of the Charleston these last few days, and last night, at a fancy dress ball held there, a series of exhibition dances was given by American undergraduates, of whom one was a girl, which delighted the hundreds of Cairenes present.

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Turkey and Capitulations.

The local Press has been agitated during the past week by a report that the Turkish Minister in Egypt had presented a request that Turkey should be regarded as a Capitulatory Power and that Turkish subjects here should enjoy the same extra-territorial privileges as subjects of any of the Capitulatory Powers. The Arabic newspapers have been very astonished by this news, and have referred sarcastically to the inconsistency of Turkish policy in demanding and securing the termination of Capitulatory rights in Turkey and yet wishing to secure in Egypt the same treatment which the Turkish Government would not concede in its own territory to foreign Powers. The Turkish Minister has not altogether calmed the agitation by declaring that the truth of the matter is not that Turkey has asked for Capitulatory privileges, but only that her subjects should be treated in the same way as those of Powers actually holding Capitulatory rights. This seems to be a distinction without much difference, and has not done much to calm the feelings of Egyptian politicians, shocked by Turkey's having joined the side of Western European nations where the Capitulations, now the subject of continual discussion, are concerned.

Archæological Discoveries.

Although there are rumours that interesting archæological discoveries have been made in the Fayoum and at Sakkara, the Department of Antiquities, following its settled policy of surrounding everything connected with excavations in this country with an impenetrable veil of mystery, refuses to give the least information or to confirm or deny reports. The only archæological news of any interest at the present time concerns the famous bust of Nefertiti, now in the Berlin Museum, where it suddenly appeared soon after the War. The Department of Antiquities declares that this bust was taken from Egypt, without permission, when, at the commencement of hostilities in 1914, the German archæological missions, together with their chief in Egypt, Professor Burchardt, Director of the German Archæological Institute in Cairo, were packed out of the country. Professor Burchardt is now back in this country and has applied for a permit to resume excavations. According to *Al Siassa* this has been refused until the bust of Nefertiti is returned from Berlin. According to the same newspaper there was never any suggestion that the Germans had stolen the bust, but it was alleged that, in 1914, Professor Burchardt took advantage of the ignorance and incompetence of an official of the Antiquities Department who was appointed to carry out with the Professor the "division of the spoil" of the previous season's working by the German Institute. It is alleged that the official was advised to take a comparatively uninteresting statue of Tutankhamen's father-in-law and leave to the excavators the Nefertiti bust. Whether this version is true I have not been able to discover.

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IRAQ.*Baghdad, January 18.***Progress in Iraq.**

In the political world perfect calm prevails. The Prime Minister has recently contributed to the local Press a series of articles on "Five Years' Progress in Iraq," written on an encouraging note of some complacency and considerable optimism. "Perhaps," he says, "I seem to have been talking rather of promise than of progress actually achieved. If that is so, it is because Iraq has such enormous potentialities, and one is conscious that if much has been done, very much more remains to be achieved." He deals briefly with agriculture and irrigation, pointing out that during the past five years the already existing irrigation works have been put in a sound condition, the old canals improved, and the bunds made secure against floods. Large schemes have yet to be realised, but everything is ready for further development when the time comes. After a brief summary of the history of oil in Iraq, "the birthplace of the oil industry," Jaafar Pasha refers to the A.P.O.C.'s new refinery at Khaniqin, and to the concession granted in 1925 to the Turkish Petroleum Company. A pipe line to the Persian Gulf or the Mediterranean will sooner or later be laid, but which route will be chosen it is as yet impossible to say.

Turning to the military problem, of which as a soldier and past Minister of Defence he speaks with special knowledge, the Prime Minister thinks that the country now realises that "an Army, and an efficient Army, is essential to the future peace of Iraq." The ideal aimed at is the formation of a small peace army, which could be increased in emergency to a size sufficient for the defence of the country by mobilising the reserves. Great progress has already been made with the aid of British officers, and "when a moderate form of military service by ballot has been introduced, Iraq will be in a fair way to realising this ideal." The Army at present, says Jaafar Pasha, is representative of every grade of Iraq's population; it has already done well in the Kurdish fighting, and an excellent esprit de corps prevails among the officers, whose relations with their British colleagues are most cordial.

The New Factory.

A new industrial enterprise for Iraq was inaugurated with ceremony on January 9, when King Faisal formally opened a wool-spinning factory at Khadhimiya, just outside Baghdad. A large quantity of modern machinery has been imported (unfortunately not from England) by Fattah Pasha and his sons, the owners of the factory, and Arab workmen have been trained to run the plant, which was in full working order for the King's inspection. The High Commissioner attended the opening, with the Prime Minister of Iraq, members of the Cabinet, and about 400 guests. Each process in the conversion of raw wool from the desert into fleecy blankets was explained by Nuri Beg Fattah to the King and the High Commissioner. It is

to be hoped that this undertaking will continue to run smoothly when it is entirely in Arab hands.

General News.

A regular mail service of Imperial Airways from Cairo to Karachi has begun to pass through Baghdad. The first air liner to carry mails was delayed at Gaza by heavy rain which made the aerodrome water-logged; the same conditions are liable to occur at Baghdad, interrupting the regularity of the service, until mud-proof aerodromes can be constructed.

The first attack on trans-desert motor traffic since the resumption of the Damascus route occurred on January 14, when a local company's convoy was attacked and held up about 100 miles from Damascus. The driver and one passenger were captured, but were later released and subsequently made their way to Rutbah. The French authorities are reported to be making every effort to prevent the recurrence of such raids on desert traffic.

A lakh of rupees has been sanctioned by the Parliament of Iraq for expenditure on the Technical School, which is to be made suitable for the temporary residence of the King until a new Royal Palace can be built.

General Hammond has completed his investigation into the working and prospects of the Iraq Railways, and leaves the country from Basrah next week.

A familiar feature in Baghdad has disappeared with the imminent disbanding of the Iraq Levies, who among their other duties have for some years past provided guards for the British Residency and Air Headquarters. The smart and efficient appearance of these men at their sentry posts has been a daily reminder of what can be done by discipline to transform savages into soldiers; for the Levies were recruited during the Occupation from among the wildest tribal districts of Iraq. Their guard duties are now taken over by Indian troops.

Important results of this season's work are announced by the archaeologists who are excavating at Ur of the Chaldees. Some interesting discoveries have thrown light on daily life at Ur some four thousand years ago, showing that the architectural plan of the normal dwelling house very much resembled that still employed in Baghdad to-day: the two-storied hollow square of rooms round a central courtyard open to the sky. Many of the graves and buildings have been plundered, probably during a sack of the town, but the archaeologists have secured a number of tablets of great interest and importance.

ROUMANIA.*Bucharest, January 25.***Roumanian Railways.**

Now that the Budget estimates have been passed by Parliament, the main pre-occupation of the Roumanian Government appears to be the condition of the railways. For years efforts have been made periodically to raise a loan abroad with a view to undertaking the necessary

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repairs and additions to the Railway system in order to bring it up to the standard required to meet the exigencies of the ever-growing trade and industry of the country. Hitherto all efforts to raise an adequate loan have failed. Meanwhile the condition of the railways has not improved. Traffic has increased with the rising of the industries, and the permanent way is being subjected daily to an abnormal strain, so that the conversion to double track of many of the single lines, especially on international routes, is becoming a crying necessity. Moreover, in view of the new trade currents created by the Union of the Provinces several small lines are required to link up the systems in the new Provinces with each other and with the Old Kingdom.

The urgency of finding some means of placing the transport system on a more satisfactory basis appears to be officially recognised, but apparently no sufficiently tempting terms have yet been offered to attract foreign capital to this enterprise. For their first financial year as a semi-independent institution the Railways have showed no deficit in their Budget. Their revenues have been greatly assisted by the very considerable increase of tariffs, both for passenger and goods traffic, introduced during the year just passed, and which have brought the cost of travelling in Roumania approximately up to the gold level. A second-class ticket from Bucharest to Ploeshti now costs about 4s. 6d. by an ordinary fast train and over 6s. by an express. The distance is about 60 kilometres. A certain improvement has been noticeable in the last two years in the condition of the passenger carriages used, and in the general comfort of travelling, though it is still not uncommon to have to pass a night in darkness because the lighting installation will not work. This, however, is not so much due to lack of funds as to lack of organisation or of efficient staff.

The proposal to create an Under-Secretary for Railways, into whose hands a great deal of the power would come which is now vested in the Secretary General, is still meeting with strong opposition both from the Liberal and other Opposition benches. The Press too expressed a firm disapproval of the re-introduction of a strong political element into the Railway administration—which element the last Government was at such pains to remove, being assured that a greater stability would be lent to the organisation by rendering the higher posts permanent and independent of political changes. This step on the part of the Averescu Government has gone far to add to the estrangement between itself and the Liberals which was first caused by the Italian loan, so that the Government can no longer reckon on the Liberals as a friendly opposition. It is perhaps partly for this reason that an attempt appears recently to have been made to attract M. Maniu's (Nationalist) Party to the side of the Government. Should such a combination be effected the Government would undoubtedly be greatly fortified and rendered independent of Liberal support; indeed they might even be able to defy the Liberals. Negotiations for the union of the Government and National Parties do not seem to make very rapid progress, however, and it is more than probable that they may once more come to naught.

The National Bank.

Those interested in Roumanian finance may remember that the post of Governor of the National Bank has been filled for the last four years with much dignity and wisdom by M. Oromolu, who though a political adherent of M. Iorga, has put aside all political considerations during his term of office, and enjoyed alike the confidence of all political parties, including that of the Liberals, under whose régime he took office. The legal term of M. Oromolu's office having come to an end at the beginning of this year, a new governor has been appointed in the person of M. Demitre Burilleanu, whose appointment likewise has received the approval of the public and the Press of all parties. His qualifications for the post are

said to lie less in any outstanding financial capacity than in the universal respect he enjoys as a man of moderation and of integrity and political impartiality.

Bessarabia and Bukovina.

Another important appointment which has just been made is that of General Rascanu (formerly Minister of War) to the post of High Commissioner for Bessarabia and Bukovina. It is a matter of common knowledge that a large proportion of the population of these two provinces, annexed to Roumania since the War, represent elements alien to the Roumanian nationality and, alas, only too often, to the spirit of the Roumanian rule. In order to attract those alien elements—represented by Russians in Bessarabia, and Austrians and Poles in Bukovina, there is need of a wise, moderate and impartial régime in these provinces, and it is confidently hoped that the appointment of General Rascanu will be an important step towards the realisation of more desirable conditions in these provinces.

"THE PALESTINE WEEKLY."

The *Palestine Weekly* has published its fourth annual tourist number, entitled: "Palestine 1927." In an editorial forward a somewhat gloomy view of the situation of Palestine is provided. "Commerce, industry and agriculture groan under a load of disappointments and debts which are not likely to pass away so quickly." "Palestine has lived beyond its means for the past nine years." "The rate at which improvements have been introduced has been too rapid for such a small country as Palestine." Such are the sentiments of the Editor, who endeavours to show, however, "what Palestine has been doing during 1926, in spite of adverse conditions." The issue contains articles upon Immigration and Travel in 1926, Posts, Telegraphs, and Telephones, Achad Haam, Electric Power in Palestine, and a Commercial section. Abundant illustrations have been provided.

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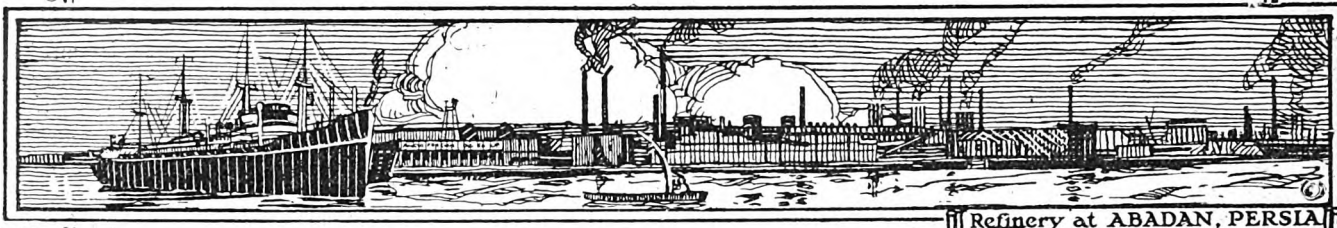
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CYPRUS LEGISLATIVE COUNCIL.

The Governor's Inaugural Speech.

The following is the text of a speech delivered by Sir Ronald Storrs, Governor of Cyprus, at the opening of the Legislative Council on January 17:—

"At my first formal opening of the Legislative Council I desire to express to Honourable Members my deep sense of the privilege that has been accorded me of being for a while associated with the destinies of Cyprus, together with my earnest hope that, with your advice and assistance, the Government may be enabled to raise the Island from the economic depression with which, like larger countries better able to bear it, she is afflicted.

"The year 1926 produced bad wheat and olive crops: barley, vetches, cotton, carob and grape were, however, good. The new factories established during the year for the manufacture of wine at Perapedhi, sumac at Limassol, and silk at Yeroshipu all gave an impetus to the production of these commodities. The importation of chemical manure continued on a large scale and there was a considerable exportation of live-stock. There seems to be no reason why, with due encouragement from the Government, and enterprise on the part of landowners, tobacco should not be grown as in the neighbouring islands, with the notable advantage of a twenty-five per cent. preference in British markets.

Trade in 1926.

"The imports for 1926, amounting to £1,570,166, show a decrease of £30,270, chiefly on account of decrease in mining machinery of which there were large importations in 1925. A more serious decrease is that of the exports for 1926 of the value of £1,103,651 (excluding invisible exports in the shape of emigrant remittances and Mining Companies' wages, amounting to at least £250,000), representing a decrease of £94,924 over those of 1925. The details and reasons for these are as follows:—Carobs £77,000 owing to greatly reduced prices and adverse customs tariff erected by Spain. Silk cocoons £17,500. The cocoons were bought up locally and used by the Cyprus Filature Company. The spun silk will be exported later. Cotton £15,000 owing to lower world prices, although quantities exported were normal. Pyrites £53,400 due to reduced prices and, owing to the coal strike, lack of ships to remove material. Mules £12,000 owing to fewer exportations. I am glad, however, to be able to report that exports showed a marked increase during the last quarter of the year and continue to be good. It is anticipated that carobs and pyrites, the two largest of the above items, will show large increases during 1927. Four hundred and ninety-eight steamers with a total tonnage of 753,724 visited the Island in 1926, as against four hundred and nine with a tonnage of 630,561 in 1925. In view of this increase special attention will be given during the current year to the question of increased harbour facilities, upon which reports were made in 1926 by a firm of Consulting Engineers. Such necessarily costly projects have to be considered with other major items clearly indicating the ultimate issue of a public loan.

"General comment on the Revenue and Expenditure is precluded as the final figures for 1926 are not yet available for the purpose of practical comparison. With the disappearance of the tithes, and the consequent exhaustion of the balance now in the Locust Destruction Fund, provision will have to be made annually out of current revenue for meeting the cost of the usual campaign and the contribution on account of the harbour and railway loans.

"You will observe that your recommendations with reference to certain items of additional taxation have been accepted, and the increased customs dues upon machinery and manure not imposed. Furthermore, demands for increase of staff in the Departments will not be entertained

until proved necessary after the increase of official hours of work from 30, which I consider inadequate, to 35 hours per week, which takes effect forthwith.

"In order to encourage production, the crafts and local enterprise in general, and to diminish the adverse balance of imports over exports, stringent instructions have been issued that, whenever practicable, Cyprus materials and Cyprus workmanship are to be employed for the purposes of the Government.

"Honourable Members are aware that a Commission has recently been appointed to examine the present system of taxation in Cyprus and to make recommendations with special reference to the needs of Agriculture and Commerce.

"The health of the Island has been on the whole good, and although cases of plague and typhus fever have occurred in all the surrounding countries, Cyprus still remains free of these diseases. The Sanatorium at Athalassa was opened in March, and 56 cases have been treated, with 36 deaths. It is to be regretted that patients arrive for treatment when illness is too far advanced for cure. Heavy rain in July brought about an increase in the number of Malaria cases, and I am exploring the possibilities of an extensive campaign in this direction. As an immediate and general measure, the system of village compounders is being completed so soon as the necessary staff can be procured.

Public Works.

"The general situation of the roads cannot be regarded as favourable. The type of construction which sufficed up to a few years ago will not stand up to the increasing traffic rising now on main roads as high as 900 tons daily concentrated on a single track, and the total loss by wear has for some time probably exceeded the repairs possible. Good means of communication are essential to prosperity, and to meet future requirements extensive reconstruction and widening will be required. For the time being, however, the funds available provide only for the minimum of maintenance.

"On the advice of a well-known firm of Consulting Engineers, a survey of possible "Second-water" bearing areas was started in 1926 by means of trial borings, and is being continued in the current year. Of eleven borings completed up to date five have produced a good supply of water. Provision has been made in the current Estimates for carrying on this work under the supervision of a specialist. Water being one of the chief needs of Cyprus, I trust that a successful outcome of these experiments will result in the increased production and prosperity of the Island.

"The sanitary water supply of the Capital is insufficient in quantity and liable to contamination in many ways. A report on the matter was made by Consulting Engineers last year and provision has been made in the 1927 Estimates for carrying out preliminary investigations for a new supply as recommended by them.

"The appointment of an experienced Mining Engineer as Inspector of Mines has resulted in a marked improvement in the amount of work done on prospecting areas owing to the supervision that has since been possible. The services of this Inspector are being placed at the disposal of prospecting permit holders, many of whom have little or no knowledge of mining, in return for a

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fee. Generally there appears a good prospect of an increase in mining activities during the current year and in particular it is anticipated that a large Athenian Company will start a new mine in the near future and eventually provide employment for upwards of 1,000 workmen.

The Forest and the Goat.

"In Cyprus, as generally elsewhere, the prosperity of the peasant is the prosperity of the Island. Upon this vital matter so many conflicting and unsupported generalisations are current, and so little exact information is available, that I have appointed Central and Local Committees to examine and report upon the realities of rural life with the view of providing the Government with an authoritative exposition of the situation, which will enable it to understand, and so better execute its responsibilities towards the admitted difficulties of the agricultural population. One of the most immediate of these is the development and extension of agricultural credit, a problem which is engaging the attention of a second Commission which will be able to avail itself, if necessary, of the data in process of collection by the first. No less imperative is the need of technical, and especially of decentralised agricultural education. The benefits everywhere, and especially in a country like Cyprus, of afforestation on a large scale are incontrovertible: yet there is not a more controversial topic in the Island than the extent to which forests should be allowed to grow. Forestry in Cyprus conserves rainfall, clothes ground unfit for agriculture, moderates extremes of climate, improves by stream-shifted deposits agricultural lands, provides in timber one of the staples of civilisation, creates regular employment and small holdings for foresters, adds health to the air and beauty to the landscape and represents at a modest estimate a cash value of £2,500,000. But the forest and the goat cannot live together, and the goat is said to be for Cyprus what the pig is for Ireland or the camel for Arabia: the irreplaceable means of subsistence for the very poor. For the better study, therefore, of these mutual advantages and grievances an official investigation is being conducted into the methods and operation of the Forest Department. Effect is also being given to the recommendations of the Social Hygiene Committee, with whom I conferred both in London and in Egypt, before and after their visit to Cyprus, and I am arranging for an expert to report, in the course of the year, upon the progress achieved thereon.

"I am re-examining the questions of external mails,

transport and communications. For the study of these and of other commercial questions, (such for instance as the revision of the Law relating to Partnerships, Bills of Exchange, the extension of the Hire Purchase System, Bankruptcy), for the formation of a body of considered and representative opinion of producers, exporters, and importers, I am convinced that the Island cannot fail to benefit by the establishment of a Chamber of Commerce: and for such a project, though essentially non-governmental in character, I am ready, if approached, to give advice and assistance.

Le Doux Pays de Chypre.

"Not least among the resources of this ancient land are those relics of the past whose discovery is a romance, whose conservation a pious duty and whose explanation and display to voyagers of all nations should be the pride and the privilege of its inhabitants. Much has been done in this direction, but much more remains to be done, and Honourable Members will, I am sure, learn with pleasure that two learned and distinguished Societies have requested permission to conduct excavations in the Island, and that their requests are occupying the favourable attention of the Government. The suitable preservation of these and other spots is a responsibility as well as an honour, and I am shortly recommending to your notice a Bill for the control of advertisements, drafted on the lines which have been found necessary, useful, and in the end profitable in other historic countries. You will be pleased to learn that one well-known Company has already set the example, soon doubtless to be followed by others, by removing unsightly hoardings from the public road side. It order that Cyprus should derive her due benefit from the visitors who will not fail to profit by the above and other amenities, it is essential that adequate accommodation for foreign Automobile Associations, should be provided and connexions established. I therefore arranged whilst in London that the representative of a well-known travelling agency should visit Cyprus, and advise upon the steps to be taken for the encouragement and reception of visitors. This gentleman left the Island last week, and I am awaiting his report.

"Finally, it has been brought to my notice that Cyprus is still without a public library, and that the want of some such institution is increasingly felt. I therefore propose appointing a Commission to make recommendations, which, I would assure them in advance, will receive the sympathetic and practical consideration of the Government."

The Governor, in conclusion, enumerated the measures which the Council would be invited to consider.

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Mr. Antonio Efstratiou Mavrogordato of Hermopolis, Syra, Greece, left property in England to the value of £13,504.

Offers of troops and assistance for use, if required, in China, were last week received by Lord Irwin, the Viceroy, from the Indian Princes.

The Roumanian Court Minister has issued a communication saying that the King began radio-therapeutic treatment on January 29, under the direction of Dr. Sluys, of the Belgian Institute of Radium, assisted by Dr. Severeanu.

The French and Italian Governments, through their Embassies in London, have called the attention of the British Government to the intended curtailment of the traditional rights of foreign Consuls in Palestine. The new regulations come into force this year, and the Governments interested have requested that they should be revised.

Book Reviews

SAILING ACROSS EUROPE.

"*SAILING ACROSS EUROPE.*" By Negley Farson. (London: Hutchinson and Co. 21s. net.)

Mr. (Skipper) and Mrs. (Crew) Negley Farson, two young Americans, full of good spirits, good health and enterprise, are the heroes of this book. They wanted to sail across Europe, and achieved it, in a little six ton, 26 foot clinker-built yawl with auxiliary engine, which they bought at Southampton in eminently unseaworthy condition. Starting from Rotterdam on June 15, 1925, they arrived at Sulina on the Black Sea the following December 10. Their route was by the Rhine and the Main, then through the old and little-used Ludwigs Kanal to the Danube. From Budapest they made excursions to the great Hungarian plains, from Belgrade they motored through Bosnia and Herzegovina to Ragusa, Cattaro and Cettigne, from Rustchuk they visited Bucharest and Sofia, and from Galatz they did an illicit trip to the Bessarabian coast.

They had their adventures, as might be expected, but the skipper and his crew took them all in the day's work, and the former touches but lightly on them in his book. They kept their eyes and ears open (the fact that they could speak German and Russian was of great assistance to them), and the result is a very jolly book. They saw things from a very different angle from that to which the ordinary tourist accustoms us. They were also delightfully free from national prejudice and had a natural propensity to see the good in those they met, resisting the temptation to be humorous in the somewhat "superior" attitude which we all know too well. Not that they had not their preferences. In the Near East they clearly greatly preferred the Hungarians and Bulgarians to the Roumanians.

It is not to be expected from a book of this nature that it should be a mine of statistical information. To this it makes no pretension. But its easy, cheery narrative does give a life-like idea of how things were a year ago in the queer parts of the Near East where the Great War has brought about such extraordinary political changes. We should have liked to quote something typical of this excellent book, but to do the author justice, we should have had to occupy more space than can be allotted.

Mr. Farson has added greatly to the interest of his account of his travels by using his camera freely and wisely, giving us in many cases photographs quite outside the usual illustrations of travel books in the countries concerned.

C. S-W.

THE DECLINE AND FALL OF THE MAHRATTA EMPIRE.

"*HISTORY OF THE MARATHA PEOPLE,*" Volume III, By C. A. Kincaid and D. B. Parasnis (Oxford University Press, 10s. 6d. net.)

In this, the final volume of the history, the story is somewhat compressed, for the reason given by Mr. Kincaid in his preface: that, as the book is primarily intended for Indian readers, the glorious period of the Mahratta kingdom will prove, to them, more interesting than its decline and fall. The first few chapters deal with the period when, under the Peshwa Balaji--no unworthy successor of the great Bajirao I--the Mahratta Empire reached its zenith; when its armies were on the point of overwhelming the last fragments of Mogul rule in the Deccan, which must inevitably have been followed by the conquest of Mysore. One does not forget that it was the Mahratta victories in the Deccan that gave Clive a free hand in Bengal and that, in the author's words, "did the English the best turn ever done them by a foreigner," thus consolidating the power that was eventually to subjugate them. After the death of Balaji, the only great Mahratta figure remaining on the stage was the Minister Nana Phadnavis; with whom, at his death in 1800, "departed all the wisdom and moderation of the Mahratta Government," the final fall of which came 18 years later, when the last of the Peshwas surrendered to the British.

Among the other great men of the time, the reader meets the Frenchmen de Bussy and de Boigne, and learns something of the astonishing career of the latter—an officer in the French, Russian and British services, a favourite of the Empress Catherine, sold as a slave in Turkey and captured by Arabs in Egypt, and finally—with an interval as a business man in Lucknow—in the service of the Maharaja of Gwalior. Also that remarkable man, Hyder Ali, who established himself as ruler of Mysore with the assistance of the Brahman Khanderao and then turned against the latter, who fled for protection to a neighbouring Raja, only to be surrendered by the latter on Hyder Ali's promise to "care for him as he would a pet parrot"—a promise that he fulfilled by confining him in a cage and feeding him on rice and water till his death.

THE "MOSLEM WORLD."

The January issue of the *Moslem World* is a Persia number. In it are articles upon "Universality of Early Islam," by E. E. Elder, "The Sect of the Ahl-i-Haqq," by Saed Khan, "The Approach to Shiah Islam," by U. S. Eardly, H. C. Schuler, and W. McE. Miller, and an editorial article upon "The Keystone of the Arch," in which it is suggested that the Dar-ul-Islam, of which Persia is the centre, is crumbling in the arch of its temple. The issue contains other interesting matter, both in the form of essays, of comment on current events, and of book reviews.

"FOREIGN AFFAIRS."

The January issue of that admirable American publication, *Foreign Affairs*, contains two articles in particular that will interest readers of THE NEAR EAST AND INDIA: "Three Days in Belgrade: July, 1914," by Hamilton Fish Armstrong, and "Downing Street and Arab Potentates." The first is a vivid description of the immediate events which led to the declaration by Austria-Hungary of war upon Serbia: it is a most readable essay. The second article explains the relations between Britain and the various Arab chieftains, and concludes that "the recent treaties between England and Ibn Saoud are an inevitable sequence of events in Arabia."

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The "Blue Peter" is published monthly at its Offices, 12, St. Mary Axe, E.C.3, and may be had from W. H. Smith & Son, Wymon & Sons Ltd., and other chief Newsagents at home and abroad.

THE BOLSHEVIST MENACE TO INDIA'S EASTERN FRONTIER.

By LT.-GENERAL SIR GEORGE MACMUNN, K.C.B.,
K.C.S.I., D.S.O.

The Commander-in-Chief in India, Field-Marshal Sir William Birdwood, has just returned from travelling into the districts far up the valleys of the Chindwin and Irrawaddi rivers, into country that is in many ways the Ultima Thule of our administration. But what would normally be but an interesting tour in a military district of little importance is now of some Imperial moment. The River Irrawaddi is a mighty waterway, and in its course to the sea runs through three transverse ranges of hills after it has left the gorges of the vast mountains from which it derives. The two lower defiles are navigable at all times, but the Third or Upper Defile is impassable for six months of the year when the snow waters rise and the rains succeed to the melting snows. In those months only country boats hauled painfully by hand through the rapids can get up. In the earlier days of our occupation this upper district was practically cut off from the rest of Burma by the flood season. For the last twenty years, however, a railway has come up from below, and brought access on the west of the river to the isolated districts of Mogaung and Myitkhyina. Above the Third Defile the people on both banks are largely Kachin, a strange Mongoloid people, who after some years of resistance to British influence have now settled down to be some of the best of our Burman fellow subjects, and during the War sent forth soldiers that showed some of the best qualities of the Gurkhas. Above the Third Defile, the Burmo-Chinese frontier runs some forty miles or so to the east of the river. Across it various trade routes from the province of Yunnan, from Tali and Yunnan-fu come down into Myitkhyina and across to the Jade mines at Mogaung, or just below the defile into the town of Bhamo on the river. It was to protect these trade routes that we first penetrated the forests and jungles of the mountains which edge the river, and which landed us in some years of mountain warfare before the Pax Britannica reigned with the border.

Now these trade routes lead either to the valley of the Yangtzekiang or to that of the West River in the province of Yunnan. The Yangtze is navigable for many hundred miles above Hankow, and the route is a much used and extremely populous one right up to the mountains in which the upper courses of the Mekong, Salween and

Irrawaddi, run in deep parallel gorges in close proximity. The routes from Burma first rise and fall over these successive ranges, and then come into the open road of the Yangtze valley. Now if the Chinese are to continue their anti-British philo-Bolshevist cause, and are going to follow up the line indicated by aiding the frenzied policy of Moscow, the road to Burma lies singularly open.

For the last forty years British and Chinese military posts have looked at each other across the border, but the Chinese attitude, once certain misunderstandings had been cleared up, has always been friendly and correct, and any military danger from that side has long seemed faint, so that the Burma garrison has been reduced to a second-class military district with only enough troops to back up the military police in the event of trouble with the mountain tribes. During these years of peace the trade routes have been improved, and the way not only for propaganda and for agents but also for a few thousand troops is easy enough. The prospect might easily become serious and difficult to handle, and call for considerable effort in a terrain where effort is not easy.

Another interesting point exists. Some fifty miles above Myitkhyina, the Irrawaddi breaks into two rivers, the Nmai-Kha on the east and the Nmali-Kha on the west, the two branches still running parallel from north to south. The country beyond the Confluence, as the junction is termed, very mountainous and thickly wooded, is occupied by tribes of Kachins who have never been brought under any form of administration. They have hardly been visited even since Colonel Yule's column crossed the "Mai-Kha" in 1892, or since Prince Henry of Orleans' adventurous route took him across the gorges some miles further north in the next year. Sir Harcourt Butler, Governor of Burma, was, it will be remembered, exceedingly successful a year or so ago in persuading the slave-owning, head-hunting tribes further west in the Chin hills to abandon their slave habits and ruthless ways, and it has long been thought that the time was ripe to introduce some form of control and progress among the Kachin tribes north of the Confluence, especially since the remainder of the Kachins have taken so kindly to British influence. Sir William Birdwood will see for himself what the country is like should any military assistance be necessary, and will also realise what steps Bolshevist action might render necessary. It is certainly vexatious that the Government of India, while anxiously studying the Bolshevist attempts to penetrate Afghanistan and to get at India by way of Kabul, should now be compelled to keep an eye on so opposite a direction as the upper waters of the Irrawaddi.



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A general and foreign wireless service was established in Teheran in January 28 for the first time.

M. Ponsot, High Commissioner in Syria, arrived in Jerusalem on January 25 from Beyrout as the guest for two days of Lord Plumer, British High Commissioner in Palestine. He proceeded thence to Cairo and lunched with Lord Lloyd on January 28. M. Ponsot sailed from Alexandria for France on January 29.

Dr. Muthulakshmi Ammal, the first woman member of any Indian Legislature, who was recently elected deputy-president of the Madras Legislative Council, presided on January 27 during a part of the session. Mrs. Ammal said that Madras had set an example to the whole world in placing a woman in the high position she held, and appealed for the sympathy and help of the members in her task.

An Indian Army instruction notifies that the Secretary of State for India has decided to continue for a further period of six months with effect from January 1, 1927, the provisional increase of 25 per cent. to all pensioners under the Indian Military Service Family Pension regulations, and to pensioners of the Indian Military Widows and Orphans Fund who were on the pension list up to December, 1926.

NOTES OF THE WEEK.

(Continued from page 106.)

"territorialisation" of Zionism is inimical to the best Jewish interests; and there still exists a body of opinion—exemplified by some articles published in *Le Temps* in December—which insists that the alleged reluctance of Jews to leave their countries in order to form a new community in Palestine implies that Zionism is not what the majority of Jews desire. According to this argument, the fact that but a small section of the Jewish community can ever reside in Palestine should impel Jews in general rather to seek fusion with the peoples among whom they live than to "nationalise Judaism." However this may be, it is quite certain that the next year or two will be vital for the Zionists, who could not easily support again so unhappy an experience as befel them last year. But the signs point to a change in the situation in Palestine in 1927, during which, not only will the greatest industrial schemes of the Zionists be launched, but also the Municipal Franchise Ordinance, upon which such hopes of the eventual formation of a Palestinian nation are being set, will be put into operation. More and more Palestine is to be seen as the theatre in which a world-interesting drama is being played, a drama the *dénouement* of which is still upon the knees of the gods.

Government and Tel-Aviv.

In the meantime it is difficult to resist the conclusion that some at least of the anxieties of the Zionists in Palestine are of their own making. It has just been announced that Government has had to intervene in the local affairs of the purely Jewish town of Tel-Aviv, which have for some time been dominated by what it is the fashion to call "Labour" politicians. This municipality's finances appear to have been managed on most extravagant lines, and the Jerusalem Government, which is resolved to harbour no Poplars in Palestine, has had rigidly to control the Budget of Tel-Aviv. It is said that the Government has ordered, among other things, that the Tel-Aviv Council must sign no contracts for any sum higher than £E100 without the approval of the District Commissioner, that the Budget must include a sum of not less than £E20,000 to meet the sinking fund charges of the municipal debt (which now amounts to £E260,000); and that the Government's approval to accept a loan of £E15,000 from the Palestine Zionist Executive to help unemployment (it will be remembered that the Government came to the rescue of Tel-Aviv in this matter but a few weeks ago) is subject to the previous repayment of the existing loan made by the Government for the same purpose. All this no doubt is galling to the inhabitants of Tel-Aviv, but the Government is unquestionably right in attempting to get Tel-Aviv to adopt similar financial methods to those which have been officially pursued in Jerusalem with such gratifying results.

Arabia and Turkey.

Slowly and quietly but surely Turkey appears to be gaining that prestige in the world of Islam which she appeared deliberately to have forgone when she abolished the Ottoman Caliphate. Particularly is this noticeable in the relations now being formed between the Angora Government and the various sections of the old Ottoman Empire. The Turks have a Minister Plenipotentiary, for instance, in the Hijaz; and the Imam Yahia has at last decided to send a former deputy in the Turkish Parliament, Qadhi Ahmad, to represent him at Angora. Matters between the Nationalists of Anatolia and the various Arab potentates who have gained their independence either by the defeat or the defection of the Turks are, happily, becoming normal. It was a sign of the times, for instance, that the Turks and the Yamanites did last year send representatives to the Islamic Conference at Mecca, and equally so that the Turks should now be ranking the highest, in the diplomatic sense, at Jidda. Whatever may be said of certain individuals of the Turkish Government, the Turkish nation as a whole remains fundamentally Muslim; and as such it must always preserve close ties with the Jazirat ul

Arab. Nor should any well-wisher to Islam wish it otherwise. For if Turkey is borrowing largely from Europe (at least in the non-financial sense), so also is Arabia at last endeavouring to avail herself of whatever advantages the West may be thought by her to possess. It seems probable in fact that this generation will witness remarkable material development in the Peninsula which has for so long resisted the "earthy" hands of the Nasrani.

THE TREATY OF MECCA.

The *Daily Telegraph* of January 28 published an English translation (taken from the *Umm al Qura*, the Mecca weekly journal) of the text of a Treaty signed at Mecca on October 21 by his Majesty the King of the Hijaz and Sultan of Najd and its dependencies, of the one part, and Saiyid Hassan ibn Ali Idrisi of the Asir, of the other part, the latter's signature being attested in ratification of the treaty by Ahmad al Sharif as Sanusi. Here is the text:—

Between the King of Hijaz and Sultan of Najd and its dependencies and the Imam Saiyid al Hassan ibn Ali al Idrisi,

Whereas it is desirable to preserve harmony, to safeguard the existence of the Arab countries, and to strengthen the bonds between the Princes of Arabia, his Majesty the King of the Hijaz and Sultan of Najd and its dependencies, Abdul Aziz ibn Abdul Rahman al Faisal al Saoud, and his Honour the Imam of Asir Saiyid Hassan ibn Ali al Idrisi have agreed to conclude the following convention:

1. His Honour the Imam Saiyid Hassan ibn Ali al Idrisi recognises that the territory within the old frontiers defined in the Treaty of 10th Safar, 1339 [October, 1920], made between the Sultan of Najd and the Imam Saiyid Muhammad ibn Ali al Idrisi, which territory was under Idrisi rule at that date, is under the suzerainty of his Majesty the King of the Hijaz and Sultan of Najd and its dependencies in conformity with this convention.

2. The Imam of Asir shall not enter into political relations with any Government and similarly he shall not grant any economic concession except with the previous approval thereof of his Majesty the King of Hijaz and Sultan of Najd and its dependencies.

3. The Imam of Asir shall not declare war on or conclude peace with anyone except with the approval of his Majesty.

5. The King of the Hijaz and Sultan of Najd and its dependencies recognises the rule of the present Imam of Asir over the territories defined in the first article for the period of his life and thereafter the rule thereover of such person as may be agreed upon by the Idrisi family and persons of competency subject to the Imamate.

6. The King of the Hijaz and Sultan of Najd and its dependencies recognises that the internal administration of the territories of Asir and the supervision of the affairs of the tribes thereof, including the power of appointment and dismissal and other functions of internal administration, are the prerogatives of the Imam of Asir, provided that judgments shall be in accordance with the Sharia Law and justice as in the two-Governments.

7. The King of the Hijaz and Sultan of Najd and its dependencies undertakes to prevent any internal or external aggression on the territories of Asir defined in the first article, subject to mutual agreement based on the requirements of any situation and on the dictates of expediency.

8. The two parties undertake to abide by this Treaty and to act in accordance therewith.

9. This Treaty shall become effective after ratification thereof by both High Contracting Parties.

10. This Convention has been drawn up in Arabic in duplicate, and each of the Governments making the Treaty shall preserve one copy thereof.

11. This Treaty shall be known as the "Treaty of Mecca the Blessed."

NEWS IN BRIEF.

While crocodile shooting last week on the Ganges near Cawnpore, Mr. F. Godowin, an engineer, was accidentally shot dead.

The death is announced of Sir Charles Roe, formerly Chief Judge of the Chief Court of the Punjab and Vice-Chancellor of the Punjab University.

It is announced at Belgrade that a congress on Byzantine questions will be held there on April 26, which 110 historians of various nationalities propose to attend.

January 26 was the 42nd anniversary of the death of General Gordon at Khartoum. A wreath was placed on his statue in Trafalgar Square on behalf of the Council of the Shaftesbury Society and Ragged School Union.

The Greek military pilot who landed on Bulgarian territory owing to fog and was detained by the Bulgarian authorities has been released, owing to the explanations offered, and left for Salonika on January 27.

General Bramwell Booth announces that a Salvation Army leper settlement is to be established on the banks of the Ganges, near Benares. The suggestion that the Salvation Army should establish leper colonies in India was made by King George.

The Greek Government on January 26 removed General Pangalos from Averoff Prison, Athens, back to Fort Izzeddin, Crete, as a result of rumours of an attempt to release the ex-Dictator. He was accompanied by a military guard. A decision was taken that the Chamber should try General Pangalos as the Senate is not yet constituted.

The work of the Anglo-Bulgarian Mixed Arbitral Tribunal has been finished, its final meeting taking place on January 28, when the president reviewed the work of the Tribunal.

In the Burma High Court, Rangoon, on January 26, Miss Ma Pwa Hmee, the first Burmese woman barrister, was enrolled a member of the Burmese Bar by the Chief Justice, Sir Guy Rutledge. Mr. Gaunt, the senior Government advocate, introduced Miss Hmee, and the Chief Justice gave her a cordial welcome.

The Royal Commission on Agriculture in India is proceeding to England early in April to take evidence and obtain further material, with a view to preparing its report. The Commission will return to India in the autumn of 1927 in order to complete its itinerary and to write a report.

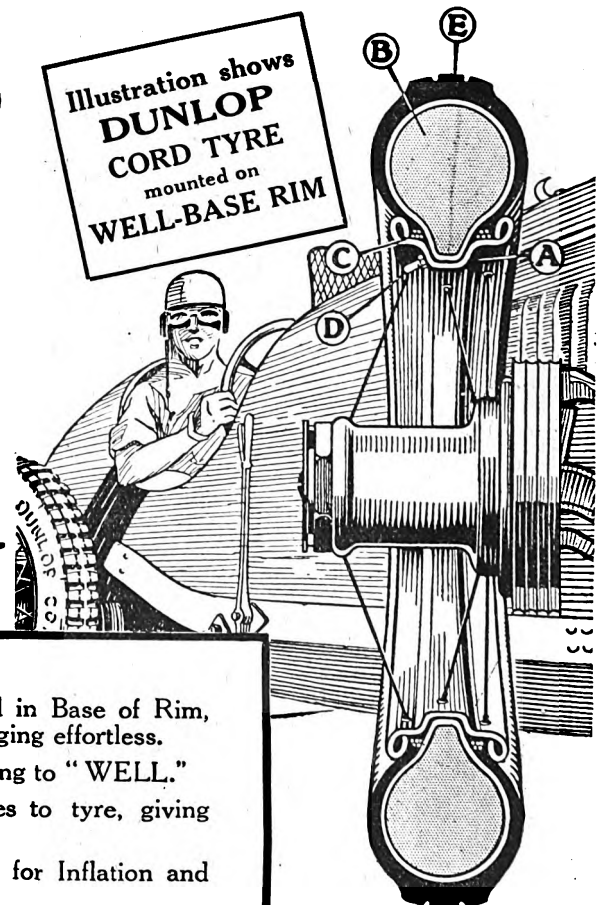
M. Manoilescu, Roumanian Under-Secretary of State for Finance, arrived in Rome on January 24 at the head of a delegation with the object of negotiating a trade agreement between his country and Italy. The first meeting of the Italian and Roumanian delegations was held the following day.

Relief crews for the Crocus and Cyclamen, stationed in the Persian Gulf, are to proceed to Bombay by freight, and similar arrangements will be made for the return to England of the relieved ratings. The present crews of these sloops joined them at Bombay on March 8, 1925. The Crocus, Commander W. C. Tancred, is manned from Portsmouth, and the Cyclamen, Commander C. R. E. W. Perryman, D.S.C., from Chatham. The commanders having joined since the commission started, it is not expected that they will be relieved yet.

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PERSONAL AND GENERAL

TO-DAY

February 3, 1927 (New Style).

January 21, 1927 (Old Style).

Rajab 30, 1345, A.H., of the Muslim Calendar.

Adar I, 1 5687, of the Jewish Calendar.

King Boris of Bulgaria, who was born on January 30, 1894, celebrated his 33rd birthday last Sunday.

Sir William Keith Murray sailed in the Cathay on January 28 for Port Said.

The Hon. Mrs. Rupert Gwynne sailed from Tilbury on January 28 for Port Said in the Macedonia.

The Hon. Sir William and Lady Erskine left London last week on their return to the British Legation, Sofia.

The Prince of Wales received the Bulgarian Minister (M. Pantcho Haji Mischeff) at St. James's Palace on January 26.

Lord and Lady Montagu of Beaulieu, who are on their way to Persia, arrived at Port Said in the Narkunda on January 26.

The Hon. Mrs. Lascelles left London for Port Sudan on January 28, embarking in the P. and O. Cathay at Tilbury.

The Hon. Mrs. Harold Nicolson left England on January 28 for the British Legation, Teheran, and will be abroad until May.

Viscount Wimborne will arrive at Marseilles on February 11 on his return from India, and will travel overland to London.

Sir Robert and Lady Hudson left on January 28 by the P. and O. s.s. Cathay for Egypt, and are not expected to return to Hill Hall until the end of March.

M. Diomedes, Governor of the National Bank of Greece, left Athens on January 27 for London and will meet M. Venizelos to discuss Greece's War Debt payments.

Mr. L. Harrington, of Messrs. Waring and Gillow, Ltd., is expected to arrive in Egypt on February 7 and not on the 17th as stated in our issue of last week.

Lord and Lady Greenway left London on January 27, to join the s.s. Rawalpindi at Marseilles *en route* for the East. They expect to be away for about two months.

An exhibition of the original pictures and woodcuts illustrating Colonel T. E. Lawrence's book, "Seven Pillars of Wisdom," is being opened on February 7, at the Leicester Galleries, Leicester Square.

Miss A. J. Dickinson, who supervises a cabinet-making school for boys in Bosnia, is, in the Ridley Art Club Exhibition which is being held at Spring Garden Galleries, Trafalgar Square, February 5-19, exhibiting some of the work done.

Mr. Francis Henry Harding, J.P., I.C.S. (retd.), Dorking, Surrey, formerly District and Sessions Judge for the Districts of Minnapur, Chittagong, and Eshahabad, and for thirteen years Secretary of the Dorking Cottage Hospital, left £16,525.

The will of Deputy-Inspector-General Henry Nanton Murray Sedgewick, R.N. (retd.), Southsea, Hants, who was in medical charge of the Naval Brigade during the Abyssinian War in 1868, and assisted Lord Napier at the capture of Magdala, and was fleet surgeon on H.M.S. Inflexible at the bombardment of Alexandria, has been proved at £7,078.

The appointment of Mr. Gregory C. Moses as Consul of Portugal at Calcutta, has been approved by the King.

Among the passengers leaving Liverpool on January 28 by the Bibby Line s.s. Warwickshire for Port Said, were Lieut.-Colonel Sir Emmanuel Hoyle, Bt., J.P., O.B.E., and Lady Hoyle, who, after visiting Egypt, intend to make a tour in the Near East, including Turkey.

Sir Abdur Rahim, the Bengal Muslim leader, finding no Hindu willing to serve with him, has resigned his Ministerial position. His resignation has been accepted by Lord Lytton, and Mr. A. K. Ghuznavi and Mr. Chakravarty have been appointed.

Among the passengers who left London on January 27 to join the P. and O. s.s. Rawalpindi at Marseilles were the Hon. Donald and Mrs. Erskine, and Major-General Sir Reginald and Lady Ford, for Bombay; and Sir William Cross, Lady Dowson, and Sir Harry and Lady McGowan, for Port Said, the Thakore Sahib of Rajpot, the Kumar Sahib of Rajpot, and the Raja and Rani of Kashipur for Bombay. Sir T. and Lady Comyn-Platt embarked at Marseilles for Bombay.

The King has given the following gentlemen authority to wear decorations conferred on them by the King of Bulgaria in recognition of valuable services:—

Insignia of Officer of the Order of St. Alexander.—Mr. Lewis Bernard Golden.

Insignia of Officer of the Order of Civil Merit.—Mr. Lawrence Webster.

Insignia of Chevalier of the Order of Civil Merit (with Crown).—Mr. Andrew Theakston.

Lord and Lady Greenway were entertained at dinner at Claridge's Hotel on January 25, before their departure for Australia, by the Board of the Anglo-Persian Oil Company. Among those present were:—Sir John and Lady Cadman, Admiral Sir Edmond and Lady Slade, Sir Hugh and Lady Barnes, Lord and Lady Bradbury, Sir John and Lady Cargill, Mr. Lloyd, Mr. and Mrs. Lund, Sir Edward and the Hon. Lady Packe, Captain the Hon. Charles and the Hon. Mrs. Greenway, Lieutenant-Colonel and the Hon. Mrs. Hunter, Sir Basil and Lady Kemball-Cook, Sir Arnold Wilson, Major and the Hon. Mrs. Currey, Sir George and the Hon. Lady Barstow, Viscount Inchcape, Sir Percy and Lady Cox, General and Mrs. Home, Mr. Oliphant, Sir Adam and Lady Ritchie, Major and Mrs. Wallace, and the Hon. Elsie Mackay.

Where to stay in the East

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HAIFA—Strand Hotel.

JAFFA—Hotel Jerusalem.

JERUSALEM—

St. John's Hotel,
H. & F. Fast, Managers.

KYRENIA, Cyprus—

Sea-View Hotel.

PORT SAID—

Casino Palace Hotel,
Grand Hotel de la Poste,
Marina Palace and Savoy Hotels.

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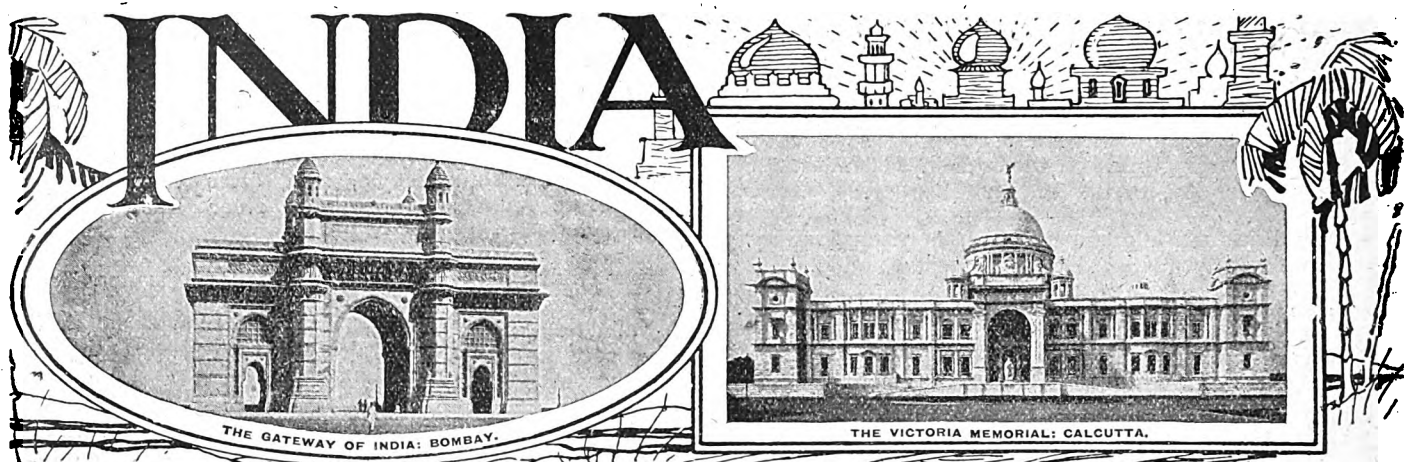
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THE GAUHATI CONGRESS.

The proceedings of the Indian National Congress are of small interest nowadays, and all the more so since it has become, in everything but name, merely a family meeting of the Swaraj Party. The selection of so out-of-the-way a place as Gauhati, in Assam, was only in keeping with the futility of the proceedings: and one of the speakers quite correctly described the situation when he said that people had, of late, been thinking more and more about the Councils and the Assembly and less and less about the Congress, which ought to be "elevated by the destruction of this rivalry." This statement was made by a supporter of a resolution (which was defeated) binding "the Congress Party" to walk out of the Councils immediately after having taken the oath. The chief opponent of this resolution explained that the Swaraj Party would not hesitate to leave the Councils when its work in them was finished, but that to-day "half their work was undone." In Bengal it might yet be possible, in conjunction with other parties, to "thwart those people who were conspiring to form Ministries"; but if, after three months, they found themselves unable to improve their position, or to prevent the formation of Ministries, they would certainly leave the Councils. The resolution finally adopted included the provisions that Congressmen in the Legislatures should refuse to accept Ministerships or other offices in the gift of Government: should oppose the formation of Ministries by both parties: should refuse supplies and throw out budgets: and should defeat all proposals for legislative enactments "by which the Bureaucracy proposed to consolidate its forces." It was explained that the wording of this resolution represented the anxiety of Congress not to lay down a programme that they could not carry out: Pandit Motilal Nehru, the Swarajist leader, said that it was obvious that, unless they were in a majority, they could not follow a policy of uniform and continuous obstruction, and that was why, when they found themselves in a minority, they modified their programme in order, if possible, to form a coalition with other parties to carry into effect as much of it as was possible. It was generally admitted that, to carry out even the modified programme, not only a coalition of parties would be necessary, but also unity among communities. The simplest way of tackling communal differences was found to be the denial of their existence; though Pandit Motilal Nehru expressed the characteristic opinion that it would not be surprising if, when the Statutory Commission came to India, there were a recrudescence of communal tension and a riot should take place in the very spot where the Commission was sitting, since this would prove the strongest possible reason for the Commission to report that India was not fit for any further advance. In the course of his opening address, the President (Mr. Srinavasa Iyengar, of Madras) said that, if communal conflicts really existed, they would necessarily involve an arbiter who, if the whole of India were divided into two warring communities, must be a foreigner; but that, as a matter

of fact, such differences as did exist were temperamental and individual and not at all communal; while the forces of nationalism were steadily and visibly triumphing over those of communalism. "Should we," he asked, "have dissident parties in the Congress or in the country? The answer comes again and again from the depths of our being, from the holy of holies, from our tortured soul, that the righteous should link hands against unrighteousness. We must see if it is not possible to reconcile the longing for unity with the longing for Swaraj without affecting either, and in such a way and by such methods as shall amaze and baffle and discomfit the Governments in India and in England at this critical hour."

Comparing the above "purple passage" with the expressed determination of the Congress not to attempt to bite off more than they can chew, it is of interest to see what their programme is: and this may perhaps best be done by quotations from the President's opening address. Any scheme of self-government, he said, will be nothing but an empty form if control over the Army and Navy, and over the political relations with the Indian States, is not given to the Swaraj Government: for, otherwise, self-governing India will be menaced by an Army under foreign control and the Indian States will, if nothing worse, be a perpetual thorn in its side. The rulers of Indian States ought, in their own interest and in that of their subjects, to content themselves with the position of hereditary Governors or administrators of their territories under a system of representative institutions and responsible government. The people of each State should have such representation in the Assembly as may be necessary to safeguard their interests till each obtains a system of responsible government. Next to Swaraj, the greatest of India's needs is the relief of poverty. The average yearly income of an Indian is scarcely 68 rupees. We are face to face with unspeakable squalor and misery and starvation: the first duty of a Government is to take adequate measures for their removal but, under the present system of government, the problem is wholly ignored. The time has perhaps come for us seriously to think of a federation of Asiatic peoples for their common welfare. So long as our neighbours were ruled by irresponsible autocrats, such an idea was clearly out of the question; but, now that Angora, Persia, China and Siberia are governed by democracies, a federation of democracies comes within the range of practical politics.

It is pertinent to inquire by what means the Congress proposes to carry out this programme, and incidentally to "amaze and baffle and discomfit" the British and Indian Governments. The Swarajists profess to believe that they have already "established a funk" both at Home and in India: and point to the visits of Lord Reading to England and of Lord Winterton to India, and to the internment of the Bengal déteenus—which Motilal Nehru described as due to the desire to suppress the activities of the Swaraj Party and therefore as proof of its strength—as evidence. So it is perhaps not surprising to learn that they intend to rely on what Bepin Chandra Pal, in his weekly letter 12

the *Calcutta Englishman*, calls "the old futility" of obstruction, assisted by the intensification of the "constructive" campaigns in favour of hand-spinning, prohibition, and the removal of untouchability. The Swarajists have always been fond of applying to the Government of India the old saying about the Bourbons: its application to themselves is now, at least, more than overdue.

CURRENT TOPICS.

The Bengal Ministry.

The decision arrived at by the Swaraj Party, not to form Ministries themselves and to do everything in their power to prevent others from doing so, has had remarkably little effect hitherto: and the successful formation of a Ministry in Bengal must have been a sad blow to them. Their overwhelming defeat in the Legislative Council on the motion to provide salaries for two Ministers, which was carried against them by 94 votes to 38, made things easy for the Governor; who, after a preliminary attempt to play into the Swarajists' hands by appointing a Muhammedan Minister with whom no Hindu would serve, has now, by the resignation of the latter, obtained a satisfactory Ministry. Pandit Motilal Nehru, the All-India leader of the Swaraj Party, expressed, at the Congress meeting at Gauhati, his conviction that "no Province would dream of accepting office while the Bengal detenus were still detained without trial, for Bengal's honour was the honour of India." The formation of a Ministry in Bengal, the home of the detenus "whose harrowing story," to quote another of the Gauhati speakers, "shows that Indians are asked always to move in a vicious circle with shame and humiliation as their badge, not with Swaraj as their birth-right," marks the complete defeat of the Swarajists' programme. It has been strangled at birth: and it will be no easy task for its parents to produce a fresh offspring to take its place. *Forward*, the Calcutta Swarajist organ, demands "other methods and other weapons"; but, with the Bengal "detenués" (always so spelt in the Anglo-vernacular Press—apparently "males of the feminine gender") still interned, it is not apparent where these are to be found. At Gauhati, Motilal Nehru declared that he had no doubt that, if the Swarajists "only said the word that they would work the Reforms," the internees now "rotting in jail" would at once be released. If they really desire to obtain their release, the change of policy hinted at by *Forward* is certainly not the best way to set about it.

Assembly Parties.

In the Central Legislatures, of course, there are no Ministries and no Ministers: and, to judge by the cabled reports of the first meeting of the new Legislative Assembly at Delhi, this is just as well. It would certainly be no easy task to select responsible Ministers from among the host of claimants to "leadership." Indian political parties have always suffered from a plethora of leaders and a shortage of rank and file: and this seems, just at present, to be more marked than usual. The Independent Party of last session has altogether disappeared, with the exception of its leader: who, being a Muhammedan, will, doubtless, compete with the other Muslim leaders for the command of a homogeneous Muhammedan Party; unless internal jealousies should cause it to split into two or more sections, as is always possible—there are, for instance, three Muslim "parties" in the Bengal Legislative Council. In the Central Assembly, there are quite a number of Hindu parties, three of which are relatively important—the Swarajists, the Responsivists, and the Orthodox, or Hindu Mahasabha Party. The leadership of each of these is in dispute: in the case of the first and third, between two individuals and, in the case of the second, between three: with, no doubt, plenty of other candidates in the background of each. Many years ago one remembers that, in English theatrical circles, "ladies of the ballet, front rank" held definite social precedence over their sisters farther back: and this is now the case on the Indian

political stage. In every Indian Legislature there are enough leaders, front rank, to make a chorus of respectable size: and many more, of the second and third ranks, eagerly claiming promotion. Those who are definitely resigned to a position as supers are but few, and seem to become fewer every time that a new company is formed.

The Silent Provinces.

After a few days passed in the limelight incidental to a vice-regal progress, the United Provinces have quickly slipped back into the usual obscurity, and for an indefinite period the rest of the country is apparently doomed to hear little or nothing of the region which claims to be the premier province of India, and which is certainly the heart and brain of the North. Judged by the ordinary test of population, the claim to precedence must be allowed. Bengal alone can count something like the same number of heads, and were Bombay to join the Punjab in a challenge, they would have to borrow one or two smaller provinces as well to make a reasonable show of equality; yet, wherever men talk of India, they know what those regions are saying, but they have to guess what the United Provinces are thinking or feeling. And it is the domain of thought and feeling that counts for most. If you want to know the truth about the Muslims, you must look for it in Lucknow, and Agra, and Aligarh. If your object is to plumb the depths of Hindu sentiment, you must turn first of all to Allahabad and Benares, to Ajudhia and Hardwar, the centres from which inspiration radiates throughout the country. But in this quest the Press still renders little aid. Opinion is generated and propagated by the old methods, devised and perfected in the period when thoughts had to be concealed, and it is largely due to this fact that so many of our Indian contemporaries seem to be out of touch with the main currents of national, or rather communal, life, and are taken by surprise when the effects of these hidden forces suddenly become manifest. That is one of the outstanding weaknesses of India regarded as a political country, and it is one which the constitution-mongers would do well to take into account.

The Need for a Capital.

It would, however, be unfair to put all the blame on the local Press for the obscurity of which we write. There are other causes operating in the same direction, and one of them is certainly the absence of a capital city, entitled and ambitious to speak for the province as a whole. Calcutta, for instance, is the centre of industry and commerce, of law and learning, of politics and culture, for the whole of Bengal, and nearly the same may be said for Bombay and Madras, but in the United Provinces these interests are localised in different cities, not one of which can claim to be completely representative. Commerce and industry have their capital in Cawnpore, where it is a well understood thing that politics must never interfere with business, where learning, except for the nascent schools of technology, is decidedly at a discount, and where culture is not yet a live topic. As an intellectual centre, Allahabad yields to no city in India, but there business is at a discount, and the local conditions seem to be driving politics away, to find a more congenial refuge in the social capital, Lucknow, unlettered and unbusinesslike as it is. We are not arguing that the centralised capital is an ideally perfect institution. There is a real danger that these huge "wens," to use Cobbett's expressive phrase, may draw more than their fair share of nourishment, and so impoverish the body politic on which they feed; and looking at such portents as Washington, Ottawa, or Canberra, it might be contended that instinct or accident has put the United Provinces on the better road. That is a question which the future will answer, and our point is merely that, as things now stand, there is no single city which can speak for the whole. The inquirer who hopes to hear one decided voice is met by a medley of unharmonised noises, and in these days of hustle it is not a matter of surprise that he turns to other centres, which can at least claim to know their own minds: and so India suffers by ignorance of things which concern her so nearly.

CALCUTTA LETTER.

(From Our Own Correspondent.)

Calcutta, January 13.

The New Bengal Council.

The most important event in political life this week has been the opening of the new Council by the Governor. Lord Lytton's speech was obviously deliberate, containing as it did a careful review of the history of the working of the Reforms scheme in Bengal and pointing out the last opportunities that were now becoming available for showing political capacity and public responsibility before the coming of the 1929 Commission. The speech was listened to with marked attention and it made a very definite impression upon all who heard it in the Chamber. It is obvious, however, that the Extremist is beyond hope in this matter; all that he can see in it is a futile effort to reforge broken fetters and to delude the only patriots. *Forward's* preliminary leader begins "Lord Lytton seems determined to retrieve his prestige by a crowning act of lawlessness and breach of Constitution before he leaves the Governor's *gudee*. He seems to have staked his reputation on the revival of dyarchy in Bengal, and for this he allowed himself in the past to stoop to any and every means possible. He went so far as to forget his position and acted the part of a whip. He used his rule-making powers most outrageously. He tested the fate of dyarchy in the abstract. And at the fag-end of his career as Governor of Bengal, he has once again put his hand in the pie." And so on for a column. If this is not childish irresponsibility, mental surgery is the only hope for the planting of political responsibility in the Extremist.

President of the Council.

Possibly Lord Lytton's speech induced a sane atmosphere when it came to the election of the President of the Council, the "Speaker" of the new House. To begin with, some ten candidates were in the field, say, one for each thirteen members, a fair indication of the way personal considerations count in this country. The actual election was between two, the Rajah of Santosh and a Swarajist, and the former was elected by a combination of all non-Swarajist votes. It was actually the first of the Extremists' defeats, although they concealed the fact by not making their man an official candidate. The Rajah is a landholder and a Liberal, and he has taken part in public life for some years past; it is probably as good a choice as could have been made in present circumstances. The Council next proceeded to pass a vote for the salaries of two Ministers until the end of the financial year; thus by the way following the lead of the Central Provinces Council; the appointments themselves are yet to be made and the air is thick with rumours; the probability seems to be one Hindu and one Muhammadan.

More Communal Trouble.

Wild rumours were flying around on Sunday evening, probably owing to the movements of police and the precautionary orders which followed, and the sinister news from China had assisted some inventive minds to jump to unwarranted conclusions. It turned out that the extent of the trouble was a small amount of rioting that had taken place in the usual area; this followed the stabbing of half-a-dozen Hindus returning from watching the annual Sikh procession to their principal temple, which is rather unfortunately situated in the zone where communal feeling runs highest. The procession was a large one, reports placing the numbers at 5,000, and it was well guarded by police. Although there seems to have been some jeering by Moslems at a few points, there was no trouble at the actual passing; the sufferers were some unfortunate spectators. All sections of the Press deplore the occurrence, which is significant of the fact that the underlying fires are still burning, although they may be damped down for the moment.

Europeans in Bombay.

A full report appears in the Calcutta Press of the annual dinner of the European Association in Bombay at which the Governor of Bombay was a guest. The Chairman took some trouble to emphasise that nothing the Association was doing or proposed to do was in any way dictated by racial considerations, and he proceeded to defend Mr. John Langford James' recent speech in Calcutta, the criticisms of which he considered both unfair and undeserved. He read an extract from a letter that he had received from Mr. Langford James which ran "The political watchword of the Association should, in my opinion, be sane advance from sound foundations. This can only be furthered, if the community gives unreservedly of its best to the good of the body politic and works sincerely and cordially with those of our Indian fellow citizens who aim at the same object." His Excellency's reply, as to which he said he felt some trepidation, endorsed the necessity of Europeans and Indians working in harmony in commerce and in politics, and he claimed that probably in Bombay this had been achieved to a greater extent than anywhere in India. Certainly Calcutta relationships on the personal side have hitherto been quite satisfactory, and it is to be hoped that this is still the case, in spite of the recent outbursts. The best thing is to ask that these should be forgotten by both sides.

Men and Things.

Mrs. C. R. Das has finally refused the Presidency of the Bengal Congress and the local Extremists will have to look elsewhere for a stop-gap to screen their differences for the time being.

A small bomb manufactory has been discovered in Calcutta with the usual accompaniment of illicit revolvers and the unhappy youths concerned are to stand their trial. *Forward* anticipates the judicial decision by half-concealed suggestions that the whole thing is a "plant" by the Police.

Sir Samuel and Lady Hoare and their party have safely arrived at Delhi and have our congratulations as the pioneer passengers on the new Cairo-Karachi Air Service. Nothing but praise is reported for both the machine and the pilots, and the Viceroy is amongst those who have taken the opportunity of their arrival for sampling the work for both.

The Countess of Lytton opened the new Y.W.C.A. Hostel in Calcutta last week, in which 70 working girls, mostly of the domiciled community, will live at the lowest possible cost. Such institutions are very necessary in this city, and Mrs. R. B. Gall has evidenced considerable public spirit in contributing one lakh of rupees towards the cost.

The cold weather has been the most disappointing we-

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have had for years so far as temperature is concerned, and during the week the thermometer rose to 10 degrees above normal. Fortunately the storms are now arriving, and we hope for a little respite before stoking up again.

The Trivial Round.

Last Saturday's racing provided a day of surprises, only three of the winners being at all well backed. Congratulations to Mr. Galstaun on the turn in his luck which won him the Ronaldshay Cup with "Golden Crest." It was more like a hot weather afternoon than a day in the January meeting.

The Christmas Polo tournaments have finished, the Governor's side beating the Calcutta "Reds" in the Final for the Carmichael Cup, the junior event.

The course laid for the paperchase this week was a particularly tricky one and falls were numerous; there is such a thing as overdoing this side of the game. G. S. Johnstone won again on "Bright Future" after a great finish, and Captain Leetham had to be content with a third place, the second number being carried on "Patsy" Warren's cloth.

The M.C.C. held the advantage in their first match in Burma against Rangoon, which was drawn; they are now playing All Burma whom they have dismissed cheaply in the first innings. H. G. Nicholson, erstwhile of Calcutta, made a good showing in the first match, but is out for a duck in the present game.

Local cricket proceeded at the week-end, the Light Horse beating the Scottish in their annual match. These games are keenly fought out and the Light Horse deserved their victory after a sporting declaration, the match being finished in their favour with the last ball of the last over.

There is a record entry for the Open Tennis Championship this year and there should be some good games; interest at the moment is centred upon the chances of the local men holding their own against the visitors, who come from all over India.

Mrs. Allan Macbeth has won the Ladies' Golf Championship, beating Miss Campbell of Shillong by 5 and 4 in the Final. The winner as Miss Muriel Dodd has carried off both the English and Canadian Championships, and Miss Campbell, whose first appearance it was in a big event, has every reason to congratulate herself on her display.

The Pantomime finished triumphantly on Friday last with a record house at the Empire Theatre, and this week a Company of Russian Dancers is on. The Symphony Orchestra gave its third concert of the series on Sunday night, concluding a fine programme with a remarkable performance of Beethoven's 5th Symphony. The house was full, which is not only a tribute to the standard of the performances, but it also indicates the growth of the public to which the Orchestra appeals.

Markets.

With the Mills showing very little interest, the jute market during the past week has ruled somewhat dull, but there is little or no alteration in quotations; hessians, on the other hand, opened with an improvement on an inquiry from foreign centres. Dealers have been willing to pay the increased rates, and a good amount of business was done for all deliveries up to December; later there was a slight easing off and although the market closes steady, the tone is rather uncertain and business very limited. In spite of a recurrence of communal rioting last Sunday, the piecegoods market has passed through a rather better period during the last few days, and there are signs of dealers regaining confidence. The raw material has remained considerably more steady lately than for some time past; with up-country stocks on the low side a number of up-country buyers have appeared in the local market and inquiry is increasing. The tea market here has followed very closely the London market, where prices have been easier except for good qualities;

in addition, at the sale here there was an especially good demand for Autumnal flavours, which command exceptionally good prices.

On the Stock Exchange, Government Securities have been barely steady mainly as a result of the tightening of money accompanied by a rise in Exchange. Jutes eased during the week-end on the liquidation of a large account, but the shares were readily absorbed and prices have again continued on the upward grade. Mills are said to be making very substantial profits at the present price of the manufactured article, and general opinion is that still higher prices will be seen in the near future. Coals and cottons have reacted further, and tea shares have been scarcely mentioned. Rubbers on the other hand are firmer on the improvement in the price of the raw material, and several shares show a balance in favour of holders on the week. There is now a scarcity of sellers in this market, and it is probable that prices will tend to rise, provided there is no reaction in the price of the commodity. In the miscellaneous market there has been a considerable turn-over with sugars and flours, particularly in demand. The feature in this section has been the sharp reaction in the price of Indian Standard Wagons on rumours that the negotiations for purchase by Government have taken an unfavourable turn; news has come to hand that Government have offered 30 lakhs of rupees for the Company's undertaking.

In the Exchange Market, tighter money combined with a fair number of bills has imparted a firmer tone to the market with the result that Ready T.T. opened to-day at 1s. 6 1/2d., but as a result of a large demand for remittances reacted to 1s. 6d. Money has been in good demand and may be quoted 4 1/4 per cent. for Short Notice and One Month. The Bank rate was raised to-day to 6 per cent.

THE INDIAN MAIL.

Dislike of Diarchy.

In spite of the expressed determination of the Responsivists to work the existing Constitution "for all that it is worth," nobody in India seems to have a good word for it. The messages describing the opening of the Bengal Legislative Council all agree that every speaker "whether from the Government, the Responsivist, or the Swarajist benches," decried the system of Diarchy. One must suppose that the speakers from the Government benches must have been non-officials; for officials, whether or not they like the Constitution under which they are serving, must at least pretend to do so. With this exception, condemnation is certainly unanimous: the opposition parties make no secret of the fact that, if they consent to work the Reforms, it is only because the sole alternative is the barren and futile policy of non-co-operation and indiscriminate obstruction. In his weekly letter to the *Englishman*, Bipin Chandra Pal thus summarises the attitude of the Swarajists towards Diarchy: "if the Reforms work well, they will strengthen the bureaucracy and must therefore be destroyed. If the Reforms work ill, they will hurt the people and must therefore be destroyed. In whatever case, therefore, destroy the Reforms." The attitude of the Responsivists does not really, in the end, differ very greatly from this. They feel that, if they refuse to work the Reforms, the Royal Commission may well report that they have not yet received a fair trial, and must therefore be given an extended one; so that the hated thing will remain. If they consent to work the Reforms, the Royal Commission may report that the trial has been successful and that Diarchy, the excellence of which has thus been proved, should continue. Their creed, then, is that the greater danger lies in refusal: and that, by co-operation, they take the best chance of getting something better, in place of the system that they dislike. That is to say, both co-operators and non-co-operators attack the same enemy—Diarchy—with practically the

same motives, but using different tactics. The Responsivists feel that non-co-operation, even if successful, could only result in retrogression; and that the sole chance of improvement lies in co-operation, which they therefore give unwillingly enough, but of necessity. One may certainly hope that, having chosen the better part, they will, in the result, be rewarded for having done so. If their efforts should only lead to what they fear, instead of to what they hope, the Swarajists will be able to say "I told you so"; and their ranks will certainly receive a great accession. The contrary event should lead to the final and conclusive destruction of the Swaraj Party and the Swarajist policy: and the sooner this can be achieved, the better for all concerned.

Swaraj Constitution.

What is the Congress alternative to Diarchy? In February 1924 the Swaraj Party formulated a "national demand" for a revision of the constitution. The resolution in which this was embodied called upon Government to take steps to have the Government of India Act revised with a view to the establishment of full responsible government in India: and, for that purpose, to summon a representative Round Table Conference to recommend the scheme of a Constitution for India: then to dissolve the Central Legislature and to place the scheme, so recommended, before a newly elected Assembly for approval: and finally to submit the scheme, in the shape in which it should have been approved by the Assembly, to the British Parliament, to be embodied in a statute. The President of the Congress session at Gauhati referred at some length to this "gesture of honourable co-operation," which the Government of India "arrogantly brushed aside" while "truculently rejecting" the demand.

This does not carry one much further towards a definite answer to the question; but the Gauhati Congress did something to supply the deficiency. Mr. Sen Gupta, of Bengal, declared that "there must be a change of the Constitution from which India would be able to get Swaraj automatically, without any further reference to the British Parliament": and the President explained that "our Swaraj Government" must have complete control over the Army, the Navy and its relations with the Indian States. Later on in his speech, he said, "Do we feel that we are unfit to undertake the government of the country? Is it not actually run by Indian officials under English overseers? The machinery of the Government is already there: only the directing brain and voice are needed, and those can be supplied by us. We must get rid of the creeping paralysis of brain and will, of this hypnotism which the foreigner exercises over the Indian official and non-official. The conditions of India are so favourable to the immediate attainment of Swaraj that it were an easy achievement if we could but set our hands to it. We have been trying to build leadership from above, which is a destructive process. We must build leadership from the base, and on the spot itself."

This apparently means that the Swarajists are willing to take over the government of India in its present form, Diarchy and all, building leadership from the base by the simple process of abolishing the foreign overseers altogether: after which, they will proceed to recast the system according to their own ideas, without any further reference to the British Parliament. People who live in a dreamland of this kind are presumably unaffected by facts and they quite possibly look upon the Statutory Commission not as a fact, but as part of the national conception of *Maya*—illusion. But, if not, it will be interesting to see the form in which they submit their proposals to the Commission: unless, indeed, they decide to remain in dreamland and ignore it altogether.

The Calcutta Corporation.

The following trenchant description of the first serious attempt of the Swarajists at self-government—the Calcutta Corporation—gives a vivid idea of the position as it appears to one on the spot: in this case, one specially well qualified to judge.

"The Swarajists on the Corporation are very little worse in administration than their predecessors; but the fact remains that the tone of the administration has been lowered, and efficiency is less—I should think, by forty or fifty per cent. To take a typical case, the New Market is now almost impossible, with beggars and shopkeepers completely undisciplined. Refuse is cleared much later in the day and, in some of the approach streets where provision merchants abound, decaying street refuse is left for days together, covered in flies. It is easy to imagine what this means. Further, there is the case of the burial of the alleged saint in among the meat stalls; the official attitude that made this possible is reflected in the whole of the New Market organisation. Then the Chief Officers of the Corporation are snowed under with arrears, and they cannot get out on inspection duty to anything like the extent necessary. The Mayor, with his ridiculous "triple crown" and the necessity of earning his living at the bar, does not put in one tenth of the time that is essential if his job is to be done properly. It is small wonder that the ratepayers in the recently added areas are desperate. Their taxes have been quadrupled, largely because they have been properly assessed for the first time; but, with the administrative centre miles away, and the officers concerned smothered in work always in arrear, their municipal services have become lax or non-existent, and the promised road and sewage schemes are as far off as ever. The whole system is quite alien to the sort of joint-family methods that Indians love: and, so far as one can see, there is no possibility of any improvement so long as the Corporation is run by Indians."

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NOTES AND NEWS.

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Tuesday Morning.

The Cairo Cotton Congress.

From some points of view it is peculiarly fitting that Cairo should this time be the scene of the Cotton Congress, for Egypt has been particularly affected by the fall in the price of cotton and it is probably not going too far to say that the future of cotton growing in the country is now in the melting pot. The industry is vital to the country at present, and to safeguard it the Government is pursuing a policy which could only be justified if it had the practical control of the market, as, for instance, Great Britain has in the case of rubber. The restriction of acreage is a double-edged weapon which may have results quite other than those intended, for the cultivation of cotton, as we know, is being pushed on elsewhere, and the developing demand that is to be anticipated will simply give other regions their opportunity. Prices are now very low, but it seems to be assumed that they have touched their lowest point and that a gradual recovery may now be anticipated. It is because it should go far to clear up the cotton outlook from Egypt's point of view that the holding of the Congress in Cairo is to be welcomed, and it may well be that the views expressed will lead to a change of policy on the part of the Egyptian authorities. The most important address at the meeting will be that given to-morrow by Mr. Holroyd, president of the International Federation of Master Cotton Spinners and Manufacturers' Association. Among the matters which, it is understood, will be dealt with by him is the depreciation of Sakellarides cotton through mixing, and he will further, it is believed, emphasise the inadvisability of restriction on the ground that 15 kantars at 20 dollars are better than 10 kantars at 25 dollars as cheaper prices lead to an increased demand. Another and most interesting feature of his address will be a reference to another type of Egyptian cotton which in his opinion is better than Sakellarides.

Shipping at Constantinople.

The figures for the shipping at Constantinople for the twelve months ended September 30 last show a very marked decline on the 1913 figures both as regards the number of ships and the tonnage, which is, of course, only to be expected in view of the stagnation of trade since the War not only at Constantinople but at many of the Black Sea ports. For the period in question the number of ships was 6,651 as compared with 7,901 for 1913, the tonnage being 10,853,325 as against 13,958,973. When one comes to examine the statistics it will be seen, however, that they are peculiarly unfortunate from the British point of view. Comparing our totals for 1913 and the twelve months in question it is very evident that the falling off is in respect of our shipping, and that our rivals in the trade are now far better off compared to us than they were in 1913. It is worth while illustrating the position with a few statistics. For 1913 our figures were 3,136 vessels of a tonnage of 7,615,588, while for the twelve months ended September 30 last the figures were 1,102 vessels of a tonnage of 2,531,088. Greece's figures for the two periods were 651 ships and 901,047 tons and 1,396 ships and 1,906,696 tons, while Italy's were 796 ships and 1,250,351 tons and 1,070 ships and 2,203,220 tons. In plain words, therefore, while the number of our ships which called at Constantinople during the twelve months ended September 30 last was not much more than one third of the total for 1913 while the tonnage was less than one-third of the 1913 total, Greece has more than

doubled her ships and her tonnage while Italy shows an increase of nearly 300 ships and has almost doubled her tonnage. That state of things must give one "furiously to think."

Grapes from Palestine.

In view of the fact that the vine is largely cultivated in Palestine it was only to be expected that sooner or later an attempt would be made to develop an export trade in grapes, and it is now reported that grapes from Hebron are to be introduced to the London market this year. The development of an outlet for commodities of this kind is dependent on two factors—the delivery of the fruit in good condition and the period of their arrival. There should not be much difficulty about the former, while as regards the latter, Palestine grapes are best in July and August at a time when there is a shortage of this fruit on the London market so that a ready demand may be anticipated for the grapes.

Vines to be Greatly Extended.

While I understand that plans are in train for a great extension of vine growing in Palestine the grapes we are promised this year come from a place where grapes have been grown from the earliest period—Eshcol in Hebron. A reference to the grapes of Eshcol is to be found in the Book of Numbers, and it was this fruit among other produce which made Moses acquainted through his spies with the promise of Palestine. The district of Hebron, it may be added, produces many thousands of tons of grapes yearly, and a considerable export trade is done with Egypt, but it is obviously one thing to send fruit to a neighbouring country by land and another to ship it to a distant region. Over a period of six years Egypt has taken from Palestine an average of 814 tons of grapes per year. The best year was 1922, when the total was 1,386 tons, but for 1925 the total was no more than 435 tons. Palestine has many competitors in this particular market, which, of course, is an additional incentive to looking further afield. A very important consideration is further the desire to add to the export trade another commodity of the importance of the orange, for a country so dependent on one thing is naturally at a pronounced disadvantage even when the commodity is an article in such demand as the Jaffa orange. Besides the indications are that in future years the Jaffa will have to face increasing competition from other regions, while the extension of the cultivation of the orange in Palestine itself will further help to keep prices down and so make the Jaffa not quite so profitable as it has been.

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Indian Tea Production in 1926.

There was a sharp increase in the production of tea in India in the past season. The output of Northern India was 345½ million lb. which compares with 317¾ million lb. for 1925 and 327¾ million lb. for 1924. This increase coincided with a marked rise in the production of Ceylon and Java, the total increase for the three areas being 58½ million lb. However this large output has had surprisingly little effect on stocks, so that one is left to the conclusion that consumption at the present time is almost keeping pace with production. Great Britain is not contributing to the increased market, there being actually a reduction in the amount of tea consumed here, and in default of definite data one is left to wonder whether the growing consumption is due to the recent efforts to encourage tea drinking in America, or whether the Bolsheviks have found the "cup that cheers" a stimulant for agitation and are therefore re-entering the market on a large scale.

Mr. Leaf on the Position.

One of the most interesting speeches at the bank meetings was that of Mr. Walter Leaf at the annual general meeting of the Westminster Bank, a report of which will be found on another page in this issue. As was to be expected he referred to the industrial crisis which this country has had to go through in the past year, and what he had to say with regard to its effects can only be regarded as distinctly encouraging. On the whole, he declared, the commerce of the country might be said to have stood the strain with an extraordinary display of strength. He went on to point out that the statistics of commercial failures showed a considerable diminution that large issues of capital for internal use were taken up without difficulty, and that the market had been able to digest large loans for overseas purposes without overtaxing the foreign exchanges. In his view it is remarkable that our gold reserves have been maintained without an increase in the Bank Rate in view of the strain thrown upon them by the disparity between the imports and the exports, and he drew the conclusion that our economic resources of strength are far greater than has been supposed, in other words that the amount of the savings at home and of the "invisible exports" must be greatly in excess of any estimates that have been put forward. Mr. Leaf went on to discuss the lines on which industry is developing. There is a rapid broadening in the area of capital, he pointed out, and there is further a marked tendency to the amalgamation of businesses on the largest possible scale, and finally there is a growing recognition of the fact that this amalgamation must not proceed to a pitch at which it would menace the public interest. "The future organisation of industry," he added, "will be ruled by the two main principles—that production must be upon the largest possible scale, but that it must be vitalised by rivalry and competition; and to this end the State will intervene to see there is no danger of monopoly or operation in the interest of one particular class."

Banking Amalgamations.

Mr. Leaf proceeded to illustrate this from banking, pointing out that when banking amalgamations were proceeding so rapidly that it seemed likely that the whole banking business of the country would be collected into a few hands the State intervened and vetoed any more

amalgamations by the big banks. He explained how the control of the State is exercised in other ways, and that the banks recognised that it is their duty to support the Government and the Bank of England. Despite the supervision to which the banks are subject, he emphasised, they are not handicapped by bureaucracy and red tape and are stimulated by the keenest of competition among themselves. He further maintained that the banks are practically democratic, instancing the fact that the average holdings of the capital are under £220, and that the executive control is entirely in the hands of the staff. In short the tenor of Mr. Leaf's remarks was that in practice the country had the advantage of nationalised banks without any of the disadvantages which would accrue from nationalisation. As regards the trade outlook Mr. Leaf expressed the opinion that the material conditions for a recovery of trade are present "and have been only held back from full fruition by the deliberate attempt to sabotage British commerce which has been so persistently undertaken in Great Britain and is still virulent in China." He regards the cotton trade as the most anxious point in the outlook, as the decline in exports in this industry is due to causes other than the coal strike, extending over some years and showing a constant growth. He pointed out that in the class of goods in which the cost of labour is an important factor the competition of countries such as Japan and India is growing more and more formidable. It was to be hoped, he added, that leaders of the industry would succeed in drawing up a scheme to meet the situation, and he was able to assure the trade that if there was general adhesion to such a scheme the banks might be relied on for sympathetic co-operation.

The Suez Canal in 1926.

The figures for the Suez Canal traffic in 1926 do not make such a good showing as in the previous year, as was only to be expected in view of the stagnation of trade and the effect for many months of the coal strike. The number of passages through the Canal was 4,890, the net tonnage being 26,060,377 which compares with a total of 26,761,935 for the previous year, there being thus a decrease of 701,558 tons which is scarcely as much as might have been expected in view of the various adverse conditions. The traffic receipts amounted to 186,590,000 francs as against 192,070,000 francs for 1925 and 185,160,000 francs for 1924. The most interesting feature of the figures is the rapid recovery which set in in October and was continued to the close of the year. For October the tonnage showed an increase of 180,288 on the figures for the corresponding month of 1925, for November one of 113,972 and for December one of 167,949. It is possible to draw the most hopeful conclusions in regard to trade revival from this development which points very strongly to the general improvement of commerce that is expected, it might be said, on all sides.

Development Work in Turkey.

It is significant of the new era in Turkey, and of the desire of the Angora authorities to do everything possible to further the development of the country, that plans are now in train for a most extensive programme of works of construction, covering, in addition to railways and port development, schemes for the utilisation of the country's water power. The money for the various schemes to the extent of over £250,000,000 has been authorised by the Grand National Assembly and the largest part of it is apparently to be provided by bonds secured on various revenues. The railway projects in view include lines between Trebizond and Erzeroum and between Angora and Samsoun. The hydraulic schemes are the most interesting feature of the projects in view for the lack of adequate fuel supplies has been a serious handicap to Turkey, and if it is possible to enlist white coal to any considerable extent in the country's service the effect on industrial progress may be pronounced.

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Further Rubber Restriction.

As had been evident for a long time would be the case, January 31 came with rubber a long way below the average required to sustain the present restriction, and so we have a further reduction of 10 per cent. in the output, bringing it down to 70 per cent. Actually the average for the period was roughly 1s. 7.2d. It now remains to be seen what is going to happen during the present quarter. If the price is still below 1s. 9d., then on May 1 there will be a further restriction to 60 per cent., and that would mean, beyond a peradventure, something approaching famine prices before the end of the year. It is difficult to believe that the American buyers will allow this to happen, but if they are to avoid it they will have to enter the market in a much more energetic way than they have been doing lately. Assuming that the price is 1s. 9d. for the quarter, it is reasonably certain that high prices will be seen by the end of the year. An interesting forecast of the outlook was given to me yesterday to the effect that this autumn will witness a small boom which will soon end, but that at the end of 1928 or the beginning of 1929 there will be a real shortage of the commodity as opposed to an artificial shortage brought about by restriction. It will be interesting to see how far this prophesy is borne out. *En passant* it is necessary to emphasise the debt the industry owes to Government assistance, for without the restriction scheme its position would now be deplorable. One imagines that cotton growers wish that some similar scheme could be devised to meet the low prices that occur from time to time.

COMMENTATOR.

Roumania's timber exports for the first 10 months of 1926 were as follows, in metric feet: Fir boards, 582,000; other softwood, 80,000; hardwood, 27,900; and fir logs, 12,000.

Mr. W. E. Rootes, joint managing director of Messrs. Rootes, Ltd., the largest retail distributors of cars in this country, has left on a tour of Egypt, India, Australia, and other countries to promote British trade. Mr. Rootes will examine the requirements for cars in the various countries he will visit.

The death occurred at Mohammerah (Southern Persia) on January 25 of Mr. Herbert Edward Nichols, a director of the Anglo-Persian Oil Company. Mr. Nichols was on a tour of inspection of the Persian properties of the company. Besides being a director of the Anglo-Persian Oil Company and head of the company's production department, he was a director of the Turkish Petroleum Company, the Anglo-Persian Oil Company of Australia, the British Petroleum Company, the British Tanker Company, Britannic Estates, Limited, the First Exploitation Company, the Homelight Oil Company, the National Oil Refineries, North Persian Oils, Limited, and other companies.

THE WEEK'S FINANCE.*(By Our Financial Expert.)*

London, February 1.

A change in tone has come over markets during the past week and the recent undercurrent of optimism has been very much less conspicuous. For this developments in China are the most obvious explanation, but a change in the monetary situation is also partly responsible. How closely these two factors are connected it is difficult to say. It is, of course, quite possible that, but for the serious nature of the Chinese situation, Bank Rate might have been reduced to 4½ per cent. But other developments affecting the monetary situation have not been favourable. The American exchange, which at this time of year generally moves in our favour, has weakened, the Bank of England has not secured much of the gold which has come into the market, and market rates of discount, after their recent downward movement, have shown a tendency to harden. While all these factors naturally suggest caution, the possibility of a reduction in the Official Minimum in the not distant future cannot be ruled out of account. We observe that Mr. J. M. Keynes, at the annual meeting this week of the National Mutual Life Assurance Society, of which he is chairman, said that, "for the first time in more than three years past I incline to agree with prevailing opinion that, so far as the near future is concerned, the signs seem to be set in favour of a somewhat lower rate of interest."

The Markets.

Expectations of a reduction in Bank Rate on Thursday were less lively and consequently the announcement of "no change" produced no effect upon prices in the gilt-edged market. The latter, however, have fallen materially, and the premium established on the new 4 per cent. Consols has very largely disappeared. This can be explained by selling on the part of "stags" who, encouraged to apply for large amounts by the smallness of the initial payment required—namely £2 per cent.—are now securing what profit they can before the next call becomes due. In other markets conditions have been irregular. Home rails show the effects of nervousness at the approaching dividend season, the Metropolitan dividend—3 per cent. against 5 per cent. a year ago—being regarded as disappointing. Courtaulds and Snia Viscosa shares were practically unchanged on the publication of the long expected announcement of an international working agreement, the effects of which had been discounted in advance.

The arrangement of the fortnightly settlement has occupied the attention of brokers, a fact which partly accounts for the quietude of business. Until, however, the situation in China assumes a less menacing aspect a general revival in Stock Market business cannot be looked for.

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The Trade Balance and Overseas Lending.

The Board of Trade has published its estimate of Britain's real trade balance for 1926, which it finds to have been a trifling matter of £12 millions on the wrong side. This means that the country in this respect was £66 millions worse off than in 1925—a change attributable entirely to the coal stoppage. It is perhaps both remarkable and satisfactory that in so unfavourable a year as 1926 we should practically have paid our way in the world and that our "invisible exports" should total the enormous estimated net figure of £465 millions. Clearly we have paid our way, for sterling has remained steady, and we have added to our gold stocks without moving bank rate. But the figures none the less reveal the fact that the coal stoppage has postponed the day when London can resume on an unrestricted scale that campaign of foreign lending, which provided a constant and effective support to our export trade. The following figures relating to the real trade balance and public overseas issues in the London market for the past four years give food for thought:—

	1923 £.Millions	1924 £.Millions	1925 £.Mill.	1926 £.Mill.
Trade Balance ...	+150 to 200	+86	+54	—12
Overseas Issues in London	137	125	77	101

Neither in trade nor in investment can transactions be divided off into watertight compartments representing separate calendar years, for the flow of both is continuous. But the figures show that for the past three years at any rate our purchases of new overseas securities have been high in relation to our apparent resources from which to make such loans. Granted a prolonged period of industrial peace there is every sign that the trade balance will swing steadily in our favour; for 1926 was wholly abnormal. But it does appear that a cautious policy in the matter of floating loans for overseas borrowers will have to be pursued for the time being; and it should not be forgotten that this in its turn delays the building up of our stock of overseas investments, from which the country receives so large an annual income, and which is so powerful a help in times of trouble, as we found out during the Great War.

Norwegian Securities.

Norway's overseas trade for 1926 shows a more satisfactory balance than for some time past. Thus imports were valued at 1,093,000,000 kroner against 1,378,000,000 in 1925; exports totalled 811,000,000 kroner, as compared with 1,047,000,000. Hence the adverse visible balance is 282,000,000 kroner, against 331,000,000 for 1925, the figure for last year being the lowest since 1915. Despite considerable troubles, Norway seems to be making progress in the right direction. It is felt that the worst has passed and that when internal prices have been adjusted to the recent rapid rise in the external value of the krone, an improvement may set in.

Norway has been a substantial borrower in the London Money Market and a number of loans are quoted on the London Stock Exchange. The loan having the largest amount outstanding is the 6 per cent. of 1921, nearly £4,000,000 being available; the final redemption date is 1964 and the return is £5 16s. per cent. The next largest is the 3 per cent. loan of 1888—the amount outstanding being £2,691,700—and the final redemption date is 1965; the yield is £5 4s. per cent. A considerable amount of the 4 per cent. loan of 1911 is available and is finally redeemable by 1971; the return is £5 9s. per cent. In the main, the lowest prices of 1926 are very near the lowest of 1923, when Norway's economic crisis was at its height. This steadiness of prices indicates the confidence felt by the investor in Norway's stability and recuperative powers.

FORTHCOMING SAILINGS.

The following are the sailings for the Near East and India, the ports of departure and closing dates for cargo being given in parentheses:—

Anchor Line.—S.s. Assyria for Bombay (Birkenhead). (For passenger sailings and dates see advertisement.)

Anchor Brocklebank Line.—S.s. Malakuta for Port Said, Colombo, and Calcutta (Birkenhead, February 5).

Bibby Line.—S.s. Shropshire for Port Said, Colombo, and Rangoon (Birkenhead, February 9).

British India Line.—S.s. Mandala for Bombay and Karachi (London, February 5); s.s. Manela for Colombo, Madras, and Calcutta (London, February 12).

Cunard Line.—S.s. Sea Glory for Gibraltar, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Corfu, Bari, Gruz, Venice, Trieste, and Fiume, also at Ancona if inducement (Liverpool February 19, Swansea February 22); s.s. Cypria for Gibraltar, Malta, Patras, Piræus, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza, also Algiers and Volo if inducement offers (Liverpool, Glasgow and Swansea, March 5).

Johnston Line.—S.s. Quernmore for Piræus, Volo, Salonika, Smyrna, Constantinople, Bourgas, Varna, Constantza, Sulina, Galatz, and Braila (first steamer of the season for the Danube) (Liverpool, February 5); s.s. Jessmore for Piræus, Volo, Salonika, Bourgas, Varna, Constantza, Sulina (Liverpool, February 12), also Galatz and Braila, closing February 17.

P. and O. Line.—S.s. Ranpura for Bombay (London, February 4); s.s. Novara for Colombo, Madras, and Calcutta (London, February 5).

Prince Line.—S.s. Syrian Prince for Tunis, Malta, Alexandria, Jaffa, Haifa, Beyrout, and Cyprus (Manchester, February 4).

Ellerman and Papayanni Lines.—S.s. Gerano for Gibraltar, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Gravosa, Ancona*, Venice, Trieste, and Fiume (Liverpool February 5, Swansea February 8); s.s. City of Lancaster for Gibraltar, Malta, Alexandria, Jaffa*, and Haifa* (Liverpool, February 6); A steamer for Gibraltar, Malta, Alexandria, Jaffa*, and Haifa* (Glasgow, February 12); s.s. Andalusian for Gibraltar, Malta, Patras, Smyrna, and Constantinople (Liverpool, February 12); s.s. Serbino for Malta, Alexandria, Jaffa*, and Haifa* (Liverpool, February 23); s.s. Flaminian for Algiers*, Malta, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza (Liverpool February 26, Swansea February 26). * Subject to sufficient inducement. Transshipments.—Algerian ports via Algiers; Moroccan ports via Gibraltar; Tripoli (Barbary) via Malta; Syria and Cyprus via Alexandria; Greek outports via Piræus or other convenient port; Fiume via Trieste.

TENDERS INVITED.

Tenders are invited for the following contracts, and must be made by the dates mentioned.

(Particulars of tenders marked D.O.T. are to be obtained from the Department of Overseas Trade, 55, Old Queen Street, S.W.)

EGYPT.

Paints and Oils.—The Secretary-General, Ports and Lights Administration, Arsenal, Alexandria, invites tenders for the supply of paints and oils required for the financial year 1927-1928. March 15.

Bunting, Etc.—The Secretary-General, Ports and Lights Administration, Arsenal, Alexandria, invites tenders for the supply of bunting, ropes, canvas, hose, etc., required for the financial year 1927-1928. March 15.

General Stores.—The Secretary-General, Ports and Lights Administration, Arsenal, Alexandria, invites tenders for the supply of general stores required for the financial year 1927-1928. March 15.

Diesel Engines.—The Ministry of Public Works, Egyptian Government, invites tenders for the supply and erection at the site of the Egyptian Army Flour Milling Plant at Tura, near Cairo, of two internal combustion engines and accessories. March 3. (D.O.T.)

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Near East Markets

NEAR EAST MARKETS FOR MOTOR BOATS.

The various market for motor boats are the subject of a series of reports in the latest issue of the American "Commerce Reports." The following surveys are given of Near Eastern markets:—

The Greek market for motor boats has always been very limited. The small number of these boats in use consists mainly of pleasure craft owned by the richer element of the country, and have been imported mostly from England. The number of gasoline outboard motors is small. Inboard crude-oil marine engines, up to 15 horse-power, are practically the only types for which there is a market in Greece. Outboard motors are mainly used on pleasure craft and fishing boats. The crude-oil engines are used as auxiliary motors on small sailing schooners.

Motor boats are in use in Roumania only on the Danube River and at the Black Sea port of Constantza. While the sale of motors is as yet very limited, there exists a steady demand for motors of 4 to 5 horse-power. A few small outboard motors are being sold, but their use is restricted by the swiftness of the current in the Danube. Motors up to 15 horse-power are also in demand to a limited extent for use in locally built boats. Competition in the sale of motors comes mainly from German and Austrian manufacturers, who make shipments on consignment or grant liberal credits to local dealers.

Turkey is an extremely poor market for the sale of foreign motor boats. Such boats, as well as marine engines, are imported only occasionally and in very small numbers.

The Indian market for motors is thus described:—There is practically no market in India for imported motor boats. The few foreign ones in use have been purchased, as a rule, by wealthy Indians on their European visits and may be regarded as exceptional. Occasional sales of outboard motors and gasoline motors of 5 to 30 horse-power are made throughout India. The demand comes from European managers of tea gardens in India, from landholders along the Ganges Valley, and from the jute-growing districts in and about Chittagong. There is a limited but increasing demand for small marine engines for ferry service on the Indian rivers; these range between

20 and 50 horse-power, are of heavy build, and have easily accessible parts. Price is of paramount importance in India.

SUDAN GUM ARABIC.

Messrs. Boxall and Co., of Khartoum, report as follows for the month ending December 31:—

Both old and new arrivals in Kordofan and Tendelti taken together were double those of December, 1925. Old crop arrivals showed a rapid decline and were only one-fifth of the total. Taking El Obeid as the standard, old crop prices fluctuated within the limits of about 1s. and closed about 1s. less than the price at which the month opened. New crop prices were inclined to firmness up to the 11th and thereafter weakened, the total decline amounting to 1s. New crop prices fetched about 1s. more than old crop.

It is to be noted that shipments were 280 tons less this December than last year. Demand was generally reported as extremely dull, particularly in the United Kingdom, United States and France, but if we exclude the United States our sales would indicate demand as being, say, 20 per cent. less than December last year. Demand from United States was only 25 per cent. of what it was in December, 1925.

There are perhaps 1,500 tons old crop stocks but it is difficult to arrive at a definite figure. This does not seem excessive especially when one considers that during 1926 the largest exports were recorded, the nearest approach being 22,425 tons in 1923.

Crop, 1927.—A large crop is expected, but our estimate is made difficult by the extremely low level at which prices have opened and which might restrict production.

The January-December exports of gum arabic amounted to 22,742 tons. The export figures are made up of the following qualities:—

	Hashab	Bleached	Talha	Total
1926—Tons	20599	313	1830	22742
1925— "	16519	235	2196	18950

DRIED FRUIT MARKET.

Messrs. J. C. Houghton and Co., of Liverpool, in their report dated January 31, state:—

Currants.—The more cheerful tone noticeable at the close of the Old Year has continued to prevail, and this state of affairs is not without justification, when it is realised that the shadow of the coal strike is no longer overhanging the country. The market generally has developed stability, the daily rise in strength of the Greek market contributing in the main towards this improvement. In addition, there are gratifying reports of prospects favourable to a revival of trade, owing to the more settled conditions in the labour world.

We have experienced a thoroughly cheerful month. Some disappointment may be felt that the volume of business has not been larger, but with values in Greece ranging many shillings above the parity here, sellers have been forced to exercise caution in offering, and this has naturally restricted trading. Latest sales show an appreciation of 3s. to 5s. per cwt. on quotations ruling last month. Closing Pyrgos 38s. 6d., Amalias and Patras 39s. 6d. to 42s., Zante 41s. to 42s., Gulf and Panariti 42s. to 48s., Vostizza 48s. to 56s., a few of exceptional merit making 62s.

Sultanas.—During the past month the improvement has been well maintained, though it cannot be said that any briskness has prevailed in actual operations, owing to the news of steadily increasing quotations from Smyrna, and reports to the effect that there remains very little stock on the other side suitable for export, added to active buying on the part of the Continent.

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RANGOON—J. & F. Graham & Co.
CALCUTTA—Andrew Weir & Co.
COLOMBO—Shrine & Co.
BEIRA—Beira Shipping Agency.
DELAGOA BAY—John T. Rennie & Sons.
DURBAN—Andrew Weir & Co.
EAST LONDON—Messrs. Dunn & Co.
PT. ELIZABETH—Mackie, Dunn & Co.

MOSSEL BAY—Messrs. E. Searle & Co.
CAPE TOWN—Thomson, Watson & Co.
HONG KONG—The Bank Line, Ltd.
BANGKOK—Siam Forest Co., Ltd.
SINGAPORE—Huttenbach Bros. & Co.
MAURITIUS—Adam & Co.

LONDON—ANDREW WEIR & CO., 21, Bury Street, E.C.3.

Company Meeting.

WESTMINSTER BANK.

Future of British Industry.

Mr. Walter Leaf's Address.

The annual general meeting of the shareholders of the Westminster Bank Ltd. was held on January 27 at the head office, Lothbury, E.C. Mr. Walter Leaf (the Chairman) presided.

The Chairman said that since they met a year ago the country had been passing through a time of severe trial, a trial which had brought to test the foundations of the whole economic structure of our constitution. They had attained, at least for the moment, a respite, where the country could take stock of its position and look forward to its policy in the future. The share taken by the banks in the struggle of the last eight months had been indirect. They had had nothing to do with the industrial and political issues, except as they had been affected by the general depression of trade. They had had to give help to some of the large industries concerned, and to make considerable provision for the risks which they took in so doing, but, on the whole, it might be said that the commerce of the country had stood the strain with an extraordinary display of strength. One obvious result of the great strike had been to show that the country's economic reserves of strength were far greater than any of them supposed. There had been no recourse to foreign loans to help the situation here, and the only conclusion to be drawn was that the amount both of their own savings at home and of their "invisible exports" must be greatly in excess of any estimates that had been put forward. So far as the strike was intended as sabotage directed against the industrial and commercial stability of the kingdom it had proved a complete failure.

Industry: Lines of Development.

After observing that it was not easy to feel the same satisfaction if they regarded the terms on which the truce in the coal industry had been brought about, and the prospect of an enduring peace to follow, the Chairman sketched what were the lines, in his opinion, on which industry was destined to develop in the future. First there was in progress a rapid broadening of the area of capital; the joint stock system was rapidly breaking up the ownership of capital and passing it on in small parcels to the little shareholder. As a consequence the owners of capital delegated the control of their business to professional managers who were paid chiefly by salaries. Next there was a marked tendency to amalgamation of business on the largest possible scale, and finally there was a growing recognition that this amalgamation must not proceed to the point where it became a monopoly or a menace either to the State or the worker, this consideration bringing with it the definite reservation by the State of such a controlling interest as would provide that the public interests of all were duly observed, and that there should be nothing in the nature of exploitation in any private interest. The future organisation of industry would be ruled by the two main principles that production must be upon the largest possible scale, but that it must be vitalised by rivalry and competition. To this end the State would intervene to see whether there was no danger of monopoly or operation in the interest of one particular class.

The State Veto.

Illustrating this by the case of their own industry, banking, the Chairman recalled that not long since bank amalgamations were proceeding at a rapidly accelerating pace until it seemed that the whole banking business of the country might be collected into a few hands. The State thereupon intervened and laid a veto upon any more amalgamations by the Big Banks, and that veto was still in force. But the control of the State went even further than that. The banks had been deprived by the State of the control of currency and the power of creating credit involved in it. That, which was once considered to be the very essence of banking, now belonged to the

Treasury. And the control of the rate of interest by which all deflation or inflation was managed, had equally been confided to the Bank of England, and in this the joint stock banks had no voice whatever. Beyond this, the Bank of England acting with, if not directly on behalf of, the Government, exercised a very real control over the policy of the joint stock banks, as was made clear enough very recently in the enforcement of the embargo on the issue of foreign loans. Generally, the banks recognised it as their duty to support the policy of the Bank of England. They were thus for all practical purposes as much under control as if they were nationalised, while at the same time, instead of being governed by a bureaucracy and red tape, they were stimulated by the keenest of competition among themselves, and by a professional pride in the standard of efficiency thus set up and maintained. Moreover, their management was practically democratic. The holdings of shares in the Big Five Banks were so numerous that each holding represented a very small capital. There were in effect about 275,000 shareholders among the five, owning an aggregate capital of over £60 millions, giving an average holding of under £220; the sub-division of capital could hardly go much further. Moreover, the executive control was entirely in the hands of the staff. The directors, to whom the duty of supervision was entrusted, were themselves the paid servants of the shareholders.

The Common Weal.

Another rapidly growing and important industry which was now in course of reorganisation on very similar lines was that of electric supply. So far as London was concerned the lines were laid down some 40 years ago with the idea of establishing active competition. London was divided up into a number of small areas, some of which were handed over to municipalities, others to private companies; in the latter case provision was always made for two competing companies in each area. The system worked fairly well at first, but as the supply developed, the limitations of the small companies became intolerable; amalgamation was forbidden, and the supply of London was seriously threatened. Legislative provision had now been made by which the London area was divided between large groups of companies and local authorities associated in a manner which will enable electric energy to be produced on the largest scale, while the charges of the companies were strictly limited, and the harmonious working of the whole was entrusted to a Joint Electricity Authority working under the ultimate control of the Electricity Commissioners, a public body. The new Electricity Act which had just been passed was, in intention at least, an extension of the same general principle to the whole country. In the case of the railways the same policy of amalgamation in large groups under the control of a body of commissioners had been carried through by legislation.

A Public Trust.

This appeared to him to be the constructive tendency which was shaping the future of industry. It involved a recognition of the fundamental fact that, in order to induce men to put forth their full energy in production, it was necessary to foster the spirit of rivalry, which was only stifled by official monopoly. And at the same time it recognised a sentiment which had imposed itself upon the public conscience, a sentiment which was too powerful to be ignored. This was the conviction that those who were in control of great businesses must operate with due regard for the common weal, and not only for their private profit; that the management of great aggregations of industrial power was not merely a private, but a public trust. It was this sentiment which was the strength of the movement which called itself Socialism. As an economic foundation for industry, Socialism was worthless; it had been proved and found wanting. It was a relic of the Victorian age. Russia, so far as one could see anything clear in Russia, was at this moment engaged in a bitter controversy between the leaders as to the best camouflage for a return to property as a reward for industry, and was appealing to the capitalists of Europe to come and help them, while loudly boasting that capitalism was to be annihilated. But the sentiment of the responsibility of property to the commonwealth for just administration

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was more potent than ever it was, and it had been largely strengthened by the aggregation of businesses. In the United States it found expression in Anti-Trust legislation, a rather crude device, as it seemed. It was wiser to aim at direction than at suppression of economic forces. It was for this reason that the policy we had begun to adopt here appeared to him the wiser; and it was because he saw no permanent peace except along this road that he lamented its failure in the case of the coal strike.

Of course, it was impossible to lay down the rules by which such developments were to be carried out; nor would it be desirable that any compulsion should be applied if it could be avoided. We should doubtless go on the good old principle of taking each case by itself and evolving the solution which seemed best to suit the industry concerned. The establishment of the Coal Commission was thus, he felt confident, a step in the right direction; and it was because this method was not accepted that the result of the whole controversy seemed to him a step backwards rather than forwards, portending troubles yet to come.

Current Prospects.

As to the outlook, he alluded to the conditions in the iron and steel trade. Here there was the prospect of an active and prosperous year if employers and employed would work together for it. The cotton trade was probably the most anxious point in the outlook. He then went on to show that in the interesting experiments in comparative methods of stopping inflation among certain Continental currencies the policy of "a managed currency" had been unsuccessful, remarking that in the case of Belgium—the Westminster Bank had been able to contribute its share in the assistance to the Belgian Government—the gold standard had been attained by the stabilisation of the Belgian franc at a devaluated rate. Alluding to the bankers' manifesto, out of 142 signatories for Great Britain more than half were leaders in their great industries, thus revealing that it was in no way a "money lenders' circular." To describe it as such was a wholly baseless myth.

Bank's Appropriations.

Referring to the bank's balance-sheet, he said there had been an increase in the deposits, from £271 millions to £285 millions, which was evidence of the accumulations of savings in spite of all adverse conditions, and a good omen for growth of trade. On the other hand, there was a considerable fall in the bank's acceptances, amounting to £2,019,000, due in large measure to depression in the cotton industry and the fall in the price of raw materials. As to the appropriation of profits, the £200,000 put to the officers' pension fund must be regarded as a standing charge necessary to help the fund on to a sound actuarial basis. As to their re-building scheme, this was now proceeding rapidly, and they had put aside another £250,000 out of profits to replace the drafts already put upon it, but the directors hoped this amount would go a long way towards completing the whole scheme.

The Chairman then referred to the Board's loss by the death of Col. Batten, and to the appointment of Mr. John Rae, the Chief General Manager, as a Director.

The report was unanimously adopted and other formal business was transacted.

COMPANY NOTES AND REPORTS.

LLOYDS BANK.

The report of Lloyds Bank Ltd. for the year ended December 31 last states that after payment of salaries, pensions, staff bonuses and allowances, other charges and expenses, and the annual contributions to the provident and insurance fund and the widows and orphans fund, and making full provision for rebate, income tax, bad debts and contingencies, the profit brought in for the year is £2,523,582 14s. 7d., to which has to be added £534,295 1s. 4d. brought forward from the previous year, making a total of £3,057,877 15s. 11d., out of which the following appropriations have been made:—Interim dividend on the "A" shares for the half-year ended June 30 last of 1s. 8d. per share, being at the rate of 16½ per cent. per annum, less income tax, paid July 31, 1926, £958,197 1s. 4d.; interim dividend on the "B" shares for the half-year ended June 30 last of 6d. per share, being at the rate of 5 per cent. per annum, less income tax, paid July 31, 1926, £28,745 18s. 5d.; bank premises account, £250,000; staff superannuation fund, £300,000. This leaves a balance of £1,520,934 16s. 2d., which the directors recommend be appropriated as follows:—Dividend on the "A" shares for the half-year ended December 31 last of 1s. 8d. per share, being at the rate of 16½ per cent. per annum, less income tax, payable February 5, 1927, £958,197 1s. 4d.; dividend on the "B" shares for the half-year ended December 31 last of 6d. per share,

being at the rate of 5 per cent. per annum, less income tax, payable February 5, 1927, £28,745 18s. 5d.; to be carried forward to the profit and loss account of the current year, £533,991 16s. 5d.—£3,057,877 15s. 11d. In accordance with resolutions passed at an extraordinary meeting held in February last, the Bank's authorised capital has been increased from £72,500,000 to £74,000,000 by the creation of 1,500,000 "B" shares of £1 each, of which 1,437,296 have been issued fully paid.

IVORY IN GOOD DEMAND.

Messrs. Hale and Son's report on the quarterly ivory sales held on January 25 and 26, states that they comprised 38½ tons (against 53½ tons at the same time last year), viz.: 15 tons Zanzibar, Bombay, Mozambique, East African and Siam, ¼ ton Abyssinian, 10 tons Egyptian (Alexandrian description), 7½ tons West Coast African, ½ ton Lisbon, and 5 tons land carriage; also ¾ ton sea horse tusks and boars tusks, and 1½ cwt. rhinoceros horns. Total, about 39½ tons.

The following was the assortment of the East Indian description: 9½ tons soft tusks, ¼ ton hard and Siam, 1 ton billiard ball pieces and a few ball scrivellos, ¼ ton bagatelle points and bagatelle scrivellos, ½ ton cut points for balls, ½ ton cut points off large tusks, ¼ ton undersize and defective points, etc., 1½ tons cut hollows, ¾ ton scrivellos, ¼ ton cores and mixed defective pieces. Of the above quantities 11½ tons consisted of lots previous offered or indirect import, viz.: ¾ ton East Indian, ¼ ton Abyssinian, 4½ tons Egyptian, 1 ton West Coast African, 5 tons land carriage, and ½ ton sea horse teeth.

During the progress of the sales 5½ tons were bought in or withdrawn, viz.: ½ ton East Indian and Abyssinian, 1½ tons Egyptian, 1 ton Congo, and 2 tons land carriage. A generally good tone was manifested, and an active demand prevailed. America, the Continent and the Home Trade competed freely. There was a good assortment of large and medium tasks, both of the soft and hard descriptions, prices for which were firm to an advance of £2 to £3 per cwt. Ball ivory was in small supply, and consequently, meeting with keen competition, prices for ball pieces advanced £10 to £20 per cwt.

Egyptian consisted entirely of the Alexandrian description. Soft, large, and medium tusks were steady to £2 per cwt. higher, and hard was firm to £2 to £3 per cwt. dearer. Billiard ball scrivellos were steady on the average. Soft scrivellos were firm; hard rather dearer.

M. Diomedes, the Governor of the National Bank of Greece, is to visit Paris and London on business on behalf of the bank and the Government.

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Cotton and Cotton Goods.

THE LIVERPOOL COTTON MARKET.

Messrs. Reynolds and Gibson report as follows for the week ended January 26 :—

Egyptian Futures.—Sakel Contract.—This market has encountered rather more pressure during the past week, profit-taking transactions and a certain amount of short selling combining to create an easier undertone. In addition, it is now becoming apparent that Sakel cotton has not participated to the extent expected through the recent trade improvement. This in our opinion is due to the following causes :—First, the disappointing quality of the present crop, and, secondly, the very healthy demand recently experienced for Sudan Sakels, which at the present basis are relatively cheaper and also give spinners more satisfactory working results than the Egyptian variety. This situation is having a decidedly disturbing effect on holders at the other side, who are becoming increasingly perturbed at the steady augmentation of stocks, as, apart from the moderate offtake from this country, we believe that business from Continental and other sources is not at all satisfactory. A criterion of the situation is offered by the export figures which show, out of receipts totalling 2,865,000 kantars, shipments only amounting to 1,195,544 kantars. The following extract from a report just received from the Alexandria Commercial Co. (SA) is extremely interesting :—

"There is still a lot of cotton in the villages unsold, and the season looks like being a long one. Growers are, naturally, dissatisfied with the prices at which the present crop is selling, but this does not mean that the acreage to be put under cotton during the next few months will show any serious reduction on last year. Growers who rent land will do their utmost to obtain a reduction of rents, but all growers, great and small, anticipate an improvement in prices, sooner or later, depending on the Government to take such measures as shall appear necessary to bring about the realisation of this anticipation. The unsatisfactory statistical position, the relatively poor outlook in the textile centres, the increasing competition of outside growths, are factors which the Egyptian native is prone to ignore, and these factors will accordingly not have any great influence on the new acreage."

Manchester reports continue to show a more satisfactory business and inquiry. There may have been a slight slackening off during the past two days, but we believe that this is mainly due to the fact that the majority of spinners have now fair order books, and consequently are able to show a more independent and firmer attitude.

Near positions have latterly shown a decided tendency to ease in comparison with the more distant options, this being a reflex of our earlier remarks regarding the accumulating stocks. However, as our market continues to run at a comparatively small premium over Alexandria, we do not think that the movement, for the time being at any rate, will go much farther, as we are still a long way from being able to get cotton over to this side on anything like an important basis.

We do not think that much alteration from the existing level will be witnessed in the near future, but should the present reactionary tendency continue in evidence without any definite change in the trade outlook developing, we would not be averse to recommending conservative purchases.

Upper Contract.—Only a very limited amount of business has been transacted in this option during the past week, and with the American markets showing a somewhat hesitating tendency, prices have been inclined to

ease. Spot and forward business has been fairly well maintained and trade reports continue to indicate a good inquiry. We still consider that prices will ultimately harden further, and on this account would advise purchases on any further reaction.

Egyptian Spot.—On the whole, business has been somewhat quieter this week. During the earlier period there was a general tendency on the part of the trade to await the issue of the U.S.A. ginning figures, which were published last Monday, and although, when published, these figures proved to be much as had been expected, an easier tendency has since been noticeable in the futures markets of the world, and business in the raw material has been slowed down in consequence. The tone of the official Manchester reports has continued to be very healthy, and, provided that there is no unlooked-for collapse in futures, we see no reason why the improved trade which has lately been so manifest should not be maintained. It should be borne in mind, however, that spinners generally have been buying fairly well since the beginning of the New Year and a period of "digestion" is only to be expected sooner or later.

C.i.f. business has been of a patchy description, but here and there some improvement has been noted. The spot sales of actual Egyptian have shown improvement, but business in Sudan cotton, after the recent heavy buying, has been quieter. Spinners, however, still maintain close touch with the market for this latter cotton. The general Egyptian inquiry has shown little change from that of previous weeks. The greater part of it has been for Uppers at from 9½d. to 10½d. In Sakel, it has been the medium qualities which have been chiefly in demand, with perhaps just a hint of more business in the "Good" grade. Rather more business has been done this week in Pilon cotton, all qualities being in request from time to time. Forwardings to spinners for the week ending 21st inst. were returned as 5,108 bales Egyptian and 1,432 bales Sudan. Estimated sales, 1,600 bales Egyptian and 1,800 Sudans. Quotations of Sakel show a net decline of 25 points on the week; Upper are 15 points easier. F.G.F. Sakel to-day, 13.70d. F.G.F. Upper to-day, 10.40d.

A company with a capital of £40,000 has been formed for the construction of the electric tramway from Haifa to the Carmel, and it is understood that the work of construction will be started in April. Half of the shares in the company have been taken by two Jewish land companies, while the other half has been taken by the Palestine Electric Corporation.

FOREIGN EXCHANGES.

Country.	Method of Quoting.	Parity of Exchange.	Latest Quotations.
Alexandria.....	Piastre to £	97½	97½
Athens	Drachmæ to £ ...	25.22½	365½
Belgrade.....	Dinars to £	25.22½	276
Berlin	Marks to £	20.43	20.46½
Berne	Francs to £.....	25.22½	25.21½
Bombay	Sterling to Rupee	24d.	17.63/64-18 1/64
Brussels	Belga to £.....	35	84.87½
Bucharest	Lei to £	25.22½	902½
Budapest	Pen to £	27.82	27-75½
Calcutta	Sterling to Rupee	24d.	17.63/64-18 1/64
Constantinople	Piastres to £	110	940-955
New York	Dollars to £	4.86 2-3	4.84 15/16-4.85
Paris	Francs to £.....	25.22½	123.15
Prague	Kronen to £.....	24.02	163½
Rome	Lire to £	25.22½	113½-4
Sofia	Leva to £	25.22½	667-680
Teheran	Krans to £	52	50½
Vienna	Sch to £	34.56½	34.35-34.40
Warsaw	Zloty to £	26.22½	42-45

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NEWS FROM ALL SOURCES.

The area under maize in Roumania in 1926 was about 10,188,000 acres, and the yield is estimated at 5,165,713 tons, as compared with 4,159,147 tons in 1925.

The Greek Minister of Finance has not approved the draft of the new naval Budget, demanding further considerable economies.

The Anglo-Bulgarian Mixed Tribunal has finished its work. It is the first of the various tribunals of the kind in Europe to do so.

The death is announced of Colonel C. H. T. Marshall, who saw much service with the Indian Army, and was greatly interested in Indian ornithology. His eldest daughter is Mrs. Maude Diver, the novelist.

The Calcutta Corporation, which recently refused to vote an address of welcome to the Viceroy on the occasion of his first visit to the city, last week decided to give a civic welcome and address to Mr. Saklatvala, the Communist M.P., on his arrival in February 1. The decision was reached after protests by the European and non-Swarajist councillors.

It is reported that a new railway line is projected by the Soviet authorities, to connect Semipalatinsk with Pishpek.

Tenders are to be invited for the exploitation of wireless telephony in Greece.

The traffic receipts of the Egyptian Delta Light Railways for the ten days ended January 10 amounted to £E10,139, making the total from April 1 £E263,851. The figures for the corresponding periods of the previous twelve months were £E11,336 and £E278,533.

Dr. Walter Seton, the historian and antiquary, and secretary of University College, London, died on January 26 at the age of 44 in a London nursing home from pneumonia. In 1918 Dr. Seton was appointed Political Secretary to the Ministry of Information with charge of propaganda in the Balkans.

The Persian Cabinet resigned a few days ago in consequence of the Independent Party having joined the Opposition in giving notice of an interpellation in connexion with recent correspondence between the Government and the Anglo-Persian Oil Company, and also regarding the Government's failure to settle a trade treaty with Russia.

Stock and Share Markets.

LONDON EXCHANGE		Prices on Jan. 31	Railways.		Prices on Jan. 31	Coal.		Prices on Jan. 12
Government Stocks.								Rs.
Egyptian 4 p.c. Unified Debt ...	...	82½	Assam-Bengal ...	...	81	Baraboni ...	...	21
Do. Pref. 3½ p.c. 1890 ...	...	72½	Bengal Nagpur ...	...	94½	Bengal ...	...	485
Do. Turk 4 p.c. 1891 ...	...	81	Egypt Delta Light Rly. ...	...	115/16	Burrakur ...	...	181
Do. 3½ p.c. Eg. Trib. Bonds '94 ...	...	77½	Southern Punjab ...	...	195½	East Indian ...	...	25½
Greek 5 p.c., 1881 ...	...	59				Equitable ...	...	20
Do. 5 p.c., 1884 ...	...	58½	Rubber.			Pench Valley ...	...	25
Do. 4 p.c. Rentes, 1889 ...	...	48½	Ceylon Para Rubber Ord. ...	...	16/3	Raneegunge ...	...	31½
Do. 5 p.c. 1890 ...	...	58	Doolgalla (Ceylon) Rub. Est. ...	...	20½	Standard ...	...	51
Do. 5 p.c. Funding Loan, 1893 ...	...	57½	Grand Cent. (Ceylon) Rubber ...	...	45 9	Cotton.		
Do. 4 p.c. Rails, Loan, 1902 ...	...	51	Hewagum Rubber Co. ...	...	26 3	Bengal Nagpur ...	...	23½
Do. 4 p.c. Loan, 1910 ...	...	52½	Kepitigalla Rubber Estates ...	...	40 7½	Bombay Dyeing, etc. ...	...	930
Do. 5 p.c. Loan, 1914 (Lon. issue) ...	...	67½	Malayalam Rub. and Produce ...	...		Bowreah ...	...	365
Do. 7 p.c., 1924 ...	...	94½				Buckingham and Carnatic ...	...	190
Persia 5 p.c., 1911 ...	...	79½	Shipping.			Cawnpore Textiles ...	...	31
Roumania 4 p.c. Ext. ...	...	71½	Anchor 5½ p.c. Prf. ...	...	89/32	Century ...	...	301
Do. 4 p.c. Consolidation ...	...	44½	Cunard ...	...	20½	Central India ...	...	513
Sudan 5½ p.c. Guar. Bds. ...	...	108½	Furness Withy ...	...	38 3	Elgin ...	...	91
India 3½ p.c. ...	...	70	Khedivial Mail Ord. ...	...	1	Khatau Makanji ...	...	95
Do. 3 p.c. ...	...	50½	P. and O. Deferred ...	...	265	Muir ...	...	292
Do. 2½ p.c. ...	...	50				New Ring ...	...	210
Do. 5½ p.c. ...	...	101½	Tea.			Phoenix ...	...	397
Do. 4½ p.c. ...	...	92½	Assam Co. ...	...	41½	Svadeshi ...	...	512
Turkish 4 p.c. Unified ...	...	29½	Bengal United Tea Ord. ...	...	2 11/16			
			Brampootra ...	...	35	Jute.		
Banks.			British Indian Tea Ord. ...	...	3	Alliance ...	...	508
Agri. Bank of Egypt ...	...	77/16	Cachar and Dooars Tea Ord. ...	...	315/16	Barnagore ...	...	219
Bank of British West Africa ...	...	4½	Ceylon Tea Plantations Ord. ...	...	6½	Budge Budge ...	...	539
Bank of Roumania ...	...	86/3	Consolidated Estates ...	...	4½	Clive ...	...	40½
Barclays Dom. Col. Pf. ...	...	27/3x d	Darjeeling Co. ...	...	2½	Dalhousie ...	...	468
Lloyds ...	...	63/6	Dimbula Valley (Ceylon) Ord. ...	...	3½	Delta ...	...	615
P. and O. Banking ...	...	10½	Dooars Tea Ord. ...	...	39/16	Fort Gloster ...	...	926
Eastern ...	...	6 5/16	Dooloogram Tea ...	...	113/16	Gourepore ...	...	769
Chartered Bank of India ...	...	197/16	Doom Dooma ...	...	39/16	Howrah ...	...	44½
Ottoman Bank ...	...	109/16	East Assam ...	...	311/16	Kamarhaty ...	...	712
Imperial Bank of Persia ...	...	94	Empire of Ind. ...	...	2½	Kankannarah ...	...	558
Land Bank of Egypt Ord. ...	...	12½	Haleh Tea ...	...	2½	Khardah ...	...	472½
Westminster ...	...	18 13/16	Jhanzie Tea Association ...	...	35/16	Kinnison ...	...	1,024
National Bank of Egypt ...	...	37	Jokai (Assam) Tea Ord. ...	...	4½	National ...	...	37
National Bank of India ...	...	48½	Lanka Plantations Ord. ...	...	2½	Standard ...	...	473
			Lungla (Sylhet) Tea Ord. ...	...	17 32	Union ...	...	627
Land.			Nuwara Eliya Tea Estates Ord. ...	...	51/16			
Kassala Cotton ...	...	8½	Pabbojan ...	...	615/16	Miscellaneous		
Sudan Plantations ...	...	425/32	Scottish Assam ...	...	113/16	British India Corporation ...	...	4½
			Upper Assam ...	...	215/32	Bengal Paper Mills ...	...	34½
Mines.						Bengal Timber Trading ...	...	128
Balaghat Gold Mining ...	...	2/6	Insurance.			Burn and Co. ...	...	169
Burma Corp. ...	...	14½	General Accident Fire and Life (£5, £1½ paid) ...	...	8½	Cawnpore Sugar ...	...	24
Champion Reef Gold ...	...	12½	London & Lancs (£5, £1 paid) ...	...	21½	Champaran Sugar ...	...	9½
Mysore ...	...	15½	Royal Exchange (£1) ...	...	7½	Howrah Oil Mills ...	...	13½
Nundydroog ...	...	11½	Sun Fire £10 (£2 paid) ...	...	24½			
Ooregum Gold Mining Ord. ...	...	14½	Trade Indemnity (£10) ...	...	14	ALEXANDRIA		
						Prices on Jan. 21, supplied by G. L. Mortera, Alexandria & Cairo.		
OIL.			Miscellaneous.			Agricultural Bank of Egypt ...	...	£7 15 32
Anglo-Egyptian B ...	...	1½	Alexandria Water Co. ...	...	13½	" " Fond. ...	...	£610
Anglo-Persian Ord. ...	...	5½	Associated Cotton Ginners ...	...	7½	Alexandria Water Co. ...	...	£159/16
Do. 8 p.c. Cum. 1st Pt. ...	...	26/6	Egyptian Hotels ...	...	25/6	Assoc. Cotton Ginners ...	...	£2
Do. 9 p.c. Cum. 2nd Pt. ...	...	29/3	Do. Markets Ord. ...	...	21/x d	Behera Ord. ...	...	£15½
Do. 5 p.c. Debs. ...	...	9½	Do. Salt and Soda ...	...	8½	Ciments d'Egypte ...	...	Frs. 132
Brit. Burmah ...	...	9 9/9	Mortgage Co. of Egypt 5 p.c. Pref. ...	...		" " Div. ...	...	183
Burmah Oil Co. Ord. ...	...	75/32				Comptoir Fin. & Com. d'Egypte ...	...	£5/16
Do. 8½ Cum. Pref. ...	...	27	INDIAN EXCHANGES.			Credit Foncier Egyptian ...	...	Frs. 1.01
Phoenix Oil and Transport ...	...	24½	Government Loans.			" " Fondateur ...	...	2,103
Steaua Romana ...	...	16/3	3½ Government Paper ...	...	77 11/16	Crown Brewery Priv. ...	...	Frs. 980
						Filature Nationale d'Egypte ...	...	£57 16
			Banks			Frigorifique d'Egypte ...	...	£51
			Imperial Bank of India ...	...	1,575	Immeubles d'Egypte Soc. An. des. ...	...	£151
			Bank of India ...	...	75	Land Bank of Egypt Actions ...	...	£1289/16
			Central Bank of India ...	...	31½	" " Parts de Fond ...	...	£144
						Menzaleh Canal Navigation ...	...	Pt. 340

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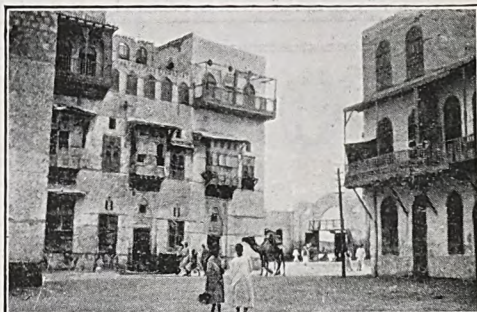
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THE NEAR EAST AND INDIA.

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THURSDAY, FEBRUARY 10, 1927.

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The Jewish Agency.

To all observers of Jewry it has been evident that for some time there has been in process a struggle between those Jews, personified by Dr. Weizmann, who saw in the development of Palestine the most urgent necessity for their race, and those Jews, personified by Mr. Louis Marshall, who thought more important the local alleviation of the misfortunes of suffering Jews in Eastern Europe. In a certain sense, these two endeavours, both backed by the energy and generosity of which Jews are so capable, seemed rival endeavours: Zionist and non-Zionist looked upon each other's campaigns with mutual anxiety. At last, however, a compromise has been reached, a compromise that may very considerably affect the future of the Holy Land.

It is a tribute both to the strength and to the weakness of the Zionist movement that it now seems to have gained the support of the vast body of non-Zionist American Jewry. At the opening, on January 17, of the New York City campaign for two and a half million dollars, as we read in the *New York Times*, Dr. Weizmann, whose sense of statesmanship no non-Jew has ever held in doubt, announced that the Jewish agency—the institution recognised in the British Mandate for Palestine as a co-operator, in the economic and social spheres, in the building up of a Jewish National Home—is to be formed on a non-partisan basis. Whether the hard experiences during the last year of Jewish colonists in Palestine have hastened this consummation or not, it is a fact that so long ago as February, 1924, plans for the formation of such an agency were formulated by Mr. Louis Marshall, representing the non-Zionist element in American Jewry. It is true that there still is in America hostility to the idea of "nationalising" the Jews: last month in the States, for example, there was a great conference in which the desirability of the establishing of an "American Judaism" was strongly urged. But in general it may be said that there is more active interest in the future of Palestine being taken by Jews than at any previous period. A non-partisan Commission is to go out to the Holy Land next

Easter to study the whole situation. It will present its report in the autumn, and then an extended Jewish Agency, which will include non-Zionists, will be formed. This Agency, as we have said, will co-operate with the Jerusalem Government in the promotion of Jewish interests. The preliminary investigation is to be done very thoroughly, for it is stated that the survey of Palestine will include an expert study of the resources in the agricultural, industrial, commercial and other economic possibilities of Palestine and neighbouring territory. These last three words are worth noting, for the allusion is clearly to fertile land in Transjordan and in Syria. There is, for instance, land in the Hauran and in the Lake Huleh region, for which Zionists have often suggested a better use than is at present being made. The very mention of this fact demonstrates how carefully the recommendations of this Commission will have to be laid down, for the foreign relations of Palestine are, of course, entirely in the discretion of the British Government.

We have said that the promise of the formation of this extended Jewish Agency indicates at once the strength and the weakness of the official Zionist movement. Dr. Weizmann is declared, indeed, to have said that nothing, short of the swallowing up of Palestine by the Mediterranean, would stop the construction of a Jewish National Home. That did great credit to his heart. But what does equal credit to his head is the statement, which occurs in the formal agreement between what is called his group and the Marshall group, that only by pursuing the method indicated in the setting up of the non-partisan Commission for the survey of conditions in Palestine can the Jewish Agency be made "an effective instrument of the building of the Jewish National Home in Palestine."

This agreement to form a widened Jewish Agency is probably the most important thing for Zionists since the promulgation of the Balfour Declaration. Certainly the report of the non-partisan Commission next autumn will be a most eagerly expected document.

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TURKEY AND SOVIET RUSSIA.

For some time past it has been evident that there has been something in the nature of a *détente* in Russo-Turkish relations. Several obvious attempts to parade the solidarity of the two countries before the world have been made, but, whatever may have been the effect in Russia and Turkey, they have failed signally to carry conviction elsewhere. The Turkish-Soviet Treaty signed in Paris on December 17, 1925, was purely an emergency affair. On the face of it the agreement could be regarded as Turkey's reply to the Mosul award of the League of Nations, and as the retort of the Moscow Government to the Locarno agreements. The Soviet Acting Foreign Minister chose to connect it with "rumours appearing frequently in the Anglo-American press of a secret agreement concluded between Russia and Italy and directed against Turkey," and added that "on the other hand the Soviet Government was aware of the attempt of certain countries to draw Turkey into political combinations against it." Whatever the impelling motive, however, which, in any case, influenced Russia alone, the Treaty made no attempt to live up to its preamble as "tending to the strengthening of stable and normal relations between the two countries and the friendship uniting them"; for it provided merely for the neutrality of each contracting party in case of aggression against the other by one or more Powers, and bound each country not to participate in any attack or agreement of a political, financial or economic character directed against the other. Only as an afterthought, in a third Protocol, was an effort made to substantiate the enthusiasm of the preamble, by a joint understanding to enter into negotiations for the establishment of a method of settlement of differences which might arise and which could not be regulated by ordinary diplomatic means. Again, last autumn, the Turkish Foreign Minister paid a visit to Odessa, where he met M. Chicherin, the Soviet Foreign Commissary, but the official *communiqué* on the meeting made it clear to the people of both countries that there had been no tangible results.

Owing to the strict discipline under which the Turkish Press carries out its task considerable interest attached to an article, appearing simultaneously in the third week of January in two Governmental organs, which called upon all citizens and the Press to refrain from rendering the task of the Government in foreign policy difficult. The special reference it was explained, was to the campaign against Russia, her political dogma and her institutions which "some persons or some groups are carrying on." The Turks, the article continued, have not the right to mix in the politics of other States, and "it is useless to publish articles which create the impression that Turkey has designs on the Caucasus or on regions inhabited by

our racial brothers. Russia may be annoyed by this campaign, even although she believes that we do not covet any territory outside our frontiers and believes that our policy towards her is a loyal one." As nothing had been remarked in the Turkish Press that seemed to call for these strictures the reason for this particular gambit was not apparent until later. Within a fortnight both the two organs which had published the strange warning had entirely changed their tone. Russia apparently had failed to act upon the subtle hint. One newspaper drew attention to the fact that negotiations for a commercial treaty with Russia had been in progress for the better part of two years and still showed no sign of ending. Difficulties had arisen, but they were not the fault of the Turkish Government. Turkey, throughout the negotiations, had adapted the most conciliatory attitude, and had applied to Russian imports the same tariffs as were enjoyed by countries trading with her under provisional commercial treaties. The Soviet Government must understand, the newspaper added, that Turkey's conciliatory attitude cannot last indefinitely, and that Russia should display a similar spirit of conciliation. The other Governmental organ went further. It pointed out that the political friendship uniting Soviet Russia and Turkey should be sealed by economic friendship, but added that, if agreement cannot be reached, it will be better to allow each country complete liberty of action. If a commercial treaty be desired, it should be made at once; otherwise the negotiations should be broken off. Such plain speaking marks an entirely new development in Russo-Turkish relations.

This development, however, was inevitable, as Turkey passed into a more settled condition. A State needs to be in the melting pot to derive any benefit from Soviet friendship, and there must be many Turks to-day tempted to compare the position in China with their own experience when Soviet influence was more prominent at Angora. Such a comparison cannot fail to evoke satisfaction in Turkey; for it will show that not even at the gloomiest point in the country's recent history did the Government lose its grip on Turkish affairs and surrender itself to Bolshevik methods, as the Cantonese Nationalists have done. At a time when it seemed to the Turks of Anatolia that the whole world was against them, they accepted gladly the proffered help of Moscow without much consideration for any advantages that the Soviet Government might hold out, apart from munitions and money. Soviet phraseology to the extent of calling Ministers Commissars was adopted for a period; but it is doubtful whether Moscow has made any more lasting impression among the Turks in any other direction. Turkey remains anxious to continue friendly relations with her northern neighbour; but the more insistent that Moscow is to impose itself on Angora, the less responsive will it find the Turkish Government. Unless the signs of the times have been misread, the frequent comings and goings of the last year have represented a refusal on the part of Soviet Russia to accept the facts of the situation. A close alliance between Russia and Turkey and a Pan-Asiatic combination against the world in general have alike been rejected in Angora, and Russia is reduced to having recourse to such economic strength as she has to bring pressure upon an independent Turkey. The result does not promise well. Now that the Turkish Government has clearly shown that it does not intend to lend itself to the Soviet scheme of things, there is likely to be little that is altruistic in Moscow's interest in Turkey. The Soviets will try to secure by commercial agency the end that they failed to bring about by political means, and it is satisfactory to find that Turkey is as wide awake to this form of danger as she was to the other.

Notes of the Week.

Cabinet Building in Yugoslavia.

The competition in the Balkans for the establishment of parliamentary "records" continues. Greece, with six Prime Ministers in 1924, might have considered her position unassailable for some time to come; but within a little over two years Yugoslavia sends her a serious challenge. She cannot claim the same multiplicity of Prime Ministers, but she has one who has formed six different Cabinets in nine months. M. Ouzounovitch's sixth Ministry took the oath of office on February 2, and immediately two of its members resigned their portfolios. As one Ministerial Department out of the seventeen in which Yugoslavia indulges had not been filled, the Prime Minister's task of building his sixth Cabinet is not yet complete. The new Ministry is interesting because it marks the first occasion on which the Slovenes, the third component element of the Triune Kingdom, have had a share in the Government. Dr. Koroshetz, their leader, was reported to have laid down certain conditions for his acceptance of office—including a more generous expenditure of the State revenue on Slovenia—and it will be of interest to learn whether the co-operation of the Slovenes entails any modification of the previous policy of over-centralisation, or whether it is merely a temporary coalition *de convenance* to save the country from the worst results of Raditchism, which, if not met in this way, would prevent the Budget from being passed this session.

A Precarious Majority.

The new Yugoslav Government comprises Radicals and Slovenes only; but among the Radicals all three groups are represented—the Dissident Radicals led by Liuba Yovanovitch, and the Pashitchists, who are of recent formation as an organised group in the party, in addition to the Prime Minister's followers. The co-operation of these three groups is of hopeful augury for the future consolidation of the Radicals before centrifugal tendencies have prompted one or other to adopt a different name. With his Cabinet thus constituted, M. Ouzounovitch controls in the Skupshtina only 161 votes out of 314. Even if five German deputies give him their support, his majority remains dangerously small, and would not hold out much chance for the passing of the Budget, unless the Dissident Croats come to the Government's assistance. Up to the last moment they were expected to form part of the Coalition Government, but are supposed to have held back from a desire not to drive too wide a wedge into the Croat ranks. The Prime Minister has reminded the

Skupshtina that its fate is in its own hands, and that any further dislocation of parliamentary business, which may be said to have represented the normal state of affairs in Yugoslavia for the last two years, will be a menace to parliamentary institutions.

The Skupshtina's Test.

M. Ouzounovitch's statement does not necessarily mean that Yugoslavia is to have a Dictator; but there is every indication that the existing strength of parties represents the present state of feeling in the country, and if Serbs, Croats and Slovenes cannot, in these circumstances, come to a working arrangement in Parliament, the Government will have to carry on the administration without the Skupshtina's help. M. Ouzounovitch does not share the belief in some quarters that new elections will produce a very different distribution of strength among the various parties, and, as a Serb, he is naturally anxious that there should be no appeal to the electorate until the Serbian part of it, the majority being agriculturists, has finished with the harvest. With internal difficulties of such an acute character to face, it is not a matter for surprise that M. Ouzounovitch should not be favourably disposed to the idea of a parliamentary committee for foreign affairs, to which the Government might have to give explanations on foreign policy at awkward moments. The suggestion probably reflects the exchange of visits that has taken place between Czecho-Slovak and Yugoslav deputies; for the Foreign Committees in the Czecho-Slovak Chamber and Senate take themselves seriously, but it is not clear whether they are responsible for the Foreign Minister's restless activities or whether they are now trying to withdraw him a little from the limelight of the European stage, in the hope that the nation may concentrate more attention on domestic politics.

The Roumanian Succession.

It is as well that the question of the succession to the Throne should have been threshed out afresh in public in Roumania. Until it had been, the subject could not fail to give rise to misunderstandings and, probably, quite well-meant intrigue. The renunciation of his rights to the Throne by the Crown Prince was inevitably as grave a blow to the nation as it was to the Royal Family. Both were wounded in their pride as well as in their affection; but a stage had been reached when it was no longer possible for either to shut their eyes to the facts of the case, and Prince Carol's act of renunciation was accepted formally by both the Royal Family and the Roumanian nation. No one, it may well be imagined, was pleased with the course of events. The King felt compelled to act in accordance with the interests of the nation; the Roumanian people had to be guided by the King's judgement. If only the past could have been undone by the Crown Prince himself everyone would have welcomed his resumption of his former position in the country. In such circumstances it was natural that some people would not abandon all hope at once. There was the additional difficulty that, if someone did not make a move, the right opportunity might be missed; and so Queen Marie's meeting with Prince Carol has in due course been followed by an interpellation in the Roumanian Assembly of Deputies on behalf of the National Peasant Party with a view to giving effect to a motion passed by that Party's Executive Committee in favour of the revision of the Act of Parliament which had settled the succession to the Throne in January, 1926. The Prime Minister, General Averescu, took a firm stand in his reply. He pointed out that the National Peasant Party was going back on its attitude of a year ago, and declared that Prince Carol's renunciation had closed the question of the succession. He also added for the benefit of those who might wish to embark upon adventure that, as Head of the Government, he was determined to keep order and would apply

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the law with severity in case of need. The latter rebuke we should like to think superfluous. The interpellation will probably have cleared the air, and will enable the Roumanian people to realize that, after all, there's a divinity that shapes our ends, rough-hew them how we will.

Religion, Britain and Turkey.

The intense interest raised by the recent case which Captain Peter Wright brought, and lost, against Lord Gladstone reminds one of how much the national attitude towards Turkey has changed since the controversial days of the 'seventies. It is not our business to re-examine the rather fantastic charge brought by the plaintiff that the great anti-Turk policy laid down for the Liberal Party by William Gladstone was built up on a personal foundation, for it is obvious, and, indeed, universally accepted that the religious criterion was the criterion used by our Victorian Liberals, just as it is in great part the criterion still used by those Americans who have just refused ratification of the Lausanne Treaty with Turkey. The march of events has at least proved that satisfactory foreign relations cannot be established on sentiment alone; it was largely neglect of this fact that brought about the downfall of Mr. Lloyd George. Nowadays no-one in their senses would dream, say, of supporting Abyssinia merely because she is called a Christian country or of opposing Afghanistan because she is Islamic. In emphasising this, we are not, of course, asserting that Gladstone's attempt to gain the friendship of Russia was wrong; but what ought to be repeated is that he was wrong in attempting to gain that friendship at the expense of a non-Christian people. The consummation of British policy in the East is surely cordial relations with both Russia and Turkey, formed on the basis of common interest and intention, and it ought never to be religion alone which should separate those interests.

Appeasement in Syria.

In announcing, a month or two ago, his intention to return to Paris for consultative purposes, at the beginning of the New Year, M. Henri Ponsot, High Commissioner for Syria, would appear to have nicely timed his visit. For just as he reached Paris came the news from Beyrout that Hasan al Atrash, Amir Designate for the Jabal Druse, had handed in his submission. In some quarters this important surrender is thought to herald that of Sultan Pasha al Atrash himself, but events have taught one to be chary of hoping for immediate effects such as this. If the optimists are right, so much the better. However that may be, it is indisputable that M. Ponsot's acts in connexion with his neighbours have been absolutely correct, and we are glad to note that, in an unostentatious way, he has pursued M. de Jouvenel's reversal of General Sarrail's policy towards the British in the East. On his way to Paris, M. Ponsot met both Lord Plumer and Lord Lloyd, and it is permissible to hope that at last Anglo-French co-operation in the problems of Western Asia has been set on a firm footing. France's troubles in Syria have been considerably reduced by the unswervingly correct attitude adopted by the Jerusalem and the Amman Government. It remains to be seen whether the French policy in Syria will, as we hope, model itself upon that so successfully followed in Iraq, or whether the endeavour to conserve States within a State will be persisted in. Upon that question, and upon the equally important question of Syria's currency, we shall know more when M. Ponsot has returned to his charge from Paris.

Palestine's Chief Justice.

As has been known for some time, Sir Thomas Haycraft, Chief Justice of the Supreme Court in Palestine, is retiring; he is due actually to leave the Holy Land next April. The appointment of his successor,

Mr. M. F. J. McDonnell, who has seen considerable service in West Africa, was officially announced last week. Now although Sir Thomas has still a few weeks in the country which he has served so well for six years, it is not an unfitting time to appraise his long work. Last month, indeed, a farewell reception was given to him at Government House, when the High Commissioner indicated the sterling value of the work Sir Thomas had done in administering the complex laws of Palestine. After Lord Plumer's remarks upon that occasion, there is little left to say; but we should like to pay tribute to the manner in which the retiring Chief Justice has held the scales even between Arab and Jew, and, at times, between Government and governed. Nothing has contributed more to the prestige of the British in the eyes of the inhabitants of the Holy Land than the absolute equity which has been unceasingly preserved under the direction of Sir Thomas Haycraft. In conclusion, we congratulate Mr. McDonnell on being chosen to carry on the high traditions already laid down.

The Persian Crisis.

The Persian Cabinet under the presidency of Mustofi ul Mamalik never had, as we pointed out about the time of its formation, the appearance of stability; it was surprising, indeed, that it endured until the end of last month. The factors that seem to have led immediately to its downfall were the relations of the Government with the Anglo-Persian Oil Company in connexion with the Naft Khan oilfield in Western Persia, and the failure of the Teheran Administration to bring about a satisfactory agreement with the Russians. But it was not until the "Independent" Party joined with the Opposition that the Government handed in its resignation. As things are at the moment of writing, Mustofi ul Mamalik, or, as he now is called, Mirza Hassan Khan Mustofi, has been entrusted by the Shah with the formation of another Cabinet. This crisis should not, perhaps, be taken too seriously. They have a saying in Persia: "It's the same old donkey, though another saddle." It is, perhaps, the capital mistake of the Russians to imagine that an unsaddling of the mount necessarily alters its direction.

The Stamboul Treasury.

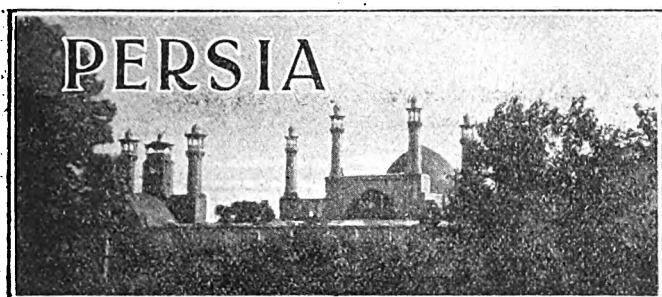
Towards the end of last month the ex-Imperial Treasury at Topkapou Palace, Stamboul, which is in process of being converted into a museum, was opened to the public. Thus for the first time the Kemalists are able to gaze upon the magnificent relics of their ancestors, and of their ancestors' friends and foes. It would indeed be interesting to hear the comments of the luxury-scorning Nationalist as he surveys, say, the throne of the Shah Ismail, captured by Sultan Selim, or the throne of Murad IV., upon which he sat when he was formally recognised as conqueror of Baghdad. He will, perhaps, look with some contempt upon the slowness with which Turkish dress progressed towards the correct, for one room is said to contain a set of the Sultan's gala costumes and turbans from Mohammed the Conqueror to Mahmoud II., who was responsible for the introduction of European dress. The throwing open of these treasures to the public view may well be, as the *Manchester Guardian* suggests, a sign that the new Turkey feels herself at last secure from the danger of war. These relics were taken to Konia in 1912 and to Angora in 1916. In time they may be removed to the capital of Turkey. On the other hand, the capital may conceivably return to Stamboul.

CYPRUS: A CORRECTION.

In our "Notes of the Week" in our last issue the forestry of Cyprus by a slip was described as representing a potential revenue of £2,500,000. This sum is, of course, the estimated cash value of the Island's forestry.

The Near and Middle East*

From Our Own Correspondents.



Teheran, January 11.

Political Tranquillity.

News of any political interest has been very scarce during the past two or three weeks, and everything has been very quiet, except the celebrations in connexion with Christmas and the New Year, which were observed by the European colony with the wonted jollity. All contrived to make the festive season as merry as possible in spite of the distance separating us from Home.

The Conscription Bill.

The enforcement of the Compulsory Service Bill drags on and apparently the result is not very satisfactory, only some 300 recruits having been enrolled in Teheran in place of the 1,000 which the authorities anticipated. It is naturally very unpopular with those liable to be called up, who are doing all they can to get out of serving. This opposition is much deprecated by the local Press, which exhorts the youth of the country in the name of patriotism to join up willingly. It is hard, however, to be really patriotic on 2s. 6d. a month, which is apparently the allowance the conscripts are given, for even in this country where tobacco is cheap, you cannot buy many cigarettes for rd. a day.

The Russo-Persian Agreement.

Teymoor Tash, Minister of the Court, who was sent by the Shah last summer to Moscow with a view to the settlement of the many outstanding questions between the Persian and Soviet Governments, returned here a week or two ago. The proposed agreement between the two countries which has been the subject of much discussion and debate by the Cabinet and the Parliament for the past few months, seemed on a fair way to being ready for signature when the news came through, about a month ago, that most of the Persian merchants in Baku had been arrested and imprisoned by the Soviet authorities on the charge, presumably, of dealing in Chervonetz (the new Russian currency) which is apparently prohibited. This caused great consternation here, and an outcry was immediately raised against this fresh oppression of Persia by her northern neighbour; it created a very bad impression. A year ago, it will be remembered, the Soviet Government suddenly prohibited the import into Russia of all Persian goods, which caused very great losses to Persian merchants in the north, and this embargo, coming, as it did, just when the Majliss were discussing the important Caspian Sea Fisheries Concession, which the Russians are so anxious to obtain, was naturally taken here as an obvious endeavour on the part of the Soviet to bring pressure to bear on the Persian Government to pass the Bill, which, however, the last Majliss refused to do before its dissolution, and this question therefore forms part of the proposed agreement. In consequence of strong representations from the Persian Government to the Russian Embassy, some of the arrested merchants have been released, but on the other

hand latest advices report that several others have been arrested.

Railways.

Mr. Poland, the American specialist engaged in connexion with the construction of railways, arrived here a short time ago, and has been busy since his arrival. He has divided the American and German engineers in the service of his administration into six groups, who will examine different parts of the country and prepare plans and draw up reports on the various sections. Mr. Poland himself is proceeding to Mazanderan.

The Persian Club.

A very interesting event took place the other night when the Club Iran, to which most of the *élite* of Persian society belong, held a masked fancy dress ball, which was attended by some 200 people, mostly Persians, with a good sprinkling of Europeans. The ball was quite an innovation, for it is not so many years ago that the average Persian would have thought twice before appearing in fancy dress at a public dance, but the ball was such a success that the Club intend to repeat it in a month or two's time.

Imperial Airways.

Sir Sefton Brancker, Director of Civil Aviation, who arrived in Baghdad in the first of the three air-liners conveying Sir Samuel Hoare and his party on the inaugural flight to India, broke his journey in Baghdad and arrived here last Thursday, presumably with the object of discussing with the Persian Government the question of landing grounds in Persian territory on the Persian Gulf which are on the Imperial Airways route to India, such as Lingah, Bunder Abbas, Bushire, and so forth.

General News.

Everyone here was pleased to learn that our new Minister, now Sir Robert Clive, has received the honour of knighthood in the New Year Honours, having been raised to a K.C.M.G.

M. de Facendis, the new Italian Minister, who arrived here a week or two ago, presented his credentials to the Shah last Saturday, when the usual cordial speeches were exchanged.

There has been a great deal of agitation among the Progressivists the last year or two against the horse-drawn trams, which laboriously thread their way through the principal streets of the town, just as they did twenty years ago, and we now hear that the Belgian company which runs this service has been approached by the Ministry of Public Works. It has at last been prevailed upon to adopt more modern methods and has consequently ordered out 35 motor-trams, to be sent out through Russia.

The proposals of a Danish Company to introduce motor buses in the town and up to Shemran and back have been before the Majliss for some time, but now seem to have been shelved for the time being. There seems to be a great deal of opposition on the part of a number of the Deputies to such modernising influences, and one of the reasons urged against the introduction of motor buses was that it would throw out of work the hundreds of drivers of the ramshackle cabs which ply for hire in the streets, and the hundreds of half-starved horses, which would be far happier in their graves than between the shafts!

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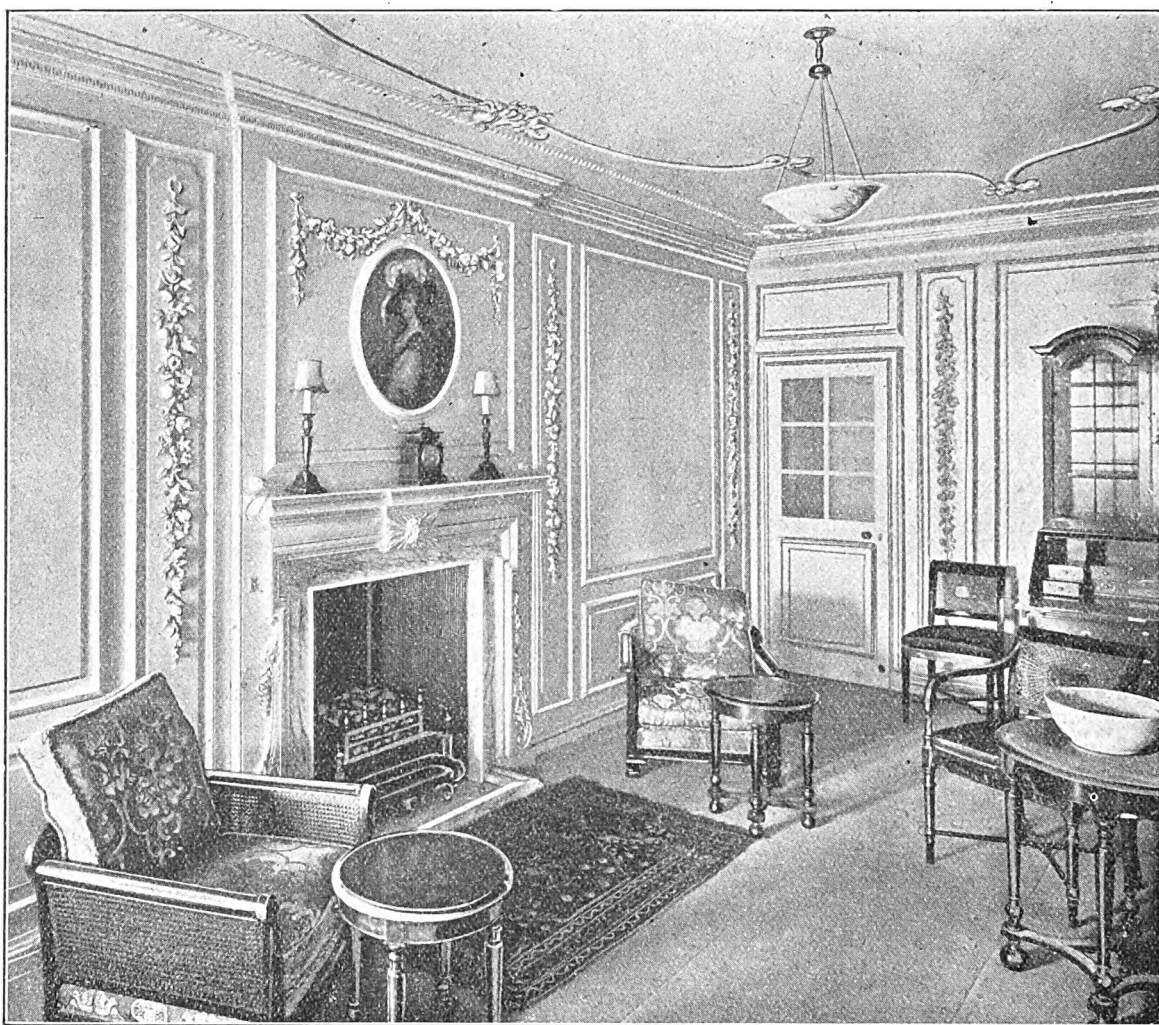
E. H. Keelling,
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*Under this heading appear weekly or at regular intervals, communications from correspondents in Egypt, the Sudan, Roumania, Yugoslavia, Greece, Bulgaria, Albania, Turkey, Cyprus, Palestine, Iraq, and Persia.

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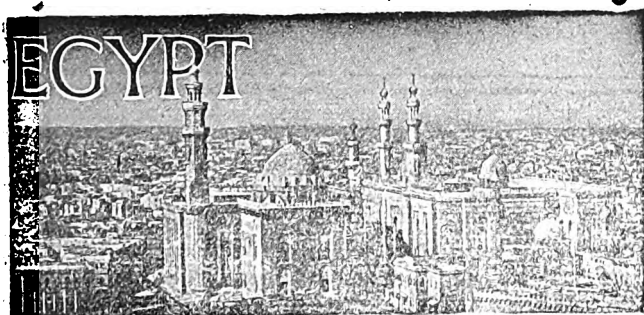
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*Sofia, February 1.***The Census.**

On December 31 last the authorities undertook a general census of the population of the country. The results of this census are not yet known exactly, but it is possible to say, from the bulletins officially published, that the total population, which was 4,800,000 in 1920, is now not less than 5,200,000—an increase of 400,000.

The increase of the population in the urban districts is particularly noticeable in the capital, which had 20,856 inhabitants in 1880, in the first period of the establishment of the Bulgarian State, but now has 224,370 inhabitants. Likewise in the great provincial towns, such as Philippopolis, Stara-Zagora, Bourgas, Varna, Rustchuk. But on the other hand the small towns with a few thousand inhabitants—those which formerly played an important part in the national renaissance—are falling into complete decay. Manifestly they are yielding to the peasant conglomerations, of which a large part has already acquired proportions exceeding those of the small towns. This movement, with the appearance of a peasant bourgeoisie, which is becoming more and more accentuated, emphasises the importance of the country, with the concentration referred to of an urban bourgeoisie in the great industrial and commercial towns.

The census, coming on the eve of the legislative elections, will imply a proportionate increase in the number of deputies to be elected. These, at the moment 243, will probably be about 260 in the future Sobranye, the electorate being determined in Bulgaria on the basis of 20,000 inhabitants. Even Sofia, which since 1920 has elected eight deputies, will henceforth have eleven—a fact which will rejoice the very abundant candidates at the next election.

*Cairo, January 30.***The Cotton Congress.**

Cotton is always a topical subject in Egypt, and during the past week it has been an obsession. On Tuesday at noon King Fuad inaugurated the Congress of the International Federation of Master Cotton Spinners' and Manufacturers' Associations, at the Royal Opera House, Cairo, thus opening the sluice-gates, so to speak, to a flood of speeches, debates and discussions regarding cotton, its past, present, and future, which has since filled the Press and monopolised public attention. Egypt has had several international congresses during the past few years, but in most of them the general public has taken no more than an academic interest. Now, when cotton is the subject under discussion, the whole country feels that, directly or indirectly, it is concerned in the

deliberations which have been going on in Cairo during the past five days and, from next Tuesday, will be continued in Alexandria.

An admirable impression was made by the Congress from its earliest moments. The speech by Mr. Frederick Holroyd, President of the International Federation of Master Cotton Spinners' and Manufacturers' Associations, in reply to the address of welcome by the Minister of Agriculture, Fathallah Barakat Pasha, not only excellently impressed the audience which heard it, but has also been very favourably commented upon by the whole of the vernacular Press, which heartily endorses Mr. Holroyd's declaration that the interests of producers and consumers are mutual, that the spinners are, eventually, the selling agents for Egyptian growers and that, therefore, it is in the interests of both sides to put all their cards on the table and talk over, in perfect frankness, the manner in which each may best serve the other, and in so doing also best serve himself.

This is an admirable idea, and at every possible subsequent occasion speakers, Egyptian or foreign, have lost no opportunity of making declarations in the same sense. And it is to be hoped, it may even be confidently expected, that something will be achieved towards creating a better understanding between the growers and the spinners. But it would be foolish to suppose that the mere utterance of admirable sentiments and declarations of anxiety to co-operate will in itself achieve much. For there is a big accumulation of suspicion and mistrust to be cleared away before the constructive side of the Congress's task can be begun. Egyptian growers—and Egyptian Governments, too—have been wont to regard Lancashire as the home of enemies of Egyptian cotton growers, ever on the alert to discover some new means of sending down the price of Egyptian cotton and anxious at the first opportunity to abandon the fine product of the Nile Valley for other grades produced, preferably in some part of the British Empire.

The spinners, on their side, have of late years been increasingly mistrustful of the Egyptian Government's policy in regard to cotton. Attempts to control the market by Government buying and cotton area limitation enactments are alike viewed suspiciously. Some of the delegates, too, in private conversation, have not disguised the fact that they have been more than disappointed on many recent occasions by the Egyptian cotton which has reached them—by its excessive moisture content and the large amount of foreign matter contained in the bales.

On both sides, therefore, there is no reluctance to put forward grievances, and it is to be hoped that the unrestrained ventilating of them will do much to remove some at least of the causes of those grievances. Nevertheless, it is very difficult at such a Congress which, unlike previous similar gatherings held under the auspices of the International Federation, is open to the general Press, and is being fully reported, for delegates to say all they would like to say. One Lancashire delegate remarked to me yesterday that he was afraid both sides were keeping something back. This remark happened to follow the reading of a paper on the commercial history of Egyptian cotton, in which the author of the paper, Amin Yehia Pasha, stated that the variety called Hindi, formerly such a pest and found in large quantities in fields of Sakellarides, had almost disappeared, a view which was supported by several other authorities, including Prince Omar Tousoun, Mr. Victor Mosseri and the head of the agronomic section of the State Domains Administration, but which was contested by experts of the Cotton Research Board.

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Another point on which, to the minds of local cotton experts, the official delegates of the Egyptian Government are inclined to insist too strongly, is the improvement to be expected from the recent enactment of laws controlling the area to be planted with cotton and providing for the uprooting of cotton crops in excess of the authorised acreage. In practice, as most people know, it is almost impossible to carry out these laws since the machinery required for ascertaining that there has been an infringement of restrictions and for securing punishment of the offender is necessarily so complicated and slow that the crop concerned has been harvested before the order for uprooting can become operative.

It is not suggested that the Egyptian Government is insincere in its declaration of cotton policy, but it does seem to many observers that the practical difficulties in the way of enforcing any laws or restrictions in this country—not merely regulations concerning cotton—are being a little glozed over. But it is in any case only natural that this should be done, for it is hardly to be expected that the Egyptian Government will publicly proclaim its impotence to enforce its laws.

The organisation of the Congress has throughout been admirable. Not only has everything that could possibly be done to make the delegates enjoy their stay here been done, but also the manner of the doing has been so gracious and courteous that everyone has been impressed in the highest degree. As an example of the care and forethought of the organising committee it may be mentioned that a score of officials, nearly all from the Ministry of Agriculture, and all of them drawn from Egyptians who have been educated, in part or entirely, in European countries, have been released from their duties during the period of the Congress and attached as a sort of corps of super-dragomans to the delegates. Each of the officials concerned speaks one or more European languages fluently, and their duties are to accompany the delegates on all their excursions and to endeavour to be helpful and informative in every possible way. Thus the visitors have always at their elbows cicerones who can explain to them, in the visitors' own languages, anything they may want to know about Egyptian history, conditions or customs. This is but one example of the thorough manner in which the organising committee has "spread itself" to give its guests every possible facility for enjoying and utilising their stay here.

Bushra Bey's Enterprise.

Amongst the many social functions which have figured in the week's programme, none has been more remarkable

than the visit, yesterday, to the estate of Fashn, Upper Egypt, of Bushra Hanna Bey. Bushra Bey is not only one of the wealthiest of Egyptian farmers, but also has the reputation of being, perhaps, the most scientific and practical private cultivator in the country. His 4,000 acre estate at Fashn is a model of what a cotton farm should be. So highly are his methods thought of by the Cotton Research Board that Bushra Bey is entrusted with trying out all the new grades which the Board produces of "Upper" cottons and the produce of his sowings in such circumstances is bought by the Board at rates considerably higher than contract levels. Yesterday's visit to his farms was in several ways a remarkable one. The whole estate had been organised with one purpose—to show the delegates the various processes which constitute cotton cultivation. The bullock plough which dates from immemorial antiquity was seen at work alongside a motor tractor and, a little farther on, a Fowler steam-ploughing plant. Irrigation methods, sowing, ridging, cultivating, everything, indeed, which at this season could be displayed, was in progress and was described and explained by Bushra Bey, his sons and headmen. There followed a remarkable luncheon consisting exclusively of Oriental foods, each table having its *pièce de résistance* a stuffed lamb, roasted whole. Afterwards came displays of Bedouin horsemanship, including a remarkable feat by a horseman who rode his mount up two flights of stairs and on its back and discharged both barrels of his gun, which rested between the animal's ears, without its moving a muscle. It was, indeed, a memorable day, and the delegates returned to Cairo, tired but happy, confessing themselves of the same mind as the Queen of Sheba after witnessing the glories of King Solomon's Court.

CORRESPONDENCE

The columns of THE NEAR EAST AND INDIA are open for the discussion of subjects of general interest to its readers. The publication of such letters must not be taken, however, as indicating that the views expressed by the writers are those of THE NEAR EAST AND INDIA.

ISLAM AND THE "HAJ."

To the Editor of THE NEAR EAST AND INDIA.

Sir,—In your admirable leading article, published in your last issue, upon "Islam and the Haj," you suggest that under the Wahhabi régime pilgrims may enjoy both security and toleration. This very possibly will be the case. But it seems to me highly unwise that Great Britain should take sides in what is a purely Muslim affair, for if anything were to go wrong with the 1927 haj, Great Britain would surely receive the most blame. Our duty lies in preserving absolute neutrality in this matter, and our responsibility for the welfare of the pilgrims ceases entirely upon their embarking upon the soil of the Hijaz. To interfere in Arabian affairs in any other way than as they affect the British Mandated States appears to me to be repeating the same mistake which we made with ex-King Husain.

In the meantime, may I be allowed to congratulate you upon the greatly improved appearance of your paper? Long may it flourish!—I am, etc.,
J. P.

The negotiations for a Greco-Bulgarian commercial treaty are nearly ended, and it is expected that the Bulgarian Government will then negotiate a commercial treaty with Great Britain providing for "the most-favoured-nation" treatment.

The disclosure made in the Assembly by Sir Alexander Muddiman Home Member, that revolutionaries have plotted against the life of Lord Lytton, has not surprised Calcutta, says the Calcutta correspondent of the *Morning Post*, where it has long been known that several prominent persons were in danger.

A Turkish Mission, under the Minister of Education, Nejati Bey, is making an extended tour in Western Europe to study schools and educational systems in different countries. Other members of the Mission are Namuk Ismail Bey, of the Ministry of Education, and Dr. Emin Bey, Professor of Philosophy in the Constantinople University. The first country visited by the Mission is Czechoslovakia.



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LAWRENCE OF THE HIJAZ.

The story of the Arab revolt against the Turks has been told by its chief instigator, Colonel T. E. Lawrence, in the recently published "Seven Pillars of Wisdom"; but before the publication of the cheaper and abridged edition (30s.) by Jonathan Cape—due on March 10—comes an exhibition, at the Leicester Galleries, Leicester Square, of the illustrations to Lawrence's book. One may call him Lawrence, because now he is neither "Colonel" nor "Mr.", being with the Air Force in India.

At once it may be said that Lawrence has gathered to his book artists after his own heart, extravagant, irresponsible, penetrating, visionary, successful. Eric Kennington, William Roberts, Augustus John, Sargent, Colin Gill, Paul Nash, Cosmo Clark, R. M. Young, William Rothenstein, Frank Dobson, Henry Lamb, Blair Hughes-Stanton, Gertrude Hermes—any man who can have produced prose worthy of the work of these artists may be said to have genius.

But to hold away for a minute from these decorations. For the purposes of this exhibition, Mr. George Bernard Shaw has written an Introduction to the catalogue, in which he splashes and flashes in that Shavian manner of which some have wearied, and in which others still delight. I think some of them worth quoting, even if it be only to anger or to please students of Arabian affairs.

"Lawrence, knowing already only too well the sort of people we are, saw that if he came to our rescue by making the Arabs revolt during the War he would have more trouble with us than with them; for British public opinion and official routine disapproves (*sic*) intensely of geniuses, even when they have been hall-marked at Oxford. . . .

"The limelight of history soon concentrated its whitest radiance on Colonel Lawrence, *alias* Luruns Bey, *alias* Prince of Damascus, the mystery man, the wonder man, the man who might have, if provoked, put on Arabia Felix and Arabia Deserta as a shepherd putteth on his garment, and who did, when all the lies and all the legends are subtracted, authentically and unquestionably in his own way and largely with his own hands explode and smash the Turkish dominion in Arabia and join up with Arabia in Damascus at the head of Arabia Liberata, Arabia Redenta, Arabia allied to Britannia just when Britannia wanted her." (One wonders, concerning this, how Lawrence would have fared had he encountered the Imam of the Yaman, already bound by treaty to the Turks!) For the rest, Mr. Shaw suggests that the British Government ought to have given a munificent pension to Lawrence, tells how, like Carlyle with his "French Revolution," Lawrence had to rewrite the book that had been lost, joys in his description of how Lawrence threw to the winds consideration of expense in the production of his book (which, being sold at thirty pounds, actually cost ninety), and finally prophesies that, with the presence of Lawrence in India, Heaven only knows what will happen next in that Dominion.

It is most convenient to take the illustrations in the order in which they are catalogued. One notices at once a very fine pencil sketch of the head of Sir Henry McMahon by William Roberts, a prelude to the magnificent types of British administrator which are elsewhere in this book. But the spirit of the "Revolt in the Desert" is most conveyed in Eric Kennington's wood-cut "The Eternal Itch," a fantasy of the underlying passion of man to get at one another, so that there shall always be cruel deaths, ghoulish skulls, and desolate places on the earth. Next to this is hung a magnificent work in pastel by Eric Kennington, "Said al Sikaini: Najd," also a prelude to the types of the true Arab which abundantly and splendidly colour Lawrence's pages. Proceeding, one's attention fixes itself on John's chalk drawing of "T. E. Lawrence," and on Kennington's pastel of the same subject, on the delightfully satirical "Wind" of Kennington, which

depicts brass-hats striding by in tempestuous neglect of some subalterns' soul-shattering salutes, the while Lawrence's meekly gazes, out of Arab costume, at what he considers the monumental folly of it all. Then come Kennington's pastel portraits of General Allenby (who, after all, had something to do with the "triumph" that ended at Damascus) and of the present Governor of Cyprus, and R. M. Young's chalk drawing of Major Hubert Young, now Colonial Secretary at Gibraltar, but formerly "Makik" in the Hijaz. One cannot miss the striking pastel portrait of Nouri esh Shaalan, that fierce Arab who has been in almost all the fights which occurred during and since the War in Arabia, nor the Blake-ish "Nightmare" and "Dysentery" of Kennington.

On the next wall hang Sargent's charcoal drawing of Sir Ronald Storrs, Frank Dobson's pencil sketch of Colonel Joyce, and portraits by various artists of Colonel Allan Dawnay, D. G. Hogarth, General Guy Dawnay, and General Sir Reginald Wingate. These are nearly all admirable. For John's portrait in oils of King Faisal of Iraq, some observers use a more laudatory word even than admirable, because they are convinced that he was interested in his subject. I am not so convinced.

Of the things that remain, Kennington's portrait of the Amir Abdullah is perfectly satisfactory, and that of his brother Ali is good. But there is deeper penetration in the representations of "Alayan: a Spy," and in "Mahmas: Soldier of the Camel Corps," who show that royal personages in Arabia are by no means monopolists in the art of making trouble. Most of the other decorations are more or less symbolical woodcuts, beautifully in keeping with the far visions of Lawrence. But they all lead back to the so-called hero of the show, T. E. Lawrence, of whom a portrait bust in gilded brass, by Kennington, is aptly placed in the middle of the room.

In conclusion, it should be said that it is time that the "mystery" of Lawrence were forgotten, and especially that the controversy over the policy that he advocated both during and after the War should not influence the indisputable fact that his book is the record of a very real romance, and that the art which has gone to its making is not unworthy of it.

Those who attended the private view of these pictures included: Viscount Lascelles, Earl of Scarborough, Lord Ashton of Hyde, Viscountess Rhondda, Lord and Lady Swaythling, Hon. Stuart Montague, Gen. Sir John Maxwell, Lord Allenby, Lord Kenyon, Earl of Crawford, Earl of Sandwich, Sir Reginald Wingate, Hon. Sir Gervase Beckett, Lady Sybil Grant, Sir George and Lady Lewis, Lady Winifred Elwes, Julia, Marchioness of Tweeddale, Sir Barry Jackson, General Dawnay, Lady Jane Gaythorne Hardy, Lady Morant, Lady Jackson, Sir Herbert Baker, Viscountess Gough, Major and Mrs. Hubert Young, Hon. John and Mrs. Collier, Hon. Mrs. Walter Levy, Mrs. Bernard Shaw, Mr. Edward Garnett, Mrs. W. K. Clifford, Mr. Lawrence Binyon, Mrs. Alec-Tweedie and Mr. Sacheverell Sitwell.

K. W.

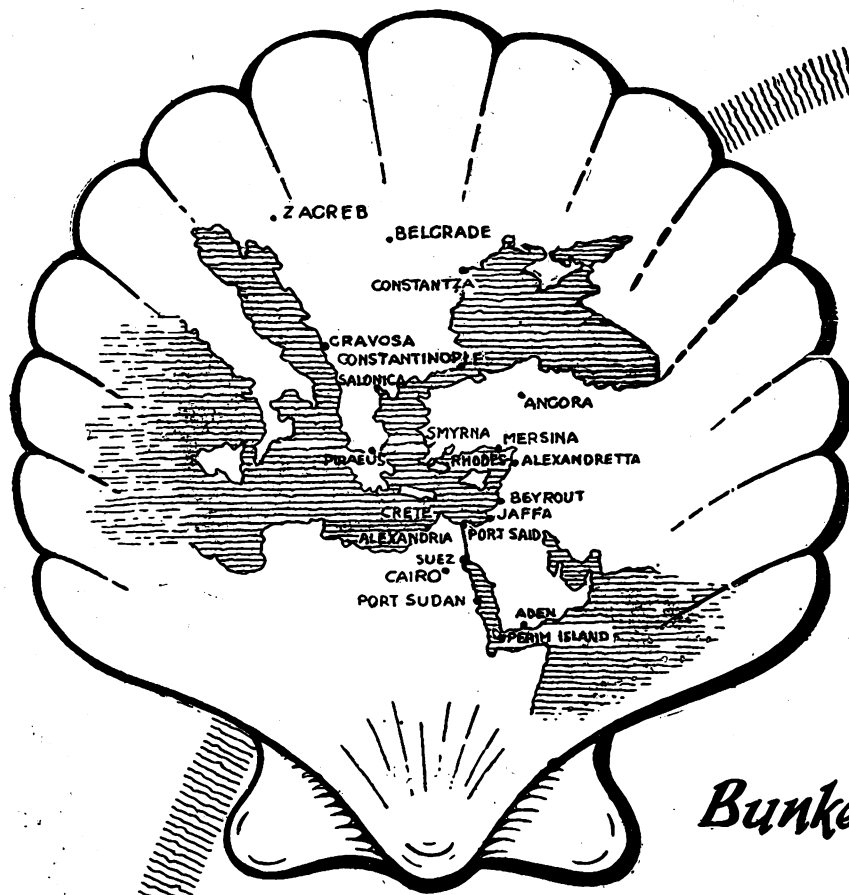
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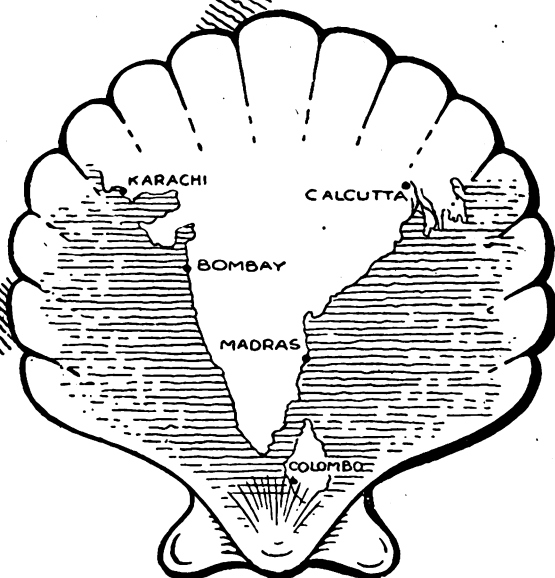
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Book Reviews

BELIEFS AND RITUAL OF THE INDIAN PEASANTRY.

"RELIGION AND FOLKLORE OF NORTHERN INDIA." By Dr. William Crooke. (Oxford University Press, Humphrey Milford. 21s. net.)

This work, described as a New Edition, entirely rewritten, seems in fact to be the third edition of a book which was first produced on a much less ambitious scale. It is a veritable mine of information on the subjects with which it deals, with a profusion almost bewildering to the uninstructed reader. To such a one, indeed, it gives the impression of the contents of a number of well-filled notebooks put into print very much in their original form: an impression which is heightened by a certain amount of repetition, generally caused by the appearance of the same facts, in practically the same words, in different chapters dealing with various aspects of the subject. Sometimes, however, the repetition occurs without this excuse: as, for instance, when we are told of the veneration of the tomb of "the great Brahman saint Dnyanesvar, at Alandi in the Poona District": and, on the same page, eleven lines later, that "Dnyandeva, the gifted Maratha Brahman poet, has been deified under the title of Dnyanesvar, and a tomb and temple have been raised in his honour at Alandi in Poona District." One finds also, here and there, statements that read rather strangely, in a form that apparently escaped the notice of the author when rewriting his original work, and of the compiler whose name is given as having prepared this edition for the press. In one place, for instance, we are told the names of seven godlings of the Deccan who control various diseases: and the list of "diseases," that follows, includes not only smallpox and cholera, but gold and buffaloes. As another instance, the compiler might have improved the wording of the passage in which we are told that "Kandhs conceived the Earth Mother in elephant form, a human victim was fastened to the proboscis of a wooden elephant, and as he was whirled round the crowd used to cut pieces of flesh from his body as long as life remained; the only surviving example is now in the Madras Museum."

The uninstructed reader will find a certain number of statements apparently, though not really, contradictory: the apparent contradiction being due to the diversity of peoples that inhabit the geographical expression India. He may, for instance, be puzzled to find a statement on one page that ladies of a certain profession are married to a tree if Hindus, to a sword if Muhammadans: and that the belief obtains that, if the tree dies or the sword is lost, the lady becomes a widow; while, on another page, he is told that such a woman is considered lucky "because she can never become a widow." The explanation is, that the first passage refers to Bengal and the second to the Deccan. Also the book deals, in general, only with the mystical side of things, ignoring the matter of fact side. For instance, we are told (several times) that "the dread of punishment by decapitation" is explained by the fact that many of the most pernicious Indian ghosts are headless; but, at any rate among Muhammadans, there is also the dread of getting the wrong head in the future life. The present reviewer was once stationed in the Kurram Valley, when a trans-border ruffian dug up the corpse of a local holy man, recently buried, and carried off the head, which he held to ransom. The inhabitants were much less exercised at the sacrilege than at the fact that, as they put it, "our holy man is now standing before God without a head: and, when God says 'Who are you?' and he answers that he is such a one, God will reply, 'But how can I tell?': for, lacking his head, it is impossible for God to recognise him." We are told, also, that a Shiah Muhammadan will not touch the flesh of the hare "because the blood, a forbidden food, cannot, they think, be separated from its flesh." The present reviewer was once told, by an elderly Shiah Pathan, that one of the

reasons why Shiahs would not eat the flesh of the hare was because they believe it to be one of the animals (the camel, he said, was another) which has "the sinew which shrank" in the hollow of its thigh—vide the Biblical story of Jacob wrestling with the Angel.

The book contains a great deal of very interesting information probably unknown to the ordinary Englishman in India. It quotes the known fact that, in Vedic times, beef was permissible food, and that it remained so up to the later period of the great Hindu epics; so that the Hindu reverence for the cow is a development of comparatively recent date. It also explains that the ass is "an ignoble animal," because it is the steed of the Goddess of smallpox and is associated with low-caste persons following mean crafts. Englishmen in India quite often give their small children a donkey to ride; but this is not a wise thing to do, for the ignobility of the steed communicates itself, in the mind of the Indian, to the rider. An amusing touch is to be found here and there, in such pieces of out-of-the-way information as that which explains why certain low-caste Hindus in Bengal, though they will kill and eat cows and other animals, regard the dog as tabu. An elder of the community said that, as they thought it right to select some animal that should be as sacred to them as a cow is to a Brahman, they pitched upon the dog, "because it is a useful animal when alive and not very nice to eat when dead." And a phrase, which may be said to present the view of the average Indian to his European governors, is to be found in that in which the author remarks that the widespread belief in the efficacy of charms, and in the unavoidable effects produced by the process of nature, invests the Indian peasant with "the assurance that his actions are regulated by some force outside himself, which often stimulates his energies and leads him to success."

POLITICAL EVOLUTION.

"FROM TRIBE TO EMPIRE." By A. Moret and G. Davy. (London: Kegan Paul, Trench, Trubner and Co. 16s.)

We have only one serious fault to find with this very learned, able and interesting book. And that is that it fails to carry out the programme which it has set for itself. The fact is that we have not yet sufficient knowledge to work out the various stages which led from the simple society of primitive man to the highly-developed Egyptian Empire with its international complexities. So we have really two books by two authors, both of which are well worth reading, but which fail to make the vital connexion which it is necessary to supply.

The main part of the volume is taken up by a very brilliant sketch of the growth of Egypt from a collection of communities to a rich and powerful Empire, together with its decline. No living man probably could have done this work better than Professor Davy of Dijon. Knowing his subject thoroughly, he is able to work out his thesis by sticking to essentials, and the illustrations supplied do much to illuminate the text. Specially well done is the treatment of the international relations which the development of the Empire produced.

Professor Moret of Paris supplies the earlier part and

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deals with the growth of society from the Totem clan to the beginnings of individualised power. His essay is an able setting forth of the familiar theories of Durkheim which carry far less weight with English scholars now than they apparently still do across the Channel. Still it is well that we should have them so clearly expressed. With less insistence on polemics with Sir James Frazer and others we should have escaped the feeling that Professor Moret finds himself cramped for want of space. The subject is, of course, extremely polemical, but we feel that the author ought to have chosen between proving the Durkheim case and stating it. As it is, he has rather fallen between two stools.

As we said above, it is the *trait d'union* between the two essays that is missing. It is a long step from the totems of Australia and the American Indians to the standards of the *Nomoi* of ancient Egypt. While these may conceivably represent clan totems, it is at least equally possible that they do not. Indeed, this is frankly acknowledged by Professor Davy. C. S.-W.

WAR MEMORIAL AT JERUSALEM.

The Imperial War Graves Commission announce that the construction of the war cemetery at Jerusalem, on the Mount of Olives, is nearing completion, and that the memorial will be unveiled by Field-Marshal Viscount Allenby on Saturday, May 7. The cost of this memorial, which takes the form of a chapel, has been mainly borne by a fund subscribed by members of the Egyptian Expeditionary Force during the War under Lord Allenby's command. The names of those of the Force who fell during the campaign, but who have no known graves, are being engraved on panels affixed to two wings extending on either side of the chapel.

The New Zealand Government, in memory of the New Zealand Expeditionary Force in Palestine, have furnished the funds necessary for the decoration of the interior of the chapel with mosaic. This forms a special feature of the memorial.

The chapel, memorial, and cemetery have been designed by Sir John Burnet, R.A. The mosaic work is the design of Dr. R. Anning Bell, R.A., and the sculpture work of Mr. Gilbert Bayes, R.S.B.S.

GIFT FOR THE ASHMOLEAN.

Sir Arthur Evans' offer to present to the Ashmolean Museum at Oxford the unique collection made by his father and himself, covering the Palaeolithic and Neolithic ages and the Bronze and Early Iron ages not only in Great Britain, but in many parts of Central, Southern, and Northern Europe, has been accepted. This collection includes in particular a series of ancient British gold ornaments, many objects from the cemetery of Halstatt, some rare Egyptian objects, and a large collection of Romano-British and other provincial Roman coins. In a letter to the Vice-Chancellor, Sir Arthur described the collection as standing alone among private collections, and as being "in some measure an historical collection since it contains pieces that supplied some of the first convincing evidences of the antiquity of man."

According to the preliminary census returns in Bulgaria the population of the port of Varna has increased to 60,725 from 50,810, as it was in 1920.

The death occurred last week of Colonel G. W. Borradaile, who had 38 years of active service. He served for long in India, and was with the Egyptian Expedition of 1882.

NEWS IN BRIEF.

The Greek Chamber has adopted by 133 votes to 92 the article of the Constitution creating a Senate. Greece has been uni-cameral since 1862.

Krsta Londref, who murdered M. Spasoye Hajipopovitch, the editor of the Serb Nationalist newspaper, *Southern Star*, at Bitolye (Monastir) in July last, was recently killed in attempting to escape from prison.

Colonel B. U. Nicolay, C.B., is going on leave this month from India preparatory to vacating his appointment as Deputy Military Secretary on Sir William Birdwood's Staff on March 31. He has been in the Military Secretary's Branch since 1922.

The students of the University of Al Azhar, Cairo, made a demonstration on February 1 against the Government's decision to restore the control of the Egyptian Ministry of Education over the religious schools which were put under that of the Ministry of Wakfs (Pious Foundations) a few years ago. They were dispersed by the police.

Mr. Tom Shaw, the ex-Labour Minister, and his daughter are in an Indian nursing home with enteric fever. Mr. Shaw is in charge of the International Textile Commission from Europe inquiring into Labour conditions in India and Japan.

The Standing Finance Committee of the Indian Legislative Assembly has granted over a quarter of a crore of rupees (£187,500) for expenditure on civil aviation. The grant is subject to the Assembly's approval of the Government's aviation policy.

The Egyptian Minister at Paris, Fakhry Pasha, and members of his family were robbed of jewels estimated to be worth a million francs, on February 5. The robbery took place at the Minister's house in the Kleber Avenue, and the missing jewels, which were contained in a casket, include an enormous sapphire.

Field-Marshal Lord Plumer, the High Commissioner for Palestine, and Lady Plumer arrived at the end of last week at the Residency, Cairo, as guests of the British High Commissioner for Egypt and Lady Lloyd.

Sir Mohammed Habibullah Khan and the other members of the deputation which has been to South Africa to discuss the position of Indians in the Union were welcomed by the Viceroy of India on returning to Delhi.

The High Commissioner for Egypt and Lady Lloyd gave a reception on January 28 at the Residency in honour of the principal British delegates to the International Cotton Spinners' Congress. M. Ponsot, French High Commissioner in Syria, took luncheon with Lord and Lady Lloyd the same day.

The death occurred on February 2 of Major-General George Stewart, who served during the Indian Mutiny, and saw service in Afghanistan, being present at the storming of Ali Musjid and the operations round Kabul.

AUTONOMY FOR THE CHURCH IN INDIA.

The full text of the Indian Church Measure—which seeks to apply to the Church of India the principle upon which the Church of England rests—was circulated on February 2 to members of the Church Assembly.

The five main purposes of the measure are:—

To repeal certain clauses of the Government of India Act, and cancel the Letters Patent of those Bishops to whom they were issued; to give the Church power to frame her own constitution; to abolish the King's right of patronage; to provide machinery for dealing with Church trusts, and to dissolve the existing corporations, and arrange for trustees to hold Church property.

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YOVAN CVIYITCH.

Within the short space of a fortnight, Yugoslavia has lost two of her best sons. Hard upon the death of Dr. Otakar Rybar followed that of Dr. Yovan Cviyitch, his colleague at the Paris Peace Conference and fellow-worker in the great task of consolidating the young State.

Dr. Yovan Cviyitch, Professor of Geography at Belgrade University, Yugoslavia's leading man of science, a scholar whose numerous works on geographical subjects had earned for him recognition and an honourable place among his fellow-savants all the world over, died at Belgrade on January 16.

Yovan Cviyitch was born at Loznitza in Western Serbia on December 12, 1865. In 1888 he passed out of Belgrade University; he went to Vienna where he continued his studies (1889-1892), and soon distinguished himself among his fellow-students. He was then appointed Professor of Geography at the University of Belgrade and soon afterwards began his investigation of the geographical problems of the Balkans, which are all the more valuable as this part of Europe was until then comparatively but little known, so that Cviyitch with his research work practically laid the foundation for scientific exploration of the Balkan Peninsula.

He began his scientific labours with the exploration of his native country. He furnished a thorough study of the Karst and Karst formations—a work in which he exposed the true nature of Karst phenomena. This work brought him instant recognition abroad. It was altogether independent and original, providing a new and deeply-considered explanation of Nature's mysteries in the strange and fascinating world of the Karst.

No sooner had he been appointed Professor at the University of Belgrade than he organised the study of Serbian villages. He compiled instructions for explorers, took the lead in collecting material, and conducted the work, in which he was soon surrounded by a number of enthusiastic young students, who were delighted to work under him. This research, planned on a large scale, was eminently successful. The Serbian Academy of Science issued a number of volumes—twenty up to date—containing material about the hamlets and villages of Serbia, their situation, buildings, population, the mental and physical peculiarities of their inhabitants, their origin, customs, manners, and economic interests. These bulky volumes on Serbian settlements, every one of which is edited by Yovan Cviyitch himself, are a mine of information on their subject. They provided Cviyitch with material for his profoundly important studies of the internal migration of the Serbs, popular types in the Balkans, and their mental attributes. The summary of this many-sided work he gave in his book on the anthropogeography of the Balkans, which formed the subject of his lectures at the Sorbonne in Paris during the Great War and was published afterwards in French.

Cviyitch did not limit his researches to the area of the small, pre-War Kingdom of Serbia, but extended them beyond its frontiers so as to embrace all the territory inhabited by Serbs, and eventually all the rest of the Balkan States, which he visited himself for purposes of study. National instinct led him above all in the chief direction of Serbian aspirations, to Old Serbia and Macedonia. To both he devoted, for several years in succession, many weeks of travel and intensive scientific study. The fruit of these labours was his great book on the Foundations of Geography and Geology in Old Serbia and Macedonia, which, apart from many other important results, brought the light of unbiased criticism to bear on the complicated dispute over the nationality of the Macedonian Slavs, and—for the first time—gave a clear picture of the national problem in Macedonia—a problem which had so far been known in Europe only from the point of view of Bulgarian nationalist propaganda. From that time the word of Yovan Cviyitch, who enjoyed the reputation of an impartial man of science, carried considerable weight in

this question, and thereby rendered invaluable services to the Serbian national cause.

Yovan Cviyitch furthermore carried out research work of fundamental importance into the nature of the Balkan mountain ranges and their relation to each other. In this field he discovered things altogether new and quite unknown until then. Whoever would speak to-day about the internal structure of the Balkan Ranges, cannot do so without quoting Cviyitch and taking his views into account. Similarly, and in even greater measure, Cviyitch was the first to discover traces of the ice age in the Balkan Peninsula and to give a clear account of glacial phenomena in the highest ranges of the Balkans.

Equally important is his pioneer work in exploration of the surface of north Serbia, where raised beaches indicate traces of the great Pannonian Sea. Latterly he turned his interest to the structure of the Adriatic littoral.

Cviyitch's last work was his great book on geomorphology. The first part, in itself a large book, was published in 1924; the second is on the point of appearing, whereas the third exists as yet only in manuscript. It is a vast work, beautifully got up, which would do credit to any nation or scientific institution in the world.

Besides books, Cviyitch wrote a large number of treatises and articles both long and short on geographical, political or national political subjects. In these deeply-considered and—invariably—scientifically sound articles Cviyitch would comment upon Serbia's political aspirations, whether it was her access to the sea via Bosnia-Herzegovina, via Albania, or down the Vardar Valley towards Salonika that was under discussion. The policy of a nation, its vital aspirations, are bound to develop in accordance with natural laws, which the scientific geographer does not establish subsequently, but discovers beforehand, thereby teaching the nation the way it ought to take rightfully and by rights. Cviyitch was a scholar of that type, and with the force of his weighty arguments and scholarly logic he rendered great services not only to pre-War Serbia, but to the New Kingdom of Serbs, Croats and Slovenes.

His important task in regard to the world of foreign opinion Cviyitch could fulfil all the more successfully as the reputation of his work was such that he ranks to-day among the greatest scientific authorities in Europe. In Yugoslavia he was honoured and esteemed. During the latest political crisis of last year there was a popular desire for a non-party Cabinet of experts, and the name of Cviyitch was mentioned repeatedly as that of a likely candidate for the leadership of such a government. Of course, Professor Cviyitch declined the task, publishing a special statement to that effect. He dealt with politics only in so far as his unbiased scientific work entrenched upon them.

After the Union, Dr. Cviyitch extended his research work to all parts of Yugoslavia. He was anxious to train a new generation of students, since his former hearers had almost all of them perished in the wars between 1912 and 1918. But towards the end of his life an incurable disease placed increased limitations on his working powers, until it finally put an end to them altogether.

The death of Yovan Cviyitch leaves a gap in the ranks of Yugoslav scientific men which the new generation will find it very hard to fill.

A. MELIK.

Herr Walther Uppenkamp, who was appointed last November to a Judgeship of the Mixed Court of First Instance in Cairo—the first German to be appointed since the outbreak of the War—took his seat on February 2.

On the invitation of the Turkish Government, M. Omer Buysse, Director of Technical Education and Fine Arts of the City of Brussels, will leave for Turkey at the end of February for the purpose of reorganising professional education there.

M. Tourlakoff, a former Bulgarian Minister of Finance, has been sentenced by the Court of Cassation at Sofia to three years' imprisonment, ten years' deprivation of political rights, and a fine of one million levas (£1,500) to be paid to the Treasury, on a charge of embezzlement.

FERMENTS IN THE WORLD OF ISLAM.

A meeting of the Central Asian Society was held on January 19, at the Royal United Service Institution, when a discussion on the subject of "Ferments in the World of Islam," was opened by Sirdar Ikbal Ali Shah. Sir Michael O'Dwyer, who presided, observed that the Sirdar was sufficiently well known in Orientalist circles to require no recommendation or introduction, and his remarkable articles to the Press on Muslim Asia added further to his scholarly reputation. The subject was particularly interesting because Great Britain was the greatest Muslim Power, and political rumblings from India, specially in the form of protest meetings in Bombay against the Wahhabi King and the telegram of the Maharaja of Mahmudabad to H.M. the King regarding alleged Wahhabi excesses, were no ordinary signs. The importance of these matters lay in the fact that the Muslim masses in India had small means of sifting the right from wrong, and often got confused over facts and names of Islamic personalities. In this regard he added that Abdul Karim, son of Amir Yakub Khan, who was alleged to have caused the Khost rebellion in Afghanistan, was often mixed up with Abdul Karim, Chief of the Riffs.

The Sirdar opened the subject by stating that there was now a definite challenge of Islam to the materialistic, scientific civilisation of the West which had been breaking all the traditional barriers of old Asia for some time. Young Islam was on trek, and trekking to its real source of inspiration because it had now discovered that the civilization of the West did not graft well on to its Oriental soil of philosophy and rendered life very difficult for it. He traced the origin of Pan-Islamism at considerable length, and added that the modern "revivalism" was the child of Pan-Islam, although the latter had totally different ideals to defend, and a different scheme had, therefore, been evolved. The present-day Muslim thinker, the Sirdar contended, was in a definite cultural revolt against the West, and he added: "The surging tide of scientific civilization of the West carried everything before it as it broke wave after wave upon us in Islamic Asia. And the matter of great concern was that it did not make us better men, because the movement, being essentially foreign to our mentality and outlook on life, struck us as spectacular, overpoweringly fresh, full of economic allurements, and we drank of the stream much more than was good for us. We yelled for Nationalism where no nationhood existed; we craved after a representative form of government in a land where generations had lived and died under benign autocracy; we began to speak of religion but lightly."

In this process of regeneration of Islam, the Sirdar saw the distinct value of the advent of the Wahhabi power in Arabia. Sultan Ibn Saoud, he thought, was essentially a Pan-Arabist, but it was just those strict laws of the great Wahhabi which would purge ultra-liberalism out of Islam. "What the Sultan does strive for," said the Sirdar, "is that there should not be any breakaway from the true spirit of Islam. At the outset many had feared that he, as the guardian of the Holy shrines of Islam, might perpetuate an orgy of iconoclasm, but recent events in the Hijaz had shown that Ibn Saoud was fully aware that, by assuming the reins of the Hijaz Government, he was committing himself to a gigantic enterprise, in which a disregard of the religious susceptibilities of respective Islamic sects would detract from his influence and he marvellously stayed the hands of many a zealot prone to go to excesses."

In the subsequent discussion Sir Arnold Wilson said that, while sympathising with the lecturer's suspicion of "scientific materialistic civilisation," he was not prepared, without many saving clauses, to agree that there was a conflict between "materialistic civilisation" and Islam. Islam had, he thought, gained much more than it had lost by adopting certain material and scientific aids to comfort and economic prosperity, without which progress was

impossible. The adoption of railways, motor-cars, telegraphs, wireless and aeroplanes by Afghanistan, by Iraq, and by Syria, for example, had in no way weakened the spirit of Islam, to which such things were not opposed. Persians and Arabs differed from other Orientals in welcoming an increase to their material welfare; but they did not thereby become "materialists." Arab shaikhs who owned 10,000 or 15,000 camels had now invested in motor-cars in which they careered across their ancestral deserts. Moreover, the West had contributed to the East something more than "materialism," especially in late years. Just as ten or eleven centuries ago the West looked to the East for light, so to-day whatever seeds of progress were coming to fruition in Eastern countries had their origin in the West. The truth was that there had been for the last two or three thousand years a constant interchange of spiritual and intellectual gifts from one to the other. The great religion had come from the East, great advances in mathematics, in chemistry, in medicine, and improvements in agriculture and stockbreeding had their origin in the East. After a time the West gave back these things developed and applied to fresh ideas. Agriculture, navigation, and astronomy, for example, were highly developed by Sumerian and Semitic races. The West had handed back many great gifts to the East, such as medical science, the use of steam and electricity, and above all an ethical outlook which has on the whole made life sweeter for the poor, and has mitigated human cruelty and curbed human ambition. But it was still true that Islam had a stability of culture which enabled its adherents to face famine, misery, revolt, revolution and death with dignity, and still retain their finest characteristics. That, however, may have been due to inherited characteristics far older than Islam. Sir Arnold did not believe in Pan-Islamism either as a possibility in the future or as a real movement in the present. He believed Islam was essentially a de-centralized religion, and that it was good that it should remain so. The flowers that were sown all over the desert could not be wiped out by years of drought, but once a tree was destroyed it could not be replanted without difficulty. The flowers would come up again when the fruitful rain fell. Islam, like the flowers, had scattered its seeds widely from innumerable centres. And though Pan-Islamism was not a reality, Islam of to-day was a very great force. It was changing its objectives and its outward manifestations were being altered, but it was rather stronger than before. Finally, the difference between East and West was essentially one rather of longitude than of latitude. The West had a common object with the East: the spiritual progress of the human race.

The Rev. A. R. Dard, of the Southfields Mosque, and Lord Headley also spoke.

M. Bohdan Pavlů, Czecho-Slovak Minister to Bulgaria since July, 1922, arrived last week in Copenhagen on his appointment as Minister to Denmark.

His Highness Mirza Hassan Khan Mostofi, the former Mostofi ul Mamalik, who resigned office as Prime Minister on January 30, has been entrusted by the Shah of Persia with the formation of a new Cabinet.

During December 513 Jews entered Palestine and 642 left, including 595 who had previously come in as immigrants. Non-Jewish emigrants totalled 100.

The death is announced in Belgrade on February 4 of General Yanko Voukotitch, Chief of the General Staff of the Montenegrin Army and Commander of the Montenegrin troops against the Bulgarians in the Great War. General Voukotitch, who was born in 1866, was three times Minister of War, and once Prime Minister, of Montenegro.

The Executive Committee of the Roumanian National Peasants' Party has passed a resolution urging that the question of the succession to the throne should be submitted to a new Crown Council. All the other parties maintain the position taken up on January 4, 1926, when an Act of Parliament was passed excluding Prince Carol from the right of succession.

PERSONAL AND GENERAL

TO-DAY

February 10, 1927 (New Style).
January 28, 1927 (Old Style).
Shaabau 7, 1345, A.H., of the Muslim Calendar.
Adar I, 8, 5687, of the Jewish Calendar.

The Roumanian Minister returned to London last week from Bournemouth.

Viscount Wimborne will arrive in London at the end of this week from India.

Viscount Inchcape left London on February 4 for Paris, accompanied by the Hon. Elsie Mackay.

The High Commissioner for India and Lady Chatterjee returned to London on February 1 from Geneva.

The Secretary to the Greek Legation and Mme J. Romanos have returned to London from Greece.

The Master of Elibank and the Hon. Mrs. Gideon Murray have returned to 187, St. James's Court.

Sir Victor Warrender, Bt., M.P., and Lady Warrender will return about February 20 to 18, Upper Grosvenor Street from India.

Sir Grey Skipwith left Tilbury on February 5 in the Oronsay for Cairo. He will return about the middle of April.

Earl Winterton, M.P., and Countess Winterton left India on February 5 for Egypt and North Borneo. He will be away for about five months.

Among the passengers who left London on February 3 by the P. and O. special train to join the s.s. Macedonia at Marseilles were Lady Malcolm and Lady Cobbold for Port Said.

Sir John Bucknill, Puisne Judge of the Patna High Court since 1920, of Patna, Bihar, and Orissa, India, left unsettled property in this country of the gross value of £3,809, with net personalty £3,644.

Mr. Frederick Eckstein, Chairman of the Sudan Plantations, has presented a portrait of the late Earl Kitchener to his Majesty's Government. The portrait, which is by the Hon. John Collier, will be hung in the Residency, Cairo. H.M. Government have gladly accepted the gift.

Colonel Robert Charles Græme, who, with the Yorkshire Light Infantry, took part in the Umbeyla Expedition in the North-West Frontier of India Campaign of 1863, the Jowaki Expedition of 1877, and the Afghan War of 1878-79, including the assault of Ali Musjid, died last week at Camberley at the age of 83.

It is officially announced that Mr. Michael Francis Joseph McDonnell of the Inner Temple, Barrister-at-Law, has been appointed Chief Justice of the Supreme Court of Palestine. Mr. McDonnell was appointed an Assistant District Commissioner in the Gold Coast in 1911, Police Magistrate and Inspector of Schools in the Gambia in 1913, Legal Adviser in that Colony in 1918, Solicitor-General in Sierra Leone in the same year, and Attorney-General in Sierra Leone in 1920.

The Political Committee of the Ladies' Carlton Club are giving a farewell dinner to Lieutenant-Colonel the Right Hon. F. S. Jackson and the Hon. Mrs. Stanley Jackson, at 8, Chesterfield Gardens, on Friday, February 25, at eight o'clock. Colonel Jackson was at one time Chairman of the Board of Directors of the Club, and Mrs. Jackson has for some years been a member of the Political Committee. Lady Worthington-Evans will preside.

Mr. B. K. Featherstone will lecture, on February 16, at 5 p.m., to the Central Asian Society, upon "The Karakoram Himalayas." The lecture, which will be illustrated with lantern slides, will be presided over by Sir Michael O'Dwyer and will be given at the Royal United Service Institution Whitehall.

Malike Sultan and Kobra Begomi, the son and daughter respectively of the King of Afghanistan, arrived at Brindisi on February 2, from Bombay in the s.s. Pilsna (Lloyd-Trestino) accompanied by the King's father-in-law, the Amir Tarzi Muhammad and his wife. They arrived in Rome the following day before proceeding to Paris, where the King's son will study.

THE ARAB HORSE SOCIETY.

A Council Meeting of the Arab Horse Society was held on January 26 at the Grosvenor Hotel, London, Brig.-Gen. F. F. Lance (President) being in the Chair. There were also present Mr. T. C. Armitage, Lt.-Col. T. R. Badger, Messrs. H. V. M. Clark, C. W. Hough, C. W. Laird, G. H. Ruxton, Major G. B. Ollivant, Messrs. W. F. Saynt, R. S. Summerhays, and the Secretary, the Rev. D. B. Montefiore.

Entries were received for the Stud Book and Register, and final arrangements were made in connexion with the Arab Classes for the London Show.

The following new members were elected:—William Allison, Rodwell, near Lewes, Sussex; Miss Evelyn M. Coats, Corsebar, Paisley, Renfrewshire, Scotland; Miss Irene Coats, Corsebar, Paisley, Renfrewshire, Scotland; Capt. the Hon. C. K. Greenway, 13, Wilton Crescent, London, S.W.; Fawcett Hignett, the Nook, Bankfield Road, West Derby, Liverpool; Miss Brenda Tassell, St. Dunstan's Lodge, Canterbury, and the Duke of Veragua, 7, San Mates, Madrid, Spain.

Volume III of the Arab Horse Stud Book has been issued and sent to all the members.

Lieutenant-Colonel R. H. Chenevix-Trench, C.I.E., O.B.E., has joined the Nizam of Hyderabad's Council in the Police Department. He has been serving in Baluchistan as Political Officer, and was formerly in the 126th Baluchistan Infantry, now the 2nd Battalion of the 10th Baluch Regiment, serving with it at Peking in 1900 under General Gaselee.

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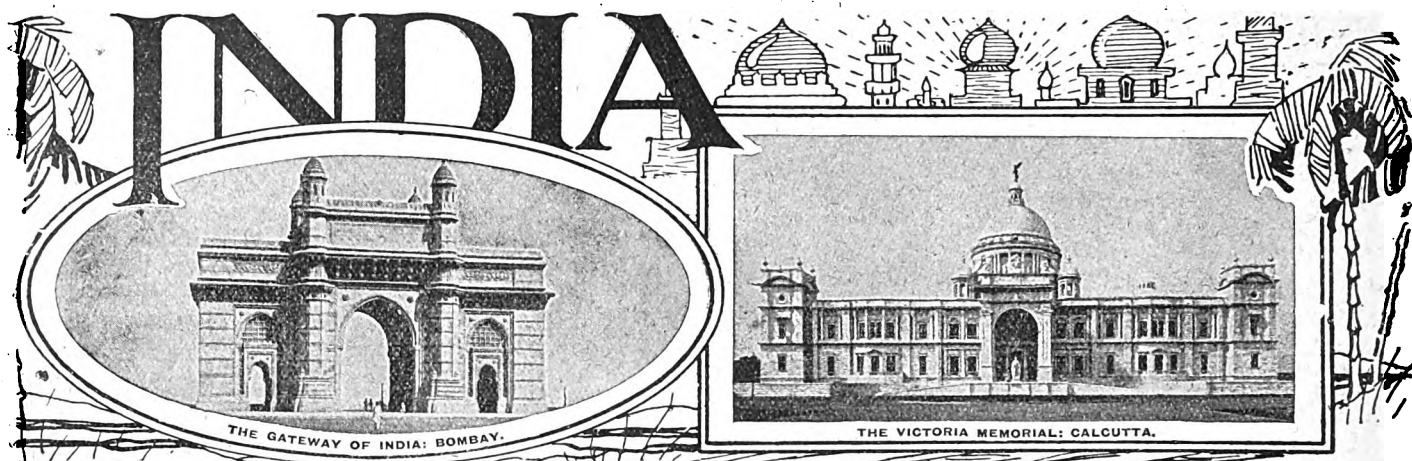
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INDIA AND HANKOW.

The extremist Indian newspapers have been quick to draw a moral from the disturbances on the Yangtze: and the particular moral that they draw is naturally one in keeping with their political ideas regarding India. One of the leading Anglo-vernacular papers, for instance, under the heading "The Beginning of the End?" says that the inevitable has happened—the thundercloud that has for so long been gathering in the Yangtze Valley has burst; and whom should it hurt first except the Britishers who have made themselves odious to the Chinese people by carrying on their ruthless policy of oppression and exploitation? When the feelings of the Chinese mobs were excited to a dangerous pitch by their sanguinary encounter with British marines, no alternative was left but to withdraw them and to leave the British population under the protection of the National Army. "Of course, some people at 'Home' have been kind enough to appreciate in very generous terms the patience and forbearance of the British marines who were not provoked into quick action by the fury of the Chinese attack. But we hope they will soon realise—if they have not realised already—that the marines and the volunteers chose quietly to pocket a terrible humiliation and defeat merely because they saw that they and their people would run far graver risks by showing even the slightest signs of defiance." The way out of the whole difficulty is perfectly clear. The British Government must first radically change its ideas about the new China and the Government of Canton, which seeks to embody its very highest principles. Britishers must wisely realise that the days of their privileged concessions and monopolies are gone. The millions of the Yellow Land are now united in that common determination to oust the aggressive foreigners and, unless they quietly submit to the same laws and taxes that govern the people of the land, and live with them in a spirit of harmony and equality, their days are numbered indeed. The evacuation of Hankow will indeed prove the beginning of the end of all the unjust privileges of foreigners in China, unless they quickly remove all cruisers and battleships from the waters of the Yangtze and come to terms with the real sovereign power that is enthroned in the hearts of the millions of the land.

The same paper condemns "the hateful recommendations" of the Extra-territoriality Commission, under which foreigners would continue to enjoy their immunities from the jurisdiction of Chinese law, and "all the paraphernalia of the Concessions" would be perpetuated: a state of affairs that naturally resulted in "driving the Nationalists to the last point of desperation." It also exhorts the British Government to recognise the Cantonese as the sovereign power in China, which has now "only to stretch out its hand to plant its banner on the celestial city" of Peking. It refers slightly to the suggestion, in the British memorandum, that all

Provincial Governments shall be empowered to levy the additional customs duty; because the Cantonese Foreign Minister "has notified to the world how this in effect helps his northern enemies by filling their coffers." It will be interesting to see how Sir Francis Aglen's refusal to do this very thing is described, when the time comes for the Indian extremist papers to comment on it: one may be quite sure that, by some process of reasoning peculiar to them, it will be twisted into a high-handed defiance of the Nationalist Government of China—perhaps because, if the Cantonese have only to stretch out their hands to capture Peking, they have practically already done so: and, as Ko-Ko said in the *Mikado*, why not say so? As for the proceedings of the Chinese mobs, we are asked to remember that it was only because all efforts, to persuade the foreign Governments to be reasonable, had proved in vain, that "a Government as strong and disciplined as that of the Cantonese could not restrain the rude demonstrations of its people," in the face of which "sensible Britishers naturally took discretion to be the better part of valour" and decided to remove all women and children (to whom, by the way, the paper says that its "heart goes out") from all towns on the Yangtze to "the final resort of Shanghai." Finally, reference is made to the "decree of outlawry" sought to be passed on all Britons by the representatives of the labourers, farmers, merchants, students and soldiers—"who may well remind us of the peasants' and soldiers' Councils of Russia."

The implication of this presentation of the Cantonese Government's case is plain, and the parallel to be drawn is obvious enough, even if not directly expressed. To the detached observer with some knowledge of China, it seems certain that the programme of the Chinese Nationalists is to do everything possible to avoid putting the lives of foreigners in actual danger, but so to organise boycotts and strikes as to squeeze the foreigner out of China by "non-violent non-co-operation." It also seems fairly clear that the Bolshevik advisers of the Cantonese would like to see the latter committed beyond recall, and would welcome the murder of foreigners for that purpose. At present, these two forces have made a drawn battle of it, though in favour of the Nationalists—mob violence they have been unable, almost certainly indeed unwilling to prevent, but they have so far succeeded in avoiding murder. As time goes, they will certainly find it increasingly difficult to do so: and, if they fail, they will doubtless lay the blame on the "provocative" measures for the defence of Shanghai. The non-co-operation campaign in India failed to prevent not only mob violence, but murder as well. The Congress programme still professes to include the final step of mass civil disobedience, which embodies the same idea as the Chinese system of pressure by boycott and strike: and the policy of non-violence has been defined as prohibiting "offensive violence" but permitting "defensive violence." Thus the followers of that policy hope to achieve their

object of expelling their British rulers by a combination of strike, boycott and "defensive" mob violence; and they see, in the troubles on the Yangtze, an example of such a combination, carried out with considerable success. When, therefore, they ask whether those troubles are not the beginning of the end, they do not mean only as regards the position of British people in China, but in India and throughout the whole of Asia as well.

CURRENT TOPICS.

The Bengal *Détenus*.

The Legislative Assembly's vote in favour of the immediate release or trial of the Bengal *détenus* was only what was to be expected; but the "important prepared statement" made, in the course of the debate, on behalf of the European non-official members of the Assembly, introduces an unexpected element into the discussion. As cabled, this statement is decidedly cryptic. The speaker said that he felt that the Government of India were prepared to review their existing policy; and added "I trust that the continued reconsideration of that policy will, in the end, lead us out of the *impasse* into which we are fast drifting." It must be supposed that this means something, but it is certainly difficult to say what it does mean, or what is the *impasse* whose early arrival the speaker foresaw. The Bengal *détenus* have been interned on what the police call "information received": very full and very definite information, but incapable of legal proof in a Court of Law, solely because the persons who gave the information flatly refuse to translate it into evidence: being well persuaded that, if they were to do so, their lives would be but short. That Lord Reading, an ex-Lord Chief Justice, than whom it is difficult to imagine any man more averse from "illegal" procedure, should have arrived at the certainty that the internments were justified, is the strongest possible argument in their favour; and it is certain that Lord Irwin is equally strongly opposed to the use of "*lettres de cachet*" except under the stress of imperative necessity.

A perfectly honourable path to release has been laid before the Bengal *détenus*—an undertaking to have nothing to do with revolutionary methods, this not to be taken to imply confession of previous complicity in such methods. It seems that this is not enough: what is demanded is "unconditional" release, without any condition "derogatory to the honour of perfectly innocent men." It is true, of course, that the *détenus* cannot be interned indefinitely; and that, if they persist in refusing any sort of terms short of unconditional release, it will in time be necessary to grant them that. This may conceivably be "the *impasse* to which we are drifting"; but there does not seem to be any evidence that the drift is fast. Previous experience does not lead to much confidence in a bare declaration, unaccompanied by substantial guarantees, of abstention from revolutionary methods in future, which is all that is now demanded from the *détenus*: if, in the end, they decide to offer it, the *impasse* will be over, though only perhaps temporarily. One may hazard a guess that, in such a case, it will not be long before it recurs.

The United States and Oriental Seamen.

The Bill "to provide for the deportation of certain alien seamen" which has passed the Senate and is expected to pass the House of Representatives, is primarily intended to deal with an admitted evil; but its provisions, taken at their face value, go far beyond this. It is a perfectly well known fact that, during the last few years, a number of persons posing as seamen, though in reality nothing of the sort, have succeeded in evading the passport barriers that almost every country now maintains against undesirable immigrants. A seaman employed on a vessel needs no passport and is at liberty

to land without one, though legally bound not to leave the port, where he lands, except in order to re-embark. The undesirable immigrant has to surmount two difficulties—the first, to get on shore, and the second, to stay there. In the case of the serving seaman, whether or not he is a *bona fide* one, the defeat of the first obstacle is simple: so that he starts with a very great advantage in his attempt to negotiate the second.

On the face of it, the Bill means that any "excluded alien" seaman arriving in an American port will be taken off his vessel and put on board another outward-bound ship as a passenger; but it is perhaps doubtful if it really means this. If it did, voyages from quite a number of countries to America would have to cease altogether—from Japan, for instance. If it really means that no "excluded alien" seaman may land, this is a rule that might be enforced: necessarily with hardship, but not perhaps with intolerable hardship. Shore leave would have to be refused to all such members of his crew by the master of every vessel, who would have to submit to close scrutiny of his entire complement, both on arrival and before departure: as also to severe penalties for any evasion, for which he would doubtless be held personally responsible. The United States are already unpopular with politically minded Indians, owing to their refusal to class caste Hindus as "white persons," a privilege that they claimed, at first successfully in some cases, on the ground of Aryan descent. Later legal decisions reversed those originally given in favour of eligibility for naturalisation as American citizens, though attempts are still being made to get the latter restored; but the present Bill will probably be represented, in India, as specially aimed at Indian lascars. There does not seem to be any real justification for saying so, though its provisions, if strictly enforced, even on the less drastic lines just suggested, will certainly hit British shipping hard. On the whole, however, one is inclined to believe that the Bill, if it should become law, will prove less uncompromising in practice than it appears on paper, and will, in fact, make much less difference to lines employing Oriental seamen than it purports to do.

CALCUTTA LETTER.

(From Our Own Correspondent.)

Calcutta, January 20.

New Ministers.

The statement in last week's letter that the Council had passed the vote for the salaries of Ministers up to the end of the financial year was not correct, the decision being that the matter should be allowed to be brought up at the meeting this week. It has now been duly passed and, all parties voting at their full strength, the vote was carried by a majority of 56, 94 being in favour and 38 opposing it. Practically everyone in the House outside the Swaraj Camp voted in favour of the motion, and the voting strength of the Extremists is now shown to be under 40. It need hardly be said that the result has been a bitter pill for the Extremist Press, and, whilst the saner *Amrita Bazaar Patrika* admits that it is a victory for constitutionalism and says that the fact had better be faced, *Forward* is having a bad attack of hysterics and attributes the result to a combination of the machinations of the Governor and the cupidity of possible office holders. The former may be dismissed as the nonsense it is, but there may be a touch of truth in the latter; the principal reason, however, is probably the growing realisation of the nearness of the 1929 Commission and what it will see when it comes. Intelligent anticipation says that the new Ministers will be Mr. B. Chakravarty, the Moderate Leader, and Mr. A. W. Ghuznavi, who has a strong personal following in the Muslim Camp. The appointments are expected to be made before the end of the present week.

The European in Politics.

The third provincial dinner of the European Association has taken place in Madras, where Lord Goschen, the Governor, made a speech appealing for wider vision on the part of Europeans in India in regard to politics and political service. Pertinent comment in the Press points out that there is little inducement for Europeans to devote any substantial proportion of their time in this country to political work, as the possibilities of attaining office or distinction are almost exclusively confined to Indians. Further, there are obvious reasons why Firms generally are unwilling to allow anyone but the heads to take part in politics, and it is natural that Home Boards feel that political and business interests do not always run together. Speaking in general terms, the European in this country is distinctly harder worked than his brother at Home, and those who are willing to undertake public service find that the demands upon their time, and their pockets, are enormously greater than is the case with a man who works in England. The amount of unpaid service that is given to public and social activities by the British community in Calcutta is remarkable, and most of it is done without any hope of acknowledgment or honour; and it generally has to be its own reward. Such services have a real and obvious value, and it is not to be wondered at that the majority prefer them to the somewhat barren task of endeavouring by example to educate unwilling and ungracious Indian political groups.

The New Delhi Council Chamber.

The new Council Chamber of the Legislative Assembly at Delhi, the first of a group of three which are combined in one mighty building, has been opened this week by the Viceroy, and the scene is reported to have been a brilliant one. For the first time the gardens were planted out and the fountains were playing and it was possible to see something of what New Delhi will ultimately look like, although, of course, it will be a generation before there are many trees to relieve its vast spaces, not to say wastes. After he had read a message of good will from the King-Emperor, the Viceroy made another of his inspiring speeches, expressing the hope that the building would be a symbol of the future unity of all States and classes in working for the good of the country. It need hardly be said that the attitude of the Extremist Press is that of the deaf adder. Incidentally, figures are now published that indicate that the ultimate cost of New Delhi will be about 14 crores of rupees or, say, 10½ millions sterling.

The Late English Mail.

Lateness in the delivery of the English mail has been going from bad to worse ever since the War, and it is difficult for any ordinary person to understand why this should be the case. So far from making any attempt to remedy the present unsatisfactory state of affairs, the Postal Authorities have recently decided to stop sorting the mail on the train on its way from Bombay, with the result that a further half day is now to be lost. Appeals to Government to run a special mail train on the Bengal-Nagpur Railway instead of the E.I. Railway, where the collapse of a railway bridge in a recent flood will mean a three hours' loss until a new bridge can be built—a matter of three to four years—are met by blank refusals.

Prohibition.

Social workers as well as advocates of prohibition will be interested to learn that the latest report of the Excise Department of the Punjab Government states that, in spite of a more efficient and active staff, the increase of excise duty on intoxicants and drugs has only resulted in offences against the regulations increasing to such an extent that they are now several times more numerous than they were ten or fifteen years ago; further, that only a small proportion of them are detected. The reasons for this are both connected with the present high cost of liquor, which not only makes wholesale evasions more profitable but also encourages people who cannot afford to pay "official"

prices to brew and distil for themselves. The Excise Department suggests as one remedial step the opening of a few more drinking places; the *Statesman* truly says that such a scheme, to promote temperance by increasing drinking facilities, is one that would have appealed to the late Sir W. S. Gilbert; it is another paradox in this land of paradoxes.

Men and Things.

Following upon the recent arrests of suspected terrorists when firearms and materials for bombs were discovered in a hut in the north of the city, there have been further police raids with finds of chemicals and inflammatory literature. The comments of the Extremist Press upon this are that it is extraordinary how these things always occur when a resolution is to be moved in the Councils for the repeal of repressive legislation; mischievous insinuations could hardly go further.

Three Bills to give effect to the recommendations of the Currency Commission are tabled for the meeting of the Legislative Assembly at Delhi, and in the meantime controversy appears to be dying down in the Presidency towns. One and six still stands as the ratio, Government lending its support by purchases in the open market. Some talk is reported for a compromise at one and five; we shall see the result of this in the forthcoming debates.

The report of the Committee upon the operations of the Bombay Development Trust has been read with considerable interest in Calcutta; it is satisfactory to note that it was a unanimous one, and no one will accuse the Commissioners of being afraid to state their conclusions. Obviously the Development Trust has been badly hit by the falling land prices, consequent upon the slump in trade, a thing which has also tied the hands of our Improvement Trust more than a little; fortunately, however, their operations at that time were on a much less extensive scale, and recovery is likely to be far more rapid on this side.

The Swarajist at times must pray to be saved from his friends; Mahatma Gandhi has been at Gaya and, in response to an address from the local District Board, he said that it was the most insanitary town he had ever seen. Competition in this respect is pretty high, and it is unfortunately the fact that, as local administration falls more into Indian hands, deterioration becomes more and more marked.

One way traffic is to be introduced in Calcutta; former ditchers will be interested to know that in future only south-going traffic will be allowed to use Clive Row and north-going vehicles will use the narrower portion of Clive Street from the Eastern Bank onwards.

Representatives of the new Indian Wireless Corporation have been in Calcutta this week making arrangements for their headquarters. Incidentally, one of the first things to be relayed throughout India will be the concerts of the Calcutta Symphony Orchestra, a fitting acknowledgment of the fine performances they are giving each cold weather.

The extent of the field which is open to research, and incidentally to a modern live organisation, is indicated by the evidence given before the Agricultural Commission that the annual damage to crops in India by insect pests exceeds in value 200 crores of rupees or, say, 150 millions sterling. Will this field be left to Germany to exploit?

The Trivial Round.

There have been two days' racing this week, a mid-week fixture having taken place yesterday in addition to the ordinary Saturday event, when both the Governor's Cup and the Metropolitan Stakes were run; backers have had a bad time in nearly every race and not even the brilliant weather—we are having a cold spell at last—has succeeded in banishing the somewhat depressing atmosphere.

The paperchase had to be postponed from Friday last owing to an unseasonal fall of rain having flooded the Salt Lake country; it was run this week and Ian Maitland-Heriot had his first win of the season, beating Captain Leatham and G. S. Johnston in that order in a very tight finish.

The M.C.C. duly beat All-Burma by 10 wickets in their last match in Rangoon, and they are now visiting Madras; Wyatt has been showing up well again, and he will have a remarkably fine record for the tour.

The cricketers are already beginning to see the end of their season; last week-end Calcutta drew with the Scottish and all the other pitches were fully occupied.

The Tennis Championships started yesterday and the first round produced no surprise, all the expected wins duly coming off.

Calcutta is getting ready for the All-India Olympic Trials which are to take place early in February with a view to selecting a team to compete in the Far-Eastern games. As these are fixed for Shanghai, there appears to be some doubt whether they will eventuate, but this will not detract from the interest felt in the visit of competitors from all over India.

The Pantomime has had another short revival at the Empire and the stage is now held by a new revue company brought out by the genial Charles Chamier from Home; it is a very cheery show even if some of the performers must rather feel the present cold spell!

Markets.

Business in both jute and gunny markets has been on a small scale during the week under review; the up-country jute market, however, has remained very firm, with the result that sellers show no disposition to reduce rates. The expected improvement in the hessian market from foreign markets has not yet appeared, and it seems that buyers from North America and the Plate are purchasing only immediate requirements; this state of affairs may be expected to continue for some time. The piece-goods market opened with considerable activity; but the demand was quickly satisfied and a distinct falling off in inquiry has resulted. Local dealers are of opinion that there will be a revival in the demand in the course of the next fortnight. In spite of the stronger tea market in London at the beginning of the week the sale here was disappointing, and all but fine qualities were easier. The subsequent sale in London of the balance of Indian teas is reported as firm and advancing for all qualities, and this may be expected to be reflected in the sale here next week.

On the Stock Exchange, Government Securities, after settling down for a few days at the lower levels, have displayed a rather firmer tendency, mainly as a result of Bombay dealers coming into the market as buyers. A considerable number of transactions have taken place in jutes, but the tendency is slightly easier at the close as a result of profit-taking after the recent rapid rise. Coal, cotton and tea shares continue to be almost neglected; but a distinctly improved demand for rubber shares has set in, and a number of advances in prices are reported. The miscellaneous market has been a source of considerable dealings, in which Burn and Co. have registered a jump of about Rs.40 to Rs.243. Sugar shares are again in request, but, with a scarcity of sellers, little business has resulted.

The Exchange Market opened firm, but on the announcement that Government were buyers at 1s. 6 1-32d. a quieter tone developed. The quietness was short-lived, however, and a fair amount sold to Government at 1s. 6 1-32d., who raised their rate to 1s. 6 1-16d.; the market closes dull but steady. As a result of the Bank rate being raised to 6 per cent., money has been in good demand, and rates may be quoted at 4½ per cent. for short notice, 4¾ per cent. for one month, and 5 per cent. for two and three months deposits.

THE LATE S. M. EDWARDES.

(From a Bombay Correspondent.)

The death of S. M. Edwardes, recalls the fact that his life and work were more wholly devoted to Bombay than that of any other Englishman of his generation. Edwardes, after a very few years in the positions held by a young civilian in the Mofassil, was very early posted to Bombay

for special duties, and there he remained till the end of his service, as a Commissioner under the Land Acquisition Act, Census Commissioner, Police Commissioner and Municipal Commissioner. As a non-official I may perhaps be pardoned if I have not got the titles of his early appointments quite correct; and it is a little difficult to be quite certain whether Edwardes was himself perfectly sure about them. His own conception of his duties seemed to be that, whatever he might be called officially, it was his business to assimilate information of every possible kind about the city and its inhabitants, and before many years had passed, it seemed that Edwardes not only knew all that was to be known of the history of the city and of the customs of every community and caste in it, but also had a personal acquaintance with every inhabitant who had the slightest claim to distinction.

His appointment, by Lord Sydenham, as Commissioner of Police, in succession to Mr. Gell, was a singularly happy choice; and Edwardes was in that capacity, able to make the fullest use of the extensive and peculiar knowledge of the city and its inhabitants, that he had gained in his days of less responsibility. After very few interviews with his friends, the leaders of the Muhammadan and Hindu communities, he was able to arrive at an amicable settlement which has ever since been effective in regularising the popular enthusiasm at the Mohurram and Holi festivals; enthusiasm, which, to put it mildly, had occasionally been rather too obvious in its methods on previous occasions. Throughout his career as Police Commissioner he worked on the lines of compromise, helped by his wonderful understanding of all classes with whom he dealt; and he left to his successors a task which had been a great deal straightened out by his exertions. His mantle fell on the worthy shoulders of a succession of brilliant members of the Police, and it is unlikely, and not wholly desirable, that this office should ever be held by a member of the Indian Civil Service again. But nobody has ever been found more ideally suited for his work than Edwardes was for the Police Commissionership.

Though the Municipal Commissionership to which he passed, seemed to require the same qualifications, it is very doubtful whether Edwardes was ever so happy in that post, as he was when riding about Bombay with his two police sowars behind him, and before long he had to retire on grounds of health, having held all the positions open to him in the City of Bombay. Whether it is desirable to make the appointments of the Civil Service more elastic is another question; a wise absolute monarch would have created a post of the highest honour and the richest emoluments in order to keep Edwardes in the place for which he was so well fitted. But under the rules of the Service there seemed to be no higher appointment available for him, and this no doubt affected his decision to retire.

Edwardes' career is of great and special interest in these days, because he was an unusually perfect example of the Englishman who forwards the cause of England in India by his understanding of the people and by his readiness to give and take. He was unusually perfect, because he had extraordinary opportunities for studying Indian character and an extraordinary gift for making full use of his knowledge; but he was so far from being an unusual type, that his methods are in fact those of ninety-nine out of every hundred Englishmen in responsible positions in India, however far short they may fall of his accomplishment.

It is only in books that the Englishman in India is held up to admiration as a ruthless and brutal Empire builder; but those books have in the past twenty years at least gained a very great ascendancy in the mind of the average Englishman at home. What impression is created depends very largely on the columns of his morning newspaper: he is either invited to regard the Englishmen in India as domineering savages who ought at once to vacate the country, or he is told that the Indian is so rapidly being forced into a superior position by a Radical Gov-

ernment that no self-respecting Englishman can ever take service in the East again.

The position is in fact, if not quite what it was twenty years ago, certainly what it was a hundred years ago, when our position in India was not quite so settled as it was in the later years of Queen Victoria. We have won our ascendancy in India, we hold it, and we intend to go on holding it, not by force of arms or by brutality of method, but by our success in understanding the mentality of the Indian, and by our willingness to work with him and to give him as much as we take from him. It is in partnership, and equal partnership, with Indians that English business has been built up in India from the earliest times; and where men of business have succeeded, it is not much to ask that the administrator of the future will follow in the footsteps of his predecessors of the past. For there is a very great career still to be made in India by young men who go out with no wild ideas gathered from the halfpenny press, but prepared to work in the spirit of S. M. Edwardes.

THE INDIAN MAIL.

"Communal Europeans."

It is pleasant to see that the Chairman of the Bombay European Association, at the dinner given on January 17, made the *amende honorable* to Mr. Langford James: whose Calcutta speech had, he said, led to much adverse criticism which, he ventured to think, was both unfair and undeserved. He mentioned that Mr. James had been invited to attend the Bombay dinner: a proof of the solidarity of the European Association throughout India, though Mr. James was unfortunately unable to accept, and said so in a letter that was read by the Chairman, and characterised by the Governor, who was the guest of the evening, as completely dispelling any idea, that may have existed, that his remarks had "partaken of too candid or partisan a character." The *Times of India* associates itself with this verdict, though perhaps somewhat grudgingly: it says that the letter was particularly gratifying, though "its terms are cryptic and might mean anything. But that matters not." The main point in the letter was its insistence on the article in the Constitution of the European Association that urges its members to "foster a relationship of cordiality and co-operation with Indians working constructively for the good of India." The speakers at the Bombay dinner claimed, and certainly with full justice, that there Europeans and Indians in commerce, in public life and in politics work together better and in greater harmony than in any other part of India. Evidence of this to be found in the fact that all the Indian members of the Bombay Government attended the dinner as guests. It is possible that the very noticeable camaraderie that does exist in Bombay is partly due to the presence there of the Parsee community: who, though technically Indians, are, in fact, almost as much foreigners as are the Europeans themselves. Whatever the reason, the fact is undoubted: it is one that strikes with pleasure and surprise the visitor from less favoured parts of India. In the prosecution of her claim to oust Calcutta from the position of the Second City of the Empire, Bombay has sometimes shown the "communal" spirit in its narrower sense. But, beyond all question, she gives a lead to every possible rival, not excepting Calcutta, in her avoidance of it in the wider sense.

The Anglo-Indian Community.

The pressing, and yet almost hopeless, nature of the problem of the Anglo-Indian community is well exemplified in the extracts from a letter from a valued correspondent in India, given below. It is not only the individuals of mixed blood that are affected, but the "domiciled community," of persons of European blood but of Indian up-bringing, as well.

"Is it possible to do anything in the matter of the

Anglo-Indian community? At the moment, there seems to be no official policy in regard to them: and one of the most definite results of Indian domicile appears to have been to deprive such people of the power of organising themselves, or of settling a policy and sticking to it. Their attitude towards Indians is as antipathetic as that of Indians to them: and I feel that, when it comes to reorganisation, something will have to be done to consider their special circumstances. At the same time, I confess that I have no ideas as to what this should be."

A Plucky Child.

The following account of a road-side adventure is taken from a Madras newspaper:

Very interesting news reaches of a narrow escape of a traveller from the jaws of a tiger three days ago. It is said that, when the bullock cart containing a cultivator and his eight year old son was passing through a jungle way at about five in the evening, the bulls were suddenly startled by the mad rush of a tiger of middle size that appeared from amidst some bushes. The cultivator, who was driving the cart, lost his nerve and jumped down to the ground shouting. The beast, instead of getting frightened, sprang upon the man, and both were rolling on the ground when the boy in the cart, who it appears had not lost his presence of mind, seized upon a big tin vessel which was in the cart fortunately, and thumped upon it with great noise. This seems to have made the wild animal halt, and during this breathing time the boy threw the vessel with great noise upon the animal. Hearing this sudden noise and feeling the vessel, the tiger got frightened and released its hold upon the fallen man who took hold of the vessel and thumped in turn. The animal cleared away, and the continual thumping noise brought some villagers on the spot. The man and his son arrived home after a very narrow escape.

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NOTES AND NEWS.

170, Strand, London, W.C.2.
Tuesday Morning.

A New Sudan Company.

The appearance yesterday of the prospectus of the Gedaref Railway and Development Company (Sudan) Limited offering Five per Cent. Debenture stock at the price of 100½, guaranteed as to principal and interest by the British Government under the terms of the Trade Facilities Act, marks a further stage in the gradual development of the Sudan as a cotton growing region. The loan capital of the company consist of £2,160,000 in Debenture stock, redeemable over the years 1932 to 1962 by a cumulative sinking fund operating by annual drawings at par or purchase. The terms of the loan, it will doubtless be remarked, do not err on the side of generosity, and it must remain to be seen to what extent the Debentures will appeal to the investing community at a time when conditions have made yield a more important factor than absolute safety. The Gedaref Railway Company was incorporated in November last to undertake the construction and operation in the Sudan of a single line of railway about 135 miles in length from the present railhead at Kassala to Gedaref. The construction, equipment, and operation of the railway will be in the hands of the Sudan Government Railways. Under a sale agreement the Sudan Government will purchase the undertaking while under construction and when complete at a price (payable in half-yearly instalments) which is more than sufficient to cover the interest and sinking fund of the stock. As usual in the case of loans under the Trade Facilities Act it is stipulated that the plant, machinery and materials required, provided out of the proceeds of the issue, shall be manufactured in Great Britain.

Greece's Financial Position.

By a decree of December 10, 1926, a committee of financial experts was appointed in Greece for the purpose of indicating suitable measures for improving the State's finance and for bringing about, in general, a better financial condition. In the report that this Committee has now presented to the Greek Government attention is called to the fact that in the fifteen years since 1912, during which Greece was engaged in four wars, the country has incurred an expenditure of £163,409,490 on the military and naval services and in connexion with post-War settlement problems, such as refugees, exchange of populations and assistance to the families of reservists. Towards this outlay Greece has obtained in loans from abroad only £26,000,000. Of the two ways of regulating the monetary question the Committee rejects the idea of bringing the drachma back to par as being "chimerical" and proposes the establishment of the drachma at a level more consistent with present conditions. Accordingly, to enable the latter suggestion to be carried out, it recommends a foreign loan on the lines adopted by Austria, Hungary, Belgium and Germany, the balancing of the Budget, the regulation of existing Treasury deficits by a foreign loan and the definitive settlement of Greece's foreign debts. "It is evident," the Committee adds, "that without this Debt settlement we shall find all doors closed to any kind of help from abroad, under any form whatsoever." This report is additional evidence of the resolve of the Greek people to set its house in order. Already the new Budget has been drastically curtailed, and yet further cuts are contemplated. Greece to-day is in the position of having nothing

to fear from outside aggression; she can, therefore, carry out retrenchment and improve her political position at home at one and the same time by cutting down her military and naval establishments to a minimum.

Egyptian Cotton Forecasts.

The question of crop forecasts was bound to arise at the Cotton Congress in Egypt, and some striking comments on this matter were forthcoming from Mr. F. A. Tomlinson, ex-President of the Manchester Cotton Association. As a matter of fact the crop forecasts of very many regions—and I am not now referring to cotton but to all branches of agriculture—give rise to criticism from time to time. No estimate in the nature of things can be more than approximate except by a prodigious fluke; the ideal to be achieved is to maintain a standard of approximate correctness. How estimates may vary in the case of cotton can be seen in regard to the last American crop when at a very late stage the crop was very considerably underestimated. Mr. Tomlinson touched on the American system and said that he felt that Egypt's task was an easier one with a crop that was so much smaller than that of the United States. He stated that the Egyptian Government's attempts to forecast the crop until last year were received with scepticism, and though they were somewhat better last year they remained unnoticed by the trade owing to the lack of confidence in them. As my readers who follow these things will be aware the official estimates of the Egyptian crop have varied very appreciably from the private estimates which have proved to be very near the mark, and while there is such a thing as official caution to be taken into consideration it behoves the authorities to consider that that can be overdone, and that it is their duty to build up a reputation for careful and reliable estimates which will enable cotton consumers to know where they stand.

Recommendations of Cotton Congress.

The Congress, which, according to all reports, has been most successful, concluded its work at Alexandria on February 5. The various resolutions adopted by the joint committee of the Congress indicate the lines on which the discussion has proceeded. One resolution deals with the question referred to in my previous note, and expresses the hope that crop forecasts will be published punctually at the dates fixed previously and at the same time every year, and that the most modern methods of obtaining the statistics will be employed. Another resolution expresses

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appreciation of the work undertaken by the Egyptian Government and the Royal Agricultural Society with the object of increasing the yield per feddan, and also of the legislation whereby the mixing of cotton seeds becomes a criminal offence. Appreciation is also expressed in regard to the value of the measures taken for the selection of seed, the combating of pests, and the improvement of the quality of cotton. If therefore there has been criticism on one or two points such as crop forecasts it will be seen that the authorities in Egypt have much in the proceedings of the Congress over which to be pleased, for the painstaking work that has been, and is being, undertaken in so many directions has very evidently been the subject of well deserved and unstinted recognition. The final resolution recommends the formation of a Joint Permanent Committee representing Egypt and the International Cotton Spinners Federation, each having seven members, to consider the problems regarding Egyptian cotton. The carrying out of this proposal should mean much for Egypt's staple industry for its difficulties are partly of its own making, and have been largely due to a failure to appreciate the facts of the cotton position generally.

The Functions of a Bank.

One of the most interesting portions of the speech of Mr. J. Beaumont Pease at the annual meeting of Lloyds Bank last week was that in which he discussed the obligations of a bank. A week ago, Mr. Walter Leaf made the point in his speech at the annual meeting of the Westminster Bank that the country has the advantage of nationalised banks without any of the disadvantages which would accrue from nationalisation, and what Mr. Beaumont Pease said merely served further to emphasise the wide and comprehensive view that the banks take of their functions in their relation to the community. Banks, he declared, were not primarily concerned in earning profits in order that there might be distributed increasing dividends to their shareholders, but rather in seeing that, while a fair return to them is maintained, the strength of the banks should be continually increased, for the security of the depositors, the benefit of trade, and the preservation of the country's prestige. Nothing could be more illuminating as to the work accomplished by the banks in assisting the country than the detailed analysis of the advances made by Lloyds Bank which Mr. Beaumont Pease quoted. It has not infrequently been urged against the banks that they have not done sufficient in the way of providing credit facilities. These figures which, it may no doubt be assumed, are simply in accord with the general banking experience, supply a very complete answer to any criticism on that score.

The Power of Banks.

Mr. Beaumont Pease went on to discuss another and a much debated matter—the power of banks—and expressed the opinion, in reference to the suggestion that the banks ought to influence the monetary position more strongly, in order to further trade, that the truth was that the power of banks had been largely exaggerated. He accepted with reservations the truth of the statement that every advance makes a deposit, but he pointed out that it would not be possible to act on it as a practical principle since it would be impossible to be sure which bank would

receive the deposit. Obviously a bank's capacity to make advances is dependent upon its cash holding. As regards the outlook generally it is satisfactory to note that Mr. Beaumont Pease said nothing to dim the optimism which is gradually beginning to permeate through the commercial community. He said that in the past depressing year there was much to justify a sane optimism as to the future, and in his opinion the world was slowly but surely advancing to more normal times. His view is that politically Europe is settling down while financially distinct progress is to be recorded. In regard to this country he referred to the way in which the order books of the steel, iron, and engineering works are beginning to fill up again and to the increasing number of blast furnaces which are being blown in, and pointed out that there were many other encouraging features. Let us hope that a year hence he will be able to refer to 1927 in terms of unmixed eulogy as the year which heralded the first real trade revival since the War.

A Good Tourist Season.

If one of Egypt's two assets has temporarily fallen short of what is expected the other, the tourist season, is once again, and one might almost add as usual, proving a considerable success. New resorts spring up and come into fashion and favour, but the attraction of the Valley of the Nile remains unchanged, rising serenely above such mundane considerations as the tide of fashion, and it would seem probable that as long as the spirit to make holiday lasts it will never lack its full quota of tourists. They have just been holding the International Congress of Tourism in Egypt, and that induces these reflections, for after all what more suitable place could there be for such a gathering than in the most famous temple of the tourist in the world. It is only one of quite a number of congresses that have been held in Egypt of late which is another proof of the increasing appeal that the country is making. One of the most interesting functions of the Congress was a banquet at the Semiramis, when Mr. Charles Baehler, the leading figure in the hotel industry in Egypt, gave the guests the story of the establishment of Shepherd's Hotel, of which it has been said, and probably with every truth, that in a season there one would be sure to see nearly everyone who matters. When the impoverishment consequent on the War is borne in mind it may seem passing strange that Egypt still has prosperous tourist seasons, but it is different from pre-War days in that while visitors before 1914 spent perhaps months in the country now there are many more tourists, so many more indeed that thought the average length of their stay is brief Egypt gains on the balance. When in future decades—always provided the absence of further struggles—the economic balance is more or less redressed, and tourists are able to take their time again, one can see the need for many more hotels in Egypt. But that vista lies in the lap of the future.

Egypt's Trade Position.

The figures for Egypt's trade for December are not yet available, but those for the eleven months of the year indicate that the country will have a rather large adverse balance of trade. The value of the imports for the period

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was £E48,271,604, while that of the exports was £E37,257,859, and on the supposition that the trade in December ran on much the same lines as in the previous month then the unfavourable balance would be in the neighbourhood of £E11,300,000, a serious matter for a country if there were any great likelihood of a similar state of things obtaining over a prolonged period. It is scarcely necessary to explain that the decline in exports is due to the fall in the price of cotton, but it is a telling example of the effect that world fluctuations in prices can have on the future of an individual country.

The Egyptian Budget.

The Egyptian Budget estimates for 1927-28 allow for an expenditure of £E38,677,000, and provision is made for a draft on the reserve of £E2,454,000 to balance the Budget. The principal decreases of revenue are estimated in respect of Customs £E906,000 and Railways £E700,000. The Railways Budget, of course, reflects the cotton crisis, and simply serves to show how this one industry dominates the activities of the country. The financial situation as now disclosed emphasises two points—the need for economy, and the imperative necessity for broadening the basis of Egypt's industries.

COMMENTATOR.

NEW COMPANY.

Boots The Chemists (India), Ltd., has been registered as a private company with a nominal capital of £1,000 in £1 shares, to carry on the business of wholesale, retail, pharmaceutical and dispensing chemists and druggists, etc. Subscribers: J. C. Boot and H. R. Gillespie, both directors of Boots Pure Drug Company. Registered office: 37, Station Street, Nottingham.

The Southern Punjab Railway Company recommends a final dividend on the ordinary stock of £6 per cent., together with a bonus of £2 per cent. (less English tax at 2s. 6d. in the £), making a total distribution of £14 per cent. for the year ended September 30, 1926.

It is reported that the Yugoslav Ministry of Foreign Affairs has requested the Belgrade Chamber of Commerce to prepare a report upon the present position of pre-War debts owed by Serbian Nationals to British firms. It is presumed that this indicates a pending settlement of these debts, it being necessary as a preliminary that the Yugoslav authorities should be in possession of full particulars of the money still owing to each creditor.

The total remittances from the Government of India to the Secretary of State for India in Council from April 1, 1926, to January 29, 1927, are: Purchases of sterling in India, £1,195,000; transfers from the Paper Currency Reserve in England to the Treasury Account of the Secretary of State for India in Council, £23,425,000; total, £24,620,000. The total includes £1,425,000 on account of telegraphic transfers on London sold by the Government of India.

NOTES FROM BULGARIA.

(From Our Own Correspondent.)

Sofia, February 1.

The Gabrovo Industrial Exhibition.

The industrial town of Gabrovo, which has been called the Manchester of Bulgaria, has had the happy idea of organising a comprehensive exhibition of samples of all the industries which have had their foundation there and contribute to the honour and welfare of the country.

The exhibition, which has had an outstanding success, is of particular interest because the organisers have given it an obvious retrospective character by the inclusion, in addition to the samples of present day products, of models of the successive stages of development of the existing industries illustrating the gradual improvement of the products and the multiplication of the manufactures. The diversity acquired by the town of Gabrovo is such that there now exist no less than 124 industrial enterprises, including notably textiles, tanneries, woollen mills, cutlery, foundries, and furniture.

This display of the industries of Gabrovo gives rise to the most hopeful reflections as to the outcome of the great economic crisis from which the country has been suffering for some years. It appears that this crisis has already passed its highest point, and that the country is now going forward to a period of intense production and material prosperity.

The Bacon Monopoly.

It will be recalled that last spring the Bulgarian Government concluded an agreement with the Bulgarian Development Company of London by which it conceded to this concern the concession for the manufacture and export of bacon in Bulgaria for a period of twenty years. It hoped thus to give a fresh and decisive impetus to the rearing of pigs in the country and to form new and very important links between Bulgaria and the great British market.

The exploitation of this concession, the realisation of which would necessitate a large capital, was to be carried out by a company to be formed after the ratification of the agreement by the Sobranje, and which was to provide the necessary capital for the enterprise—£500,000. The Bulgarian Government was to participate in the enterprise to the extent of £140,000—£40,000 being in cash and £100,000 in kind by the supply over a period of five years of 100,000 tons of fuel from the Pernik mine for utilisation on the refrigerating vessels. That participation gave the right to the Bulgarian State to Preference shares bearing 8 per cent. interest which it could exchange after five years for Ordinary shares. However, as the

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EGYPT.—ALEXANDRIA, CAIRO (4 Offices), BENHA, BENI SUEF, FAYOUM, GAMALIEH, MANSOURAH, MEHALLA KEBIR, MINIEH, TANTA, WASTA, ZAGAZIG.

first five years, in view of the difficult and complicated character of the undertaking, would be precisely the period when there might be an inevitable loss on the concession, all the profits of which could not be realised until after the construction of vast buildings and installations and after the introduction into the country of a modern system of pig raising, the concessionaries asked for a modification of the contract by the limitation of the privilege given to the Bulgarian State, pointing out that it ought to safeguard its Preference shares by renouncing the right of ultimately replacing them by Ordinary shares which would eventually bear higher dividends or to be willing to content itself now with Ordinary shares—the same as its associates of the concessionaire company—and thus to run the same risks of initial losses.

This request has been formally rejected by the Council of Ministers which has held strictly to the stipulations of the agreement signed and already ratified by Parliament. Consequently the Minister of Commerce and Industry has informed the interested parties that any modification of contractual obligations was impossible and that they ought, if they did not wish the concession which they had been granted to lapse, to make haste to present, within the time prescribed, the guarantee of execution the amount of which was fixed at three million leva.

The period for depositing the guarantee was to expire on January 28, and on that day the Government was officially informed that the concessionaire company had advised the Bulgarian Legation in London of the deposit of three million leva at Schroder's Bank, which was transmitting the sum to Sofia. That news caused the greatest satisfaction among the public and especially among the peasants, impressed by the extent of the undertaking which foreshadowed the industrialisation of pig raising and a great development of agriculture in Bulgaria. Very soon the construction will be commenced of large slaughter houses and cold storage installations at Gorna Orehovitza and of warehouses at Varna.

Mr. Jacob Freudenthal, London manager and a director of the General Mining and Finance Corporation, has joined the Board of the Phoenix Oil and Transport Company.

A Reuter message from New Delhi dated February 5 states that the Indian National Congress Executive this evening decided by five votes to one to direct party members of the Legislative Assembly to support a 16d. rupee ratio. The minority of one consisted of the Pandit Motilal Nehru, the party leader, who favoured leaving Assembly members freedom to vote as they liked. The chances of amending the Government Bill are accordingly favourable, but the Government is determined, so it is understood, to enact the 18d. ratio even by resort to the Governor-General's emergency power to certify the Bill as essential for the interests of the country, whereby it would come into operation forthwith.

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(Particulars of tenders marked D.O.T. are to be obtained from the Department of Overseas Trade, 55, Old Queen Street, S.W.)

EGYPT.

Photographic Materials.—The Director, Equipment and Finance Department, Ministry of the Interior, Cairo, invites tenders for the supply of photographic materials. March 16.

Stationery Articles.—The General Management, Egyptian State Railways, Telegraphs and Telephones, Cairo Station, invites tenders for the supply of stationery articles for 1927-1928. Approximate cost between £E6,000-7,000. March 22.

Paper.—The Controller-General, Administration and General Stores, Ministry of Finance, invites tenders for the supply of paper, binding materials, and metals required by the Government Press for 1927-1928. March 17.

Lathes, Etc.—The Egyptian Ministry of Education invites tenders for the supply and delivery of machine tools and textile machinery for Damanhour Trades School 1926-1927. February 28. (D.O.T.)

Asphalt.—The Director-General, Tanzim Department, Cairo, invites tenders for the supply of 3,700 tons of solid asphalt required for the year 1927-1928. March 1.

Paints and Oils.—The Secretary-General, Ports and Lights Administration, Arsenal, Alexandria, invites tenders for the supply of paints and oils required for the financial year 1927-1928. March 15.

Bunting, Etc.—The Secretary-General, Ports and Lights Administration, Arsenal, Alexandria, invites tenders for the supply of bunting, ropes, canvas, hose, etc., required for the financial year 1927-1928. March 15.

General Stores.—The Secretary-General, Ports and Lights Administration, Arsenal, Alexandria, invites tenders for the supply of general stores required for the financial year 1927-1928. March 15.

Diesel Engines.—The Ministry of Public Works, Egyptian Government, invites tenders for the supply and erection at the site of the Egyptian Army Flour Milling Plant at Tura, near Cairo, of two internal combustion engines and accessories. March 3. (D.O.T.)

FORTHCOMING SAILINGS.

The following are the sailings for the Near East and India, the ports of departure and closing dates for cargo being given in parentheses:—

Anchor Line.—S.s. Circassia for Bombay (Birkenhead, February 24). (For passenger sailings and dates see advertisement.)

Anchor Brocklebank Line.—S.s. Malakand for Port Said, Colombo, and Calcutta (Birkenhead, February 19).

Bibby Line.—S.s. Herefordshire for Port Said, Colombo, and Rangoon (Birkenhead, February 23).

British India Line.—S.s. Margha for Bombay and Karachi (London, February 26); s.s. Matiana for Colombo, Madras, and Calcutta (London, February 26).

Cunard Line.—S.s. Sea Glory for Gibraltar, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Gruz, Venice, Trieste, and Fiume, also Corfu and Ancona if inducement (Liverpool, February 19, Swansea February 22); s.s. Cypria for Gibraltar, Malta, Patras, Piræus, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza, also Algiers and Volo if inducement (Liverpool, Glasgow and Swansea, March 5).

Johnston Line.—S.s. Jessmore for Piræus, Volo, Salonika, Bourgas, Varna, Constantza, Sulina (closing February 12), also Galatz and Braila (Liverpool, February 17); s.s. Kenmore for Piræus, Volo, Salonika, Smyrna, Constantinople, Bourgas, Varna, Constantza, Sulina, Galatz, and Braila (Liverpool, March 12).

P. and O. Line.—S.s. Ranpura for Bombay (London, February 11); s.s. Nankin for Colombo, Madras, and Calcutta (London, April 2).

Prince Line.—S.s. Stuart Prince for Tunis, Malta, Alexandria, Jaffa, Haifa, Beyrout, Mersina, Alexandretta, Tripoli, Famagusta, Larnaca, and Limassol (London, February 16); s.s. Syrian Prince for Tunis, Malta, Alexandria, Jaffa, Haifa, Beyrout, and Cyprus (Manchester, February 18).

Ellerman and Papayanni Lines.—S.s. Kioto for Gibraltar, Malta, Alexandria, Jaffa*, and Haifa* (Liverpool, February 9); ss. Andalusian for Gibraltar, Malta, Patras, Smyrna, and Constantinople (Liverpool, February 12); s.s. Lesbian for Algiers*, Malta, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza (Liverpool February 19, Swansea February 19); s.s. Serbino for Malta, Alexandria, Jaffa*, and Haifa* (Liverpool, February 23); s.s. Algerian for Gibraltar, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Gravosa, Ancona*, Venice, Trieste, and Fiume (Liverpool March 5, Swansea March 8). * Subject to sufficient inducement. Transhipments.—Algerian ports via Algiers; Moroccan ports via Gibraltar; Tripoli (Barbary) via Malta; Syria and Cyprus via Alexandria; Greek outports via Piræus or other convenient port; Fiume via Trieste.

The output of the Anglo-Egyptian Oilfields for the week ended January 28 was 3,126 tons. For the previous week it was 3,132 tons.

THE WEEK'S FINANCE.

(By Our Financial Expert.)

London, February 8.

There was no change in Bank Rate on Thursday. Indeed, a reduction had not been seriously anticipated, in view of the continued uncertainty of the Chinese situation and of the present position of the foreign exchanges and the outward movement of gold. A considerable amount of gold has been withdrawn from the Bank of England during the past week and a substantial quantity has been purchased in the open market on American account. Such movements impel caution in the matter of Bank rate. There are several favourable factors in the situation, however, the most important of which perhaps is increasing activity in some of the leading industries. Moreover, the position of the Bank of England is very much stronger than it was twelve months ago. That no change was anticipated in Bank rate is indicated by the fact that on Thursday British Government securities displayed a slight tendency to harden. Business as a whole in the stock markets, however, has been on a small scale, the Chinese position still acting as a restraining influence in the absence of counteracting factors. The Home railway market, which has lately been described as the Cinderella of the Stock Exchange, has been further depressed by a batch of rather disappointing weekly traffic returns, and has failed to benefit from the fact that the new freight rates are now in operation. In many branches of the industrial market the tone has been heavy and more falls than rises have been recorded. Iron and steel shares exceptionally have remained fairly steady.

The reduction from 80 to 70 per cent. of standard in the exportable quota of rubber for the current quarter under the Stevenson Restriction scheme entirely failed to stimulate the rubber share market, nor yet the price of the raw material. Stocks of rubber in London continue to expand and are now over 55,000 tons. Those in a position to judge, however, are not pessimistic as to the outlook. Mr. Eric Miller, Chairman of Harrisons and Crosfield, for example, pointed out in a recent speech that the wintering season is now approaching in the producing areas and that exports will automatically decline. Consumption, on the other hand, should expand as the year

progresses. Market talk, however, suggests that any substantial revival in the share market is not anticipated until the second half of the year.

The Artificial Silk Agreement.

During the past few weeks the prices of artificial silk shares both in this country and on the Continent have been under the influence of the rumours of an international agreement among the leading producers. Thus at one time in January Courtaulds touched £5³/₄, having risen from £4¹/₂ at the end of December; this compares with last year's highest price of £8³/₄ and the lowest of £4³/₄. Snia Viscosa, again, rose appreciably, the highest price of January being £2¹/₄ and the lowest £1¹/₄. There was little movement in share values upon the publication of the official announcement, the previous rise having fully discounted the agreement. The extreme optimists, however, were somewhat disappointed, for there was no reference to a consolidation of financial interests. The arrangement had been concluded, it was stated, "for the purpose of bringing about commercial and technical collaboration between the three companies"—namely, Courtaulds, Snia Viscosa and Vereinigte Glanzstoff-Fabriken A.G.

At the same time, the agreement is of very considerable importance. It has been suggested that it covers—or will cover—export prices and the lines upon which each company will develop its export trade. At any rate, it establishes a close working arrangement, so that appreciable economies should result from the exchange of technical information, marketing, the elimination of wasteful competition and so forth. In particular, the companies should be better able to concentrate upon the main problems of the industry. Thus, given wise administration the agreement may be of great advantage to both producers and consumers. So far as the recent rise in share prices is concerned, that of the British company's shares would seem to have the most justification.

Gas Companies and the Coal Stoppage.

The holder of gas stocks has been concerned as to the effect of the coal stoppage upon the financial position of the gas companies. It is known that the price of coal stood for some time at a very high level, apart from the difficulties of obtaining supplies. On the other hand, the companies raised the price of gas to consumers. What, the shareholder has been asking, is the net result? The accounts of the Gas, Light & Coke Company are useful as indicating the resultant of the opposing factors in one instance; but whether or not this company is representative is an open question.

Since the results are favourable, however, the figures may be indicated in the hope that other companies have had equally good fortune. Gross revenue for the year ended December 31st, 1926, was £12,548,619, as compared with £9,569,292 for the previous year, while expenses were £11,210,773, against £8,307,233. Thus net revenue was £1,337,846, in contrast with £1,262,059; but the percentage of expenses to revenue was slightly higher than a year ago. In the circumstances, therefore, this is a very satisfactory result and apart from its usefulness as an indication of the possible position of other gas companies, it reflects considerable credit upon the Gas, Light & Coke Company. It is one of the largest and most progressive of the gas companies. Its ordinary stock gives a return of approximately £5 15s. od. per cent. and the 3¹/₂ per cent. maximum stock, which is receiving the maximum dividend, yields £5 17s. od. per cent. There are large amounts of both classes of stock outstanding.

Orders have been received by Huntington, Heberlein, and Co., of London, for two sulphuric acid oleum plants, one for the Assam Oil Company and one for the Burmah Oil Company.

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Near East Markets

BULGARIA'S IMPROVING TRADE POSITION.

Interesting details regarding the economic situation in Bulgaria are contained in the latest monthly report of the Bulgarska Banka from which we take the following:—

Bulgaria's trade balance for the year 1926 is of unusual interest. During the first four months of the year (January—April) the value of the exports exceeded that of the imports by about 170 million leva. But during the next four months (May—August) the results were less favourable, so that for the first eight months (January—August, 1926), the imports exceeded exports by about 426 million leva, the total value of the former being 3 milliard 916 million leva, while the exports amounted to 3 milliard 490 million leva.

This circumstance need not occasion disquiet, as already it is evident that for the whole of 1926 the total value of exports will certainly exceed that of the imports.

During September and October last the value of exports showed a considerable increase, exceeding imports by several hundreds of millions of leva.

The statistics giving Bulgaria's trade balance for the month of November last have just been published. During that month the exports reached 44,859,027 kgs. (valued at more than 600 million leva). The imports for the same month were only 31,843,120 kgs. (valued at under 520 million leva). It will thus be seen that in November Bulgaria's trade balance did not show a deficit, but on the contrary a considerable balance in her favour. It can be said that the results for December will be similar.

The following were the principal items of export during November last (in tons):—Wheat, 2,393; tobacco, 2,365; eggs, 693; wheat-flour, 5,232; maize, 8,780; haricot beans, 2,684; charcoal, 7,239.

The export of tobacco, flour, maize and charcoal showed a marked increase. In addition 67,952 kgs. of silkworm cocoons and 175,328 kgs. of sheep skins were exported.

Railway Traffic Receipts.

In July, 1926, the railways receipts from the transport of passengers and goods amounted to 83½ million leva, in August to 97 million leva and in September to about 109 million leva. In July 783,554 passengers travelled on the railways; in August 964,272, and in September 879,513. During October there were 39,566 wagon-loads of goods, of which 4,690 were used for the transport of beet-sugar to the sugar factories.

There is only one match factory in Bulgaria, situated at Kostenetz Bania. During 1925, 10,839 cases of

matches were produced, as against 9,811 cases in 1924. The value of Bulgaria's match production in 1925 was 97,551,000 leva, including a sum of 82,918,350 leva, paid by way of tax to the State. During that year 77,355 kgs. of different chemical products were employed in the manufacture, as well as 3,268 cubic metres of wood, 76,796 kgs. of other materials and 75,473,136 labels.

Bulgaria's total rice crop for 1926 was estimated at about 10 million kgs., as against 7 million kgs. for 1925. The rice crop for 1924 represented about a third of that for 1926.

The Pernik coal mine dispatches each day by rail about 6,500 tons of coal for use on the railways and for Bulgaria's industries. This considerable figure has enabled the mine to despatch to consumers its surplus coal and to increase its daily output.

During the autumn 10,502 wagon-loads of beet sugar were transported to the Bulgarian sugar factories. The largest supply, viz., 4,747 wagon-loads, was sent to the factory at Gorna-Orehovitz, followed by 3,667 to Rustchuk and 1,689 to Kaialy, while Philippopolis received 999 wagon-loads. But these figures represent only about one-half of the quantity of beet sugar which will this year be manufactured into sugar in Bulgaria.

EGYPT AS A MARKET FOR INDUSTRIAL MACHINERY.

Rather unique problems are present by the Egyptian market for industrial machinery says an American Consular report. Located at the crossroads of trade between the East and West, Egypt is a common ground of intense competition in which price plays a very large part. Probably nowhere in the world is there such a variety of industrial machinery—British, German, French, and Swiss—installed side by side. The matter of freight rates is also an important consideration, for the United States is 3,000 miles farther removed than any of its competitors in this field. Quotations, to be of interest, must be made c.i.f. Alexandria, as Egyptian merchants are not generally familiar with the charges for transporting goods from American ports, and prospective agents will not, as a rule, take the pains to compute the delivered price of goods quoted f.o.b. port of origin.

Egypt's foreign resident population and its prejudices also constitute an important factor in its commercial and industrial life. Other things being equal, the British engineer at Cairo prefers British tools; the Swiss cotton manufacturer at Alexandria, Swiss spindles or looms; the Italian brewer in either city, Italian bottling machinery, etc.

The most important class of industrial machinery figuring in the Egyptian import returns is internal combustion engines, which in 1925 accounted for £E652,951. Of this amount the United Kingdom supplied considerably more than half, or £E374,145, as against £E122,589 from Germany and £E135,257 from Switzerland. Nearly all of these engines were of the stationary type, imports of portable internal-combustion engines amounting to only £E3,276. Practically no stationary steam engines are imported, and portable steam engines entering the country were valued at only £E9,394 in 1924 and £E10,177 in 1925.

Although farmers and peasants have been slow to adopt modern methods in connexion with their labours, the use of power pumps is steadily gaining headway throughout the country. Imports of such equipment amounted to £E111,136 in 1925, as compared with £E59,495 in 1924 and £E34,937 in 1923.

Imports of machine tools in 1925 were valued at £E35,761, as compared with only £E3,191 in 1919 when they were first classified separately in the Egyptian customs returns.

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THE CLOSING OF A FAMOUS OIL WELL.

The F7 of the Anglo-Persian.

The F7—the famous well of the Anglo-Persian Oil Company—may have been closed, but it will never be forgotten for it has assuredly gained for itself an abiding niche in the history of the industry. It was at the general meeting of the company on November 10, 1925, that it was announced by the Chairman that the directors had decided that F7 must be shut in. This was not because of any failing in productivity, but because the head fittings had become so worn in their long service as to be no longer safe. It had been in operation for fifteen years, and at that date its production had totalled $6\frac{1}{2}$ million tons. In a recent issue of the *Naft*, the magazine of the company, an account is given of the actual operation of the “mudding” off of this well. We give the following extracts from the article:—

Oil was first struck in this well in November, 1911, at a time when there were few other producers in Maidan-i-Naftun and none of very great volume. There was even, on the part of the operating staff at that time, some anxiety as to their ability to meet the requirements of the new refinery at Abadan and the crude shipments. F7 came in with an initial production of about 30,000 gallons a day. This, of course, was nothing compared to its subsequent production, but it is characteristic of the fortunate and equable character of the well's history that it should have begun so quietly. The field staff at that period had had little experience of the high pressures and enormous productions later obtained, and had F7 come in with the full force of its later output it might easily have run wild and done irretrievable damage.

The well-head valves and fittings of F7 were only of cast-iron and comparatively light. At the time they were installed they seemed quite sufficient for the work they had to do, though subsequent experience in the Persian field demonstrated the need for the heaviest and most powerful fittings obtainable. But in November, 1911, there was no indication of the terrific strain to which the fittings of F7 were to be subjected over a long period of years. And, after all, they did stand the strain, though they were the occasion of many hours of anxious thought to the technical management, especially in the later stages of the well's active life.

From the time oil was struck in F7, the well was never closed in. This was due to the fact that the pressures developed were considered to exceed the safe working limit of the cast-iron flowhead. There was also a belief at the time that the channel conveying the oil to the bottom of the well might possibly be somewhat choked up. F7 was, therefore, permitted to flow freely into the tanks situated some two hundred yards distant, which it did

at a steady rate of approximately 30,000 gallons a day until March, 1914, when suddenly and without warning it drilled itself into the lower and richer area of the lime-stone and began to produce at the tremendous rate of 450,000 gallons a day with a flowhead pressure of about 300 pounds to the square inch. And even this, as stated before, was a restricted production, for there is little doubt that if F7 had been fully opened out the production would have amounted to 750,000 gallons a day.

During all these years the condition of the well-head fittings of F7 were a source of constant anxiety to the management. There was always the danger that they would give way under the heavy and unceasing pressure, and that the suddenly-released gas and oil would catch fire. Such a result would have been nothing less than a disaster.

Finally the decision to close F7 was arrived at, and the work of “mudding” off was commenced on March 23, 1926, and was successfully concluded the following morning:—That the whole operation of restraining the enormous subterranean forces for which F7 was the outlet should have gone through without a hitch and in strict accordance with plan, is an engineering triumph which reflects the greatest credit on the Fields management and staff, whose skill and care made it possible. The problem, briefly, was to force mud down a hole over 1,350 feet long, up which oil was rushing at tremendous speed and with a pressure of hundreds of pounds to the square inch behind it.

The first part of the task was to erect a derrick over F7, for the drilling rig had naturally been taken away years before when the well came into active production. Before the derrick was put up, however, a stone wall about eight feet high was built around the flowhead and covered with steel girders to protect the well from any damage from material that might be dropped during the construction of the derrick. Then, by the side of the well and about five feet away from it, three containers sixty feet long and made of ten-inch casing were erected and braced to the side of the derrick. These containers, each controlled by a ten-inch gate valve, were coupled at the bottom to a common manifold, the manifold being again coupled by a flexible connection to one of the two three-inch production valves on the well. From the other production valve a further connection was made by a two-inch pipe to the top of the containers, with the object of allowing the pressure of oil in the well to be passed to the top of the containers, thus equalizing the pressure above the columns of mud they contained. In this way it was designed that the mud by its own weight, should slip freely down the well through the oil, and gas.

All the apparatus having been thoroughly tested, the actual operation of “mudding-off” was begun. On the morning of March 23, for the first time in its history, F7 was closed in. It was kept closed for thirty minutes,

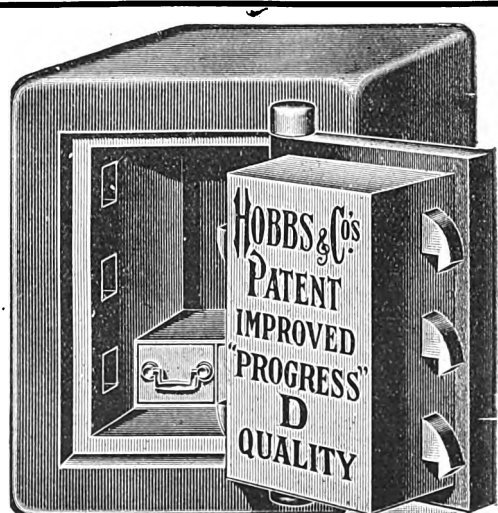
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in order to allow separation of oil and gas to take place in the well. In this way a considerable initial quantity of mud could be run into the well very quickly, the mud falling rapidly through the gas, its progress down through the oil being naturally much slower. The first container-full of mud fluid was then emptied into the well, being followed in due course by the other two. As the mud was injected the pressure in the well gradually dropped. No less than 58 container-fulls of mud—a quantity equal to six times the capacity of the well—were run in before the operation was complete and the fluid level could be maintained at the well-head.

Will F7 ever be brought back to production? The task would offer no special difficulty from an engineering point of view, all that would be necessary being to fit modern high-pressure valves and flowhead to the top of the casing and clear out the mud. The casing, however, was never cemented, the well coming in so quickly that there was no time to do so, and undoubtedly considerable corrosion has taken place below ground. It is not likely, therefore, that F7 will ever flow again.

NEWS FROM ALL SOURCES.

The production of the Phoenix Oil and Transport Company for January was 31,956 tons.

Bulgaria's tobacco exports for 1926 amounted to 27,700,314 kilos (27,291 tons).

During the third quarter of 1926 about 126 motor cars were purchased for Greece for use as taxicabs.

As from January 25 Roumanian export taxes on all cereals have been reduced to £5 sterling per wagon.

The International Sample Fair at Liubliana is to be held from July 2 to 11.

An Agricultural and Hygienic Exhibition is to be held at Liubliana from September 10 to 19.

Mr. E. R. Lingeman, H.M. Consul at Teheran, Persia, is visiting Bradford on February 16 for the purpose of interviewing representatives of firms interested in trade with Persia.

Steaua Romana (British), Ltd., are advised that the production of the Steaua Romana Company, Bucharest, for January was 35,910 tons.

A Reuter message from Bucharest states that a decree is published ratifying the agreement between the Roumanian State and the railway company in regard to the repurchase of the Arad-Cenad, Matra-Crisana and Bihor lines.

The area under tobacco in Palestine last year amounted to 8,971 dunams as against 11,676 dunams the previous year. Turkish tobacco (which only formed 3.5 per cent. of the 1922 crop) represented 90 per cent. of the yield as against 83.5 per cent. in 1925.

The Greek hat industry, it is estimated, produced 700,000 straw hats with a value of 52,700,000 drachmæ and 105,000 felt hats worth 15,750,000 drachmæ during 1925 as compared with 750,000 straw and 105,000 felt hats in 1924 and 550,000 straw and 80,000 felt hats during 1923. The industry, however, is unable to meet the entire domestic requirements (says an American Consular report), and imports of hats into Greece during the first eight months of 1925 were valued at 13,405,000 drachmæ, of which straw hats accounted for 5,000,000 drachmæ, felt hats for 8,040,000, and miscellaneous headgear for 365,000.

A tyre which has been specially made to run at the record speed of two hundred miles an hour has been tested at Fort Dunlop in the presence of Major Segrave, who will use a set of similar tyres on the sands of Daytona Beach, Florida, in his attempt to set up a world record during February. The Fort Dunlop experiment was carried out on an electrical revolving testing machine, where the tyre undergoes the same strains as on the road or racing track. First a tyre of the old type was tried on the machine. It reached a speed of one hundred and twenty miles per hour, and, when the load which it would have to bear under actual running conditions had been applied, the tread was stripped off with a report like that of an explosion and flung red-hot through the door of the great shed specially erected for the experiment. Other tyres were then tested, including one similar to those which Major Segrave will use in Florida. This was the plain rubber without any tread, and at the end of the test it was comparatively cool.

Cotton and Cotton Goods.

THE LIVERPOOL COTTON MARKET.

Messrs. Reynolds and Gibson report as follows for the week ended February 2:—

Egyptian Futures.—Sakel Contract.—Values in this department throughout the past week have been maintained at a very steady level, only fluctuations of a few points either way taking place during the majority of the sessions, and we close to-night with the list showing gains of 10 points to 14 points. No special features of particular interest have cropped up, but, in view of the fact that Sakel cotton is not really attracting the degree of support necessary to neutralise the heavy supply figures, it must be confessed that our market is showing a decided resistance to any easing in values. We are rather of the opinion that during recent weeks a fairly large "long" account has been quietly accumulating; however, provided American prices maintain their recent firmness, we do not consider that holders will show much anxiety, but should the other market commence to show weakness, rather an unlikely contingency in our opinion, this contract might experience liquidation on a scale to cause a sharp set-back. Trade reports continue to show a healthy business, but we would hesitate to say that spinners have been operating in actual on the substantial lines witnessed during the major portion of last month; certainly the demand for fine spinning qualities, if we except Sudan Sakel, has been considerably reduced since we last wrote. In spite of this, throughout the week values in the Alexandria market have been maintained at a very even basis; however, the tendency there seems pretty much the same as on this side, as in both cases holders of near positions show an obvious disinclination to face actual cotton, and the bulk of the speculative business which is coming to hand is for new crop options. In a report just received from the other side, the following information regarding the coming crop is illuminating:—

"As mentioned previously, it is expected that the Government will be very strict this year in the publication of the law restricting acreage. Up to the present, when similar laws have been in force, the Northern regions of the Delta have always been excepted, but this year the reduction of acreage will also be applied to these regions, and its application to the Northern area of 800,000 feddans will mean that the reduction will be proportionately greater than in previous years of enforced restriction."

At the present moment we cannot see any cause likely to affect values in a marked degree one way or the other. In the ordinary course of events, at the present juncture our market might reasonably be expected to show a weakness, but against this the prevailing idea that the existing level is not unreasonable and also as mentioned previously, the firmness of the American market, both combine to influence a resistance that otherwise would be lacking. On this account, we can only repeat our previous opinion, that is, to watch the position with the idea of making purchases on reactions provided that no further slackening in trade demand becomes apparent in the meantime.

Upper Contract.—Some slight easing in values in this contract have been witnessed since we last wrote, moderate hedging operations against imports finding the market rather bare of support. The Upper varieties continue to maintain their interest with the trade, and there is no doubt that the unsatisfactory lines upon which this contract is framed are responsible to a great extent for the lack of interest and narrow trading that have been in evidence since its inception.

Egyptian Spot.—No special features have been apparent during the past week and conditions generally have ruled rather quiet. Owing to the slightly easier tendency amongst the American markets, and to the somewhat restricted trade demand locally, prices all round have shown a disposition to sag, but the net results have been comparatively unimportant. The forwardings to Egyptian

spinners last week reached an unusually large figure, so it is not remarkable that the spot business should have fallen off a little. Manchester reports have not been quite so good, the inference being that manufacturers have also filled up for the time being, or else that the recent political news from the Far East has acted temporarily as a deterrent to further business.

The local inquiry has shown no change. Sakel has been in request for practically all grades, but the amount of actual business resulting is not by any means commensurate with the extent of the inquiry, and spinners continue to find the greatest difficulty in selecting the staple they require from this year's cotton. Uppers at from 8½d. to 10½d. have maintained their popularity fairly well, but it is a rare occurrence to receive an order for cotton above the later figure. Business in Pilon has been quieter. Sudan cotton has been in fair request, both the Sakel and American seed varieties coming in for attention, the former at from 13½d. to 15.75d., and the latter at from 150 to 200 on American contracts. It would appear that some improvement has again been noted here and there in c.i.f. business, but this class of trade is still very patchy.

Forwardings to spinners for the week ending 28th ult. were returned as 9,027 bales Egyptian and 4,918 bales Sudan. Estimated sales, 1,300 Egyptian and 2,400 Sudan. Quotations of Sakel have been reduced 15 points, and those of Upper 30 points on the week. F.G.F. Sakel to-day, 13.65d. F.G.F. Upper to-day, 10.10d.

THE EGYPTIAN MARKET.

The Alexandria Commercial Company in their report for the week ended January 27 state:—

Since our last report the market has shown some weakness and prices all along the line are down from those of last Thursday. The week's summary of price movements is as follows:—Sakellaridis: March, 25.17 dollars, 0.38 dollars down; May, 25.47 dollars, 0.25 dollars down; July, 25.57 dollars, 0.45 dollars down; November, 26.24 dollars, 0.24 dollars down. Ashmouni: February, 17.10 dollars, 0.70 dollars down; April, 17.58 dollars, 0.52 dollars down; June, 17.78 dollars, 0.62 dollars down; August, 17.88 dollars, 0.62 dollars down; October, 18.50 dollars, 0.35 dollars down.

Sakel.—The market during the whole week has been rather dull, both commerce and speculation showing very little interest. January went out, on 22nd inst., at a considerable discount, due to fairly heavy selling against cotton bought on call. The demand from abroad has continued to be very poor, in spite of the rather more optimistic reports from Lancashire. Whilst reports on English trade have improved, those received from Continental centres are less satisfactory and indicate a considerable falling off in the demand for yarns and finished goods.

FOREIGN EXCHANGES.

Country.	Method of Quoting.	Parity of Exchange.	Latest Quotations.
Alexandria.....	Piastre to £	97½	97½
Athens	Drachmæ to £ ...	25.22½	375
Belgrade	Dinars to £	25.22½	276
Berlin	Marks to £	20.43	20.46½
Berne	Francs to £	25.22½	25.22
Bombay	Sterling to Rupee	24d.	17-31/32—18
Brussels	Belga to £	35	34.87½
Bucharest	Lei to £	25.22½	855
Budapest	Pen to £	27.82	27.74
Calcutta	Sterling to Rupee	24d.	17-31/32—18
Constantinople	Piastres to £	110	940—955
New York	Dollars to £	4.96 2-3	4.84 15/16
Paris	Francs to £	25.22½	123.35—40
Prague	Kronen to £	24.02	163½
Rome	Lire to £	25.22½	114½
Sofia	Leva to £	25.22½	667—680
Teheran	Krans to £	52	50½
Vienna	Sch to £	34.58½	34.38—34.43
Warsaw	Zloty to £	25.22½	42—45

Our agents in the Sudan report ideal climatic conditions during the past few weeks, and the production of Sakel in that country this season may, as a result, reach 600,000 kantars. Within a month or two, this cotton will be offering on the Liverpool market and must inevitably affect spinners' takings of Egyptian Sakel.

At the January tender, 1,750 kantars were issued. The total for the month is 4,750 kantars.

Uppers.—The publication on the 24th inst. of the American Ginners Report showing 16,610,000 bales ginned to January 15 against 15,542,000 bales ginned to December 12 out of a crop estimated by the Government in its last report of 18,618,000 bales, had no influence on the market, the figure being round about that anticipated. New York has shown some weakness during the last two or three days and this weakness, reflected in our market, has induced some local liquidation. The demand from abroad has been fairly good, but not sufficient to maintain prices in the face of the decline of American; the stock of Uppers is more than sufficient for present requirements and holders are fairly free sellers.

The week's receipts amount to 222,116 kantars against exports 170,487 kantars; the stock in Alexandria stands at 3,302,690 kantars.

The official figures of arrivals and exports for the period September 1, 1926, to January 20, 1927, are as follows:—Arrivals: Lower Egypt, 3,088,000 kantars; Upper Egypt, 2,057,000 kantars; total, 5,145,000 kantars. Exports: Sakel, 1,333,025 kantars; Ashmouni, 1,611,995 kantars; various, 178,000 kantars; total, 3,123,620 kantars.

Spot: During the past week we have had a fairly good demand and a good business has been done at Minel el Bassal. Sales amount to about 25,800 bales, of which we estimate 9,500 bales Sakellaridis, 14,000 bales Ashmouni and Zagora, 2,100 bales Pilon, and about 200 bales White. The selection of Sakel continues poor and Ashmouni has not been so freely offered as last week.

Sakellaridis: A fairly good business has been done and all grades have changed hands except the very best. Spot differences are very steady with a tendency to harden except for the low grades, which are easier.

Ashmouni and Zagora: A good business has been done covering all grades. Spot differences are unchanged.

Pilon: Has been in excellent request and a greatly increased business has been done at about last week's spot differences.

Brown: Is neglected and no business has been reported. Spot differences are quotably unchanged.

White: A small business has been done. Spot differences are steady with a tendency to harden.

Up-Country: Business in the interior is very quiet. A fair amount of cotton remains in the villages unsold, but it is mostly held by the big growers who, for the time being, are not sellers. Some of the ginning factories are now only working intermittently owing to the accumulation of stocks in Alexandria and the consequent dearth of storage space.

The Shipping, Engineering, and Machinery Exhibition will be held from September 8 to 24 at Olympia.

The Zagreb Motor Show, which was to have opened on February 8, has been postponed until the beginning of May.

The following articles have been added to the list of goods which are admitted into Syria duty-free under the conditions prescribed by Decree 69 of January 25, 1926:—Mills and moulds for grinding coffee, cotton huskers, beaters and pressers for grapes, churns and separators, and oil presses.

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Company Meeting.

CREDIT FONCIER EGYPTIEN.

Egypt and the Cotton Industry.

The following is a translation of the report of the Credit Foncier Egyptien, which was presented to the shareholders at the annual general meeting, held at Cairo on January 14:—

The Fall in Cotton.

The favourable conditions in which the economic activity of Egypt has developed during the past ten years have been affected of late by the fall in the price of cotton which has been produced chiefly by the size of the last American crop. The Egyptian season of 1925, satisfactory from the point of view of quantity, which amounted to almost eight million kantars, benefited at first from high prices. Then the price rapidly weakened, going from 50 to 28 talaris for Sakellarides and from 32 to 20 talaris for Ashmouni. The yield of cotton and seed finally exceeded fifty million pounds. But the 1926 season, of which the quantitative yield has remained high, has been markedly affected by the fall in prices, which from September to December declined from 35 talaris to 24 for Sakellarides and from 25 to 15 for Ashmouni.

Pressed to intervene to stop the fall, the Egyptian Government purchased during the first half of 1926 at a mean rate of about 33 talagis 480,000 kantars, which it still holds. The accentuation of the fall in November, 1926, led it to take a series of new measures. A credit of £E4,000,000 at 4 per cent. interest has first of all been placed at the disposal of cultivators desirous of obtaining an advance on their crop. In the next place a project for a law has been presented to Parliament restricting for three years to one-third of the cultivated land the area reserved to cotton. Finally, the Parliament has decided, after lively discussions, that it is expedient to intervene again, this time in the contract market, to stop the fall in rates. It would be absurd not to recognise that the present prices decrease to a very large extent the profits of cultivation and endanger the payment of rents, in some cases excessive. Actually the country is accustomed to high prices, which provide compensation without effort for the decline which set in years ago in the mean yield. The present situation teaches us many lessons. It recalls the fact that a leading raw material cannot be indefinitely immune from the incidence of the large fluctuations in prices which ought to be regarded with equanimity. It also shows the need for the Government to substitute for its precipitate and haphazard interventions methodical and sustained action, inspired by the desire to assure to the cotton remunerative outlets, on the one hand taking advantage of the remarkable properties of the Egyptian soil for the development of the exceptional quality of fine varieties so universally appreciated and on the other hand seeking in higher yields compensation for the inevitable fall in prices.

To appreciate as is desirable the bearing of present difficulties, it must be recalled that in the course of recent years Egypt has realised considerable profits which have been mainly invested in shares acquired abroad and in real estate, after having considerably reduced her mortgage debt; this has notably improved and strengthened the country's position.

The Balance-sheet.

Our mortgage business has made appreciable progress this year. While the year 1925 showed a falling off of £E598,184 on the account of mortgage loans, the year 1926 has shown a slight advance of £E4,900. The realisations have risen to £E1,919,357 against £E1,321,805. The redemptions arising from repayments anticipated have fallen from £E356,443 to £E273,325, and the redemptions by expropriations from £E90,026 to £E48,604, which is evidence of a normal economic situation. The balance of the account for annual and half-yearly payments and interest due was at October 31, 1925, £E1,108,499. Adding the maturities of the year £E1,968,029, we obtain a total sum of £E3,106,438. At October 31, 1926, we had collected £E1,835,552. The amount of our arrears was thus reduced to £E1,270,886, an increase of £E162,477 on the corresponding total of the previous year. The account third party purchasers of real estate has been reduced from £E113,685 to £E79,508. The account of real estate acquired following expropriations has disappeared from the balance-sheet. Our mortgage position is then in all respects satisfactory.

Investments.

The composition of our portfolio has undergone various modifications during the year, arising from the re-employment which we have had to make of the yield of 19,212,500 francs of French Treasury Bonds which we encashed on December 8, 1925, from the amount of the last million of Egyptian pounds which the French Treasury repaid us on the loan of £E4,000,000 on April 1, 1926, as well as from our other disposable funds. The particulars of the portfolio are given in the report. You will note that our investments include only English and Egyptian Government securities, with a preference for redeemable loans, and bonds of the Suez Canal Company. In the list of various securities appear no longer the bonds of our company repurchased by us and of which the total stands in the present balance-sheet at 310,521, the purchases of the year having amounted to 50,749 shares. We have, as a matter of fact, modified the mode of reckoning of these repurchased bonds which reasons of accountancy prevent us from cancelling.

Finally, to enable you to follow the course of these shares henceforward, we have separated them in the assets and liabilities, not only for their initial value, but also for their net cost in the provision allocated annually for the amortisation of the bonds, and we have allocated the contingency account for the reduction of the premium on the bonds this addition to their value. That same account has benefited by the contribution of the balance of the loan account for premiums: 1911 issue. It is thus that in the balance-sheet which is submitted to you the contingency account for the reduction of the premium on bonds is raised to £E1,114,064.

The disappearance of our French securities converted into funds in December, 1925, has involved the suppression of the accountancy operation which reckoned off at par the revenue of our paper francs. As a result the French taxes which were made in the opposite sense the object of the same process have no longer been carried to the expenditure for their exchange value at par, but only for their actual amount in pounds, which has reduced that charge in the accounts from £E152,402 to £E21,516. The fluctuations of the exchanges has further contributed to this result, enabling us to effect our remittances at advantageous rates.

We would point out that the year 1926 saw the ending of the duty on transmission of 0.84 per cent., which only affected the second half of the previous year, and that the stamp duty has been increased from 0.12 to 0.20 per cent.

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Reserve Liability of Shareholders, £1,000,000.

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Abbadan Bushire Kermanshah Pehlevi
Ahvaz Duzdab Masjed-Saleiman Resht
Barfrush Hamadan Meshed Shiraz
Birjand Isfahan Mohammerah Sultanabad
Bander Abbas Kazvin Nasratabad Tabriz
Burujird Kerman (Seistan) Yezd

Branches in Iraq (Mesopotamia) :—Bagdad, Basra, Kirkuk.
Branch in India :—Bombay.
The Bank is prepared to transact Banking business of every description in and connected with Persia and Mesopotamia ; and in London grants Drafts, Telegraphic Transfers and Letters of Credit, and negotiates or collects Bills on Persia and the Near East.

Head Office : 33-36, KING WILLIAM ST., E.C.4 ; Chief Office in Persia, TEHERAN

IONIAN BANK, Ltd.

Established 1839.

Capital Authorised - - £1,000,000
Capital Paid up - - - £600,000
Reserve Fund - - - £235,000
Total Assets - - - £5,663,445

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EGYPT.

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Sir N. M. Murray.

Manager in London:—

Sir S. A. H. SITWELL.

Authorised Capital Rs. 11.25.00.000

Paid-up Capital - Rs. 5.62.50.000

Reserve - - - Rs. 5.00.00.000

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Registered in London under the Companies Act of 1862, on the 23rd March, 1866

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Subscribed Capital	£4,000,000	Reserve Fund	£2,850,000

HEAD OFFICE : 26, BISHOPSGATE, LONDON, E.C.2.

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RESERVE FUNDS - Drs. 57,091,594.50

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Reserve Liability of Shareholders - £1,000,000

Paid up Capital - £1,000,000
Reserve Fund - £380,000

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FULLY PAID CAPITAL	-	-	-	-	-	-	-	-	-	£3,000,000
RESERVE FUND	-	-	-	-	-	-	-	-	-	£2,550,000

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MALWA	11,000	Feb. 25	Mar. 4	Straits, China, Japan
RANCHI	16,000	Mar. 4	Mar. 11	Bombay and Karachi
KHIVA	9,000	Mar. 10	Mar. 11	Straits, China, Japan
MALOA	21,000	Mar. 11	Mar. 18	Australia via Bombay

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MARGHA	8,258	Feb. 19	Feb. 26	Bombay and Karachi
MATIANA	8,000	Feb. 19	Feb. 26	Madras and Calcutta
MORVADA	8,103	Mar. 5	Mar. 12	Madras and Calcutta
QUERIMBA	7,696	Mar. 5	Mar. 12	Bombay and Karachi
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City of London	8,956	Feb. 22	Bombay & Karachi
City of York	7,844	Mar. 12	Colombo & Calcutta
City of Hong Kong	9,678	Mar. 16	Bombay & Karachi
City of Benares	6,984	March 24	Bombay & Karachi

LONDON to SOUTH AFRICA.

City of Alexandria	4,712	Feb. 18	Cape Town, Algoa
City of Valencia	7,329	March 4	Bay, East London, and Natal.

MEDITERRANEAN and LEVANT.

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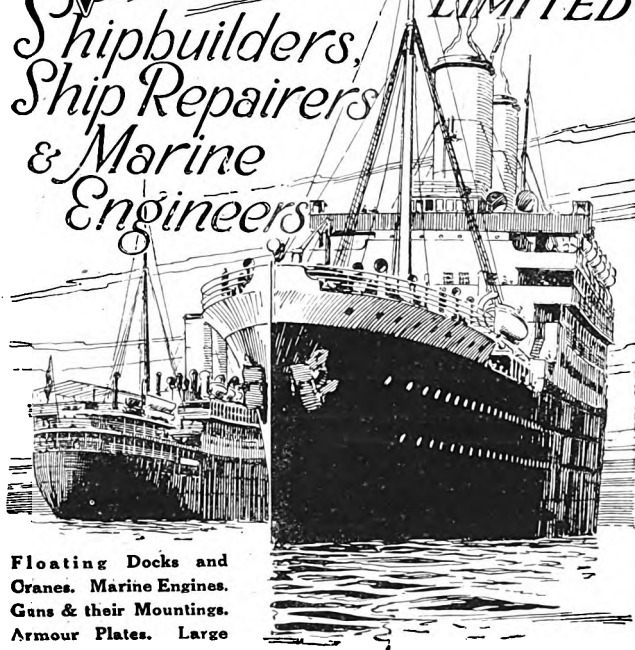
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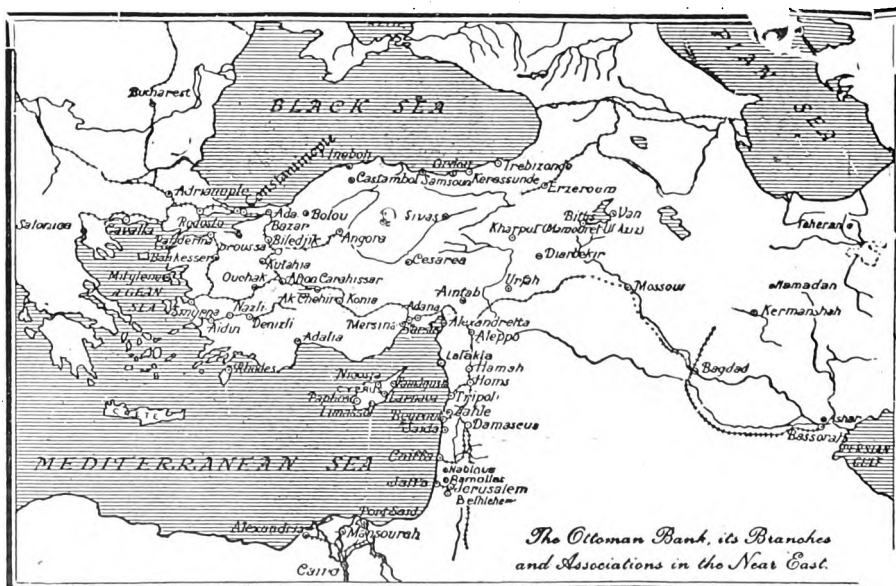
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THE NEAR EAST AND INDIA.

No. 822.—VOL. XXXI.

THURSDAY, FEBRUARY 17, 1927.

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Notes of the Week.

The Skupshтина at Work.

The Prime Minister of Yugoslavia, in contradistinction to his chief opponent and late ally, the leader of the Croat Peasant Party, is a man of few words; but he has contrived to retain his hold on the political situation for the greater part of a year in spite of the coolness of M. Pashitch during the latter months of his life, and of the fulminations of M. Raditch. M. Ouzounovitch's last Cabinet took the oath of office on February 1 and the same day two of his Ministers handed in their resignations. Their places, however, have not been filled, and it would seem as if the Prime Minister considered that the best way to meet the abnormal position in which he is placed is to give the resigning Ministers, who belong to his own party, but were dissatisfied with the portfolios given them, time for reflexion. The Skupshтина is again in session; but a kind of informal truce is being observed while a party of delegates—twelve of the Government's followers and ten of the Opposition—has gone to Czechoslovakia to return last year's visit to Yugoslavia of parliamentary delegates from Prague. This state of affairs gives M. Ouzounovitch an opportunity to carry on his negotiations for increasing the Government's majority in Parliament. The fact that he is anxious to avoid all contentious legislation as far as possible and to concentrate on the passing of the Budget and such measures as the industrial crisis seems to call for may yet bring him the support of the Democrats.

Electoral Amenities.

M. Raditch's denunciation of the conduct of the recent local Government elections in Yugoslavia has taken formal shape in an indictment of the Minister of the Interior for breach of the Constitution, abuse of office and violation of the Electoral Law, to which is appended a list of acts that constituted the electoral "terrorism" for

which the Government or the Minister is held responsible. The indictment is signed by fifty-one deputies; but apart from his own followers M. Raditch was able to obtain support only from two small groups, four members of the Farmers' Union and three Montenegrin Federalists. Neither the Democrats nor the Dissident Croats cared to risk their chances of coming to terms with the Government by endorsing M. Raditch's grievances. In these circumstances it is difficult to decide whether the Croat leader is endeavouring to effect a reform in a direction where it is needed, or whether he is merely indulging in his favourite pastime of baiting the Ministry in power, whether he happens to be a member of it or not.

The Coalition in Greece.

In spite of the existence of a Coalition Government Greece is passing through days of considerable political tension. The revision by the Chamber of the Constitution promulgated by General Pangalos's Government is not without its difficulties, and progress, though steady, is slow. The creation of a Senate, vetoed under the Dictatorship, was reinstated by the Constitutional Commission, but the clause was passed in the Chamber by means of a strict party vote, although the heads of the so-called Anti-Venizelist parties left their followers free in the matter, the majority of 133 being Republicans, and the minority of 92 their Royalist opponents. Thus in a House of 286 deputies the motion in favour of a second Chamber received less than half the total number of votes; but there have been scanty attendances of late, and the Republicans express themselves well satisfied with their majority. In the circumstances it is unfortunate that the new Constitution cannot be the subject of wider agreement among the Greek people. The trouble, as far as can be gathered, lies mainly with the Press; for even if there is still bitterness in the two camps, it is the

obvious duty of the newspapers to avoid giving expression to any sentiments likely to widen the breach. Yet the organ of the Royalist Popular Party would seem to imagine that it is promoting Greek interests by describing the Constitution as "Republican rags, since torn to shreds, which it is not worth while attempting to mend," and is at once answered by Republican organs with the inevitable references to the monarchy, the Asia Minor disaster and so forth, in the most approved *tu quoque* style. Little wonder that General Pangalos can still find among his fellow-countrymen some apologists, who recall that, whatever mistakes he may have made in other directions, he did make some of the Greek newspapers observe the more ordinary decencies of political discussion.

Air Routes and a Gap.

The Secretary of State for Air is back again in Cairo on his return journey from India, and the fine achievement that he went out to inaugurate is to be robbed of some of its glamour by the bathos of his having to cover the distance between Cairo and Paris by rail and steamer instead of by aeroplane. The City of Delhi flew from England to India and back as far as Cairo, which becomes the western terminus of this Indian air service. No arrangements, as far as is known, have yet been made for a service between England and Egypt; yet this is surely the most important link in any scheme of Imperial air routes. It is particularly desirable that the first section of the journey to India and beyond should be in British hands, and for this reason it is to be hoped that steps will be taken to fill the gap before any Continental air system extends its services across the Mediterranean to Egypt. The City of Delhi flew from Croydon via Malta, and this would presumably be the route of a regular service, although a diversion from the direct flight might be made between Malta and Egypt to take in Greece, if it were held to be justified as a commercial proposition.

A Dutch Arabist.

It is a strange commentary upon the industry of what is the greatest Muslim Empire in the world that no works by the eminent Dutch Arabist, Dr. Snouck Hurgronje, should yet have been translated into English. His endeavours to explain the real nature of Islam, not only for the benefit of his own country, Holland, but also for the whole world which is interested in Muslim affairs, were, however, happily recognised last week, when he was presented, in the Leyden University, with the funds, which had been contributed by his own people, by native

princes of the Dutch East Indies, and by scientists from all parts of the globe, for a Snouck Hurgronje Foundation. Dr. Hurgronje, with Caetani, Lammens, and others, has consistently stood for the highest standard of scholarship; moreover, he has tested his theories with the actual facts as they prevail in Arabia. To the European knowledge of ordinary life in Mecca, he and Burckhardt have probably contributed more than anyone. Nor have his writings subsequent to his sojourn in the Holy City of Islam been of less importance to students of Islam. To mention but one thing, he has constantly tried to stem the popular error of supposing that the Caliphate is an institution even remotely resembling the Papacy. It is a British scholar, Sir Thomas Arnold, who has endeavoured to emphasise the truth of Dr. Hurgronje's remarks in this direction, but popular prejudices towards peoples of another religion do not, we are afraid, die easily. We hope that we may be allowed to congratulate this great Dutchman, on this the occasion of his seventieth birthday and the year of his enforced resignation from his professorship at Leyden, upon the universal recognition of his services to one of the most necessary tasks before the world to-day: the real understanding of the peoples whose continual thoughts are being turned towards Mecca.

The Turkish Harem.

But if Dr. Hurgronje and others have found it difficult to dispel the ideas of a Caliph possessed of "spiritual powers," how much more difficult is it to drive out the time-honoured notion of the Oriental harem! Nothing is more ingrained in the popular European imagination than the idea of the Turkish Pasha, surrounded by innumerable and mysterious women, horrible dwarfs, and, perhaps, an odd eunuch or two. To those who know the economic facts of modern Turkey the persistence of this figment is amazing; it really would seem that men like Pierre Loti have as completely formed public opinion on this subject as, say, Miss Dell and Miss Hull have formed the public opinion upon what a shaikh of the desert is. Against these female romanticists the ordinary Arab is powerless, but the Turks, at any rate, are determined to expose what they call "the harem myth." Nationalist propagandists are now at work to show that the European idea of even the old Imperial harem is baseless, and, of course, with the establishment of the Republic, the public life of Turkey is stated by these writers to have changed entirely. Women are now no longer in subjection; in fact, "as for our life to-day, it is a model of civilised society, absolutely free and independent." This effort to prove the practical identity of Turkish and European moral codes is worth noting. But we warn the Nationalists that they must not expect a swift relinquishing by Europeans of the romantic conceptions in regard to the harem.

Angora and the Veil.

It is all very well for the Kemalists to pretend that they are precisely like other men, that the Turks differ from other modern nations only in that they are more misunderstood, but it is not quite certain that Turkey herself will yet assent to this claim. Take, for example, the recent inhibition of the wearing of the veil by Turkish women. The President of the Turkish Republic has explained in the clearest possible terms that this article of raiment is but a relic of the undesirable past; and he added, with a dark significance, that the veil is a disguise favoured by the criminal in Turkey. In some parts of Anatolia the women have leaped at the chance of showing their countenances to the world, as they do in Europe and, indeed, in certain parts of the Muslim world; but elsewhere this command is going unheeded. In one vilayet, in fact, the Kemalists argument is considered to be of nothing worth compared with the immemorial traditions of the race. It is said that Mustapha Kemal told an interviewer that the wearing of the veil was a crime punishable by death, but one can hardly believe that the Turkish woman who persists in wearing the veil will be brought into the same category

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as the Turkish man who persisted in wearing the fez. Perhaps the President will wait until the census in Turkey has been taken, and then resolve anew whether or not he is to exercise the full penalty of the law upon the conservatively minded women of his land.

Snow in Jerusalem.

Snow has fallen in Jerusalem. Not since 1921 has the City that is holy to Christians, Muslims and Jews suffered from this unusual visiting. Then, if one remembers aright, it provided a lesson, or a guide to the mental attitude of the inhabitants of the City. It was, of course, the British soldiers who cleared away the snow; the while the fatalistic Muslims watched and waited. What the Jews did is not quite clear. Now that there are no troops to do the work of scavenging, one wonders what will happen to the snow, especially if it be, as it was in 1921, so deep as to block communications and to threaten loss of life. Perhaps it will be a temporary boon to the unemployed Zionists in Jerusalem, who, as one reads, have of late been increasing in numbers, thus following in the wake of Tel Aviv. It would be a great pity if the snow were to spoil the forthcoming Municipal Elections, for which such great preparations are being made and upon which such considerable hopes are being built. But nothing more damping to the spirits of electors can well be imagined than the presence of snow in a more or less primitive city. It is just such comparatively little things as this that show that life in an Oriental town is not, however "civilised" its inhabitants may claim to be, quite the ceaseless thing that it is further West. In the countryside the snow levels things out. Is it possible that such could be the result as between Arabs and Jews in this present fall?

Palestine and War.

The forthcoming visit of Lord Allenby to Palestine, in order to unveil the War Memorial on the Mount of Olives, seems to give added point to the illuminating lecture which he delivered in London last week upon Palestine. The Field-Marshal remarked then that all armies in Palestine had used the same lines along the coastal plain, the same roads, and the same passes. But how few with the same success as his! It is only now becoming possible to understand the immense effort that was made by the Egyptian Expeditionary Force and its influence upon both the Great War and the peace that was to follow. If, for instance, Allenby had failed as, say, Richard the First and Napoleon failed in Palestine, the whole history of the world would have been utterly different. The Turks would still be in charge of the land that is dear to at least three religions; the Jews would, probably, be without ultimate hope of returning to the home which they have never forgotten; Great Britain's position in the Middle East would be most problematical. It has been said that no really decisive battles have ever taken place in Palestine, but it is patent that the British victory therein will have most decisive results for Arabia. Allenby's victory is, indeed, vitally affecting the adherents alike of Christianity, Islam, and Jewry. Where his triumph possibly differs from other Generals—Alexander, Titus, Julius Severus, Mohammed Ali, and so on—is that use of it has been made to ensure, as far as is humanly possible, that the country shall be the scene of no more wars but of a prosperous peace.

The Armenian Problem.

Religious or racial fanaticism has always been a most difficult thing to keep within bounds, and one had only to mention the word "Armenia" to conjure up in the popular mind tales either of "Muslim massacre" or of "Christian treachery." Fortunately, however, the time seems to be passing when the future of Armenia cannot be discussed without reference to the "blood-thirsty Turk" or to the "low and avaricious Armenian." It is, for instance, a fact which no ecclesiastic can exaggerate so as to put it beyond belief, that the Armenian refugees in Syria are suffering extreme hardships—for the moment we say

nothing of the State which centres upon Erivan, for the future of that lies almost wholly with the Russian Government. And, in consideration of what has already been promised to the Armenian refugees, we see no exception to be taken to the resolution that was passed at the session of the Church Assembly last week: "That the urgent needs of the Armenians in the Near East and the rapidly passing opportunity of helping them should ensure renewed and greatly increased efforts of rescue by English Christians," unless, indeed, it be supposed that sympathy with the Armenians may not be felt also by non-professing Christians. In Syria, there are 100,000 Armenian refugees; their settlement upon the mandated territory would, it is estimated, cost £120,000, towards which France has contributed £25,000, with a promise of a further £25,000. Here, the Lord Mayor's Fund, together with other British Armenian Societies, is finding £5,000. A mixed Committee, with British representation, instituted by the International Labour Office at the desire of the Geneva Assembly, has begun operations in Syria. The work of Miss Jeppe, the League of Nations representative for Syrian Armenians, is well known. It does seem, therefore, that the time has come to fulfil what part we can of the promises held out—as, for instance, they were held out, to the luckless Assyrians—to a people with a tragic history. Naturally, there might be political complications to this plan of settling Armenians in Syria—so often the Armenian problem has been overshadowed by greater problems in the East—but since the Mandatory Power therein has given its support to the colonising scheme, it is hardly possible for any sympathiser not to hope that the appeal for financial support that is shortly to be made to the British Government (the head of which is known to sympathise with the Armenians in their troubles) will be at last successful.

NEW PERSIAN CABINET.

The Shah of Persia on February 8 approved of the new Cabinet, which is as follows:—

Prime Minister.—*His Highness Mirza Hassan Khan Mostofi, the Mostofi ul Mamalik.

Foreign Affairs.—*Ali Kuli Khan Ansari, the Mushaver ul Mamalik.

War.—*His Highness Mirza Mohamed Ali Khan Farughi, the Zoka ul Mulk.

Justice.—Mirza Mohamed Ali Khan Daver.

Public Works.—*Nahdighirli Khan Hadayat, the Mokhber-es Sultaneh.

Interior.—The Seyyid Mehdy Fatemi, the Emad es Sultaneh.

Finance.—Firuz Mirza Firuz, the Nusret ed Dowleh.

The Ministry of Posts and Telegraphs is vacant.

*Members of the late Cabinet.

The influenza bulletin of the Health Section of the League of Nations reports a serious spread of the epidemic in Bulgaria. During the first week of February there were more than 100,000 cases in Bulgaria, of which 405 were fatal.

The *Jewish Chronicle* states that Mr. P. Rutenberg has signed an agreement with the Transjordan Government according to which the Palestine Electric Corporation is acquiring 6,000 dunams of land in the Jordan-Yarmouk area for the development of further electricity plans.

The death is announced, at the age of 69, of Sister Marie-Flavie, one of the first French women missionaries to go to India. She was appointed Provincial Superior of Bangalore, and was head of a European school of 1,000 children, together with a native secondary school.

Lieutenant-Colonel Walter Calverley Beavor, C.B., C.M.G., late of the R.A.M.C., died suddenly on February 6, aged 68. He served in the Sudan campaign of 1885, in the Ashanti operations ten years later, and also in the North-West Frontier of India operations in 1897-8. When the Duke of Connaught went out to the Durbar for the proclamation of King Edward at Delhi in 1902, Colonel Beavor served on his staff, and thereafter was on the personal staff of the late Lord Northcote during his short tenure of the Governorship of Bombay.

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THURSDAY, FEBRUARY 17, 1927.

GREECE AND A CONCESSION.

The Greek Chamber—there cannot be the least doubt about the matter—has done the right thing in according the Government an emphatic vote of confidence for the honouring of the concession granted by a previous Government to the Power and Traction Finance Company. Public feeling has run high, particularly in the capital, on the subject of this concession, which confers a monopoly for a period of sixty years in respect of electric light and power and of tramway and omnibus services in Athens and within a radius of twelve miles. The comprehensive character of the monopoly could hardly escape challenge, particularly in regard to the omnibus services, which hitherto have been supplied by private enterprise. By the terms of the agreement omnibuses already licensed would continue to run, but no authority, whether by licence or otherwise, is to be given to any person other than the Transport Company for new omnibuses or the replacement of existing omnibuses in the area defined by the concession. In the case of electric light and power it is at least arguable that Athens could not hope to have a supply service of the required standard without the establishment of a monopoly. The concession covers the linking up of the Athens-Piræus Electric Railway with the Athens-Kephissia Railway by the construction of a tunnel connecting the two termini, and the electrification of the Kephissia line. The effect of the concession will be to add considerably to the amenities of life in Athens and the immediate neighbourhood, and should prove a stimulus to industrial enterprise by the supply of cheap power. Although the British Company is generally regarded as the concessionaire, the concession has actually been given to an Anglo-Hellenic group formed by the Power and Traction Finance Company and the Syndicat d'Etudes et d'Entreprises, in which the National Bank of Greece and consequently the Greek Government have an interest. The group carries out its concession through the medium of various Greek companies—a parent company, known as the Société Générale Hellénique, which will in turn create as subsidiary companies the Hellenic Production Company, the Hellenic Distribution Company, the Hellenic Transport Company and the Hellenic Electric Railways Company.

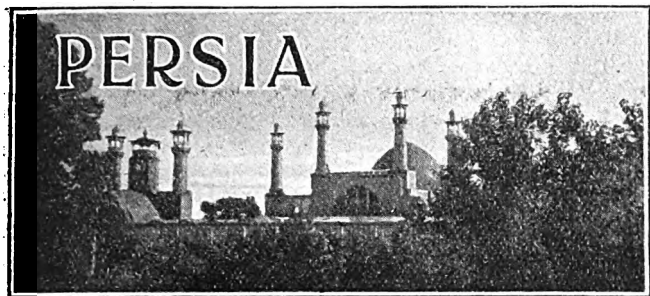
With a view to preventing the ratification of the concession by the Chamber a strike of existing transport services took place, and attempts have been made to inflame public opinion both on the ground that the beneficiary company was foreign and because the concession had been granted under the dictatorship of

General Pangalos. Now, several wise measures were adopted by General Pangalos's Government, and the future will show whether the granting of this monopoly was one of them; but it is evident that the details of the agreement were in some respects open to challenge, and the Anglo-Hellenic Group has already shown its willingness to forgo some of the privileges conceded to it. In the light of what has happened in connexion with the ratification of the concession it will, no doubt, be equally ready to examine other points on which criticism has fastened. The good will of the Athenian public will always be a valuable asset for the various companies, and may well be worth securing at the price of a few initial sacrifices. It is a matter of common knowledge that General Pangalos was often possessed of sound ideas and good intentions; where he failed was in the lack of capacity to carry out his ideas and to prevent his good intentions from being thwarted by his entourage. It was not to be expected that a purely foreign syndicate would obtain such an important and comprehensive monopoly; but when Greek participation was assured, it may have been inevitable that the terms of the concession should err on the generous side.

The question before the Greek Chamber was whether Greece with any consideration for her honour could repudiate a contract signed by a Greek Government, even if that Government was subsequently overthrown. M. Zaimis's Cabinet was clearly in a delicate position, as the acts of the late Dictatorship included not only contracts for big public works, but also conventions with Yugoslavia regarding Salonika and Greco-Yugoslav relations. It was laid down that the Government could not recognize conventions concluded under the Pangalos dictatorship which had not received the sanction of the dissolved National Assembly, unless the present Chamber were to ratify them; but at the same time the Government let it be understood that certain of those conventions—the one made with the Power and Traction Finance Company amongst them—would have to be ratified. There may be some difficulty in drawing distinctions between conventions; but the Greek Government's instinct was right when it implied a difference between a business contract formally concluded and a political agreement, which in its very nature depends on formal ratification by Parliament. The debate in the Chamber showed that for the fate of the concession it was lucky that Greece should have at the present time a Coalition Government of all the parties. In any other circumstances it is conceivable that a Cabinet would have been unwilling to give its opponents a handle by trying to force through Parliament an unpopular measure for which it was not responsible and in which it had no special interest. The firm stand taken by M. Zaimis's Ministry will not only have created an excellent impression abroad, but should also have strengthened the position of the Coalition Government. The event offers the best possible augury for a resolute attempt to set Greece's financial house in order. Individual measures must prove unpalatable; but if the Government can give a reasoned explanation for the course taken and show that Greece's honour is bound up with its acceptance, it will be supported by the sound instinct of the nation as a whole. Hitherto the obstacle has been that the politicians have shrunk from doing the right thing for fear it might give an opponent an opportunity of riding to power on their own unpopularity.

The Near and Middle East*

From Our Own Correspondents.



Teheran, January 28.

The Cabinet.

Mostofi ul Mamalik's Ministry appears to be on its last legs. The Deputies seem to be dissatisfied with its inability to look after the country's interests. An interpellation has been demanded by the majority in the Parliament and is fixed for next Sunday, when the Cabinet will have to appear before the Majlis, and if a vote of confidence is not passed—as seems highly probable, for the Prime Minister does not possess a majority in the House—he will have no option but to resign. Several reasons have led to the interpellation. For one thing the agreement with Russia, which has been discussed now for several months, and which is so vital to the economic welfare of the country still hangs fire and seems no nearer signature. Another thing to which the Deputies have taken objection is the letter from the Ministry of Public Works, approved by the Cabinet, to the Anglo-Persian Oil Company three months ago, with regard to the terms and conditions of the Company's operations in western Persia (round Khaniqin and Qasr-i-Shirin) which they are entitled to carry out, with the approval and consent of the Government, in accordance with the original D'Arcy Concession. The Deputies maintain that the terms and privileges mentioned in the letter exceed those provided for in the Concession, and that it should, therefore, have been submitted to the House before it was sent. The Government have naturally been averse from cancelling the letter, as this would mean repudiating their signature, but in view of the Deputies' opposition they have apparently given way on this point, as the papers to-day announce that the letter has now been cancelled.

The Luxury Tax.

Another question which has aroused a great deal of interest lately is the measure submitted to the House by the Cabinet proposing greatly increased Customs duties on certain *articles de luxe* and prohibiting the importation of others, which has now been before the Majlis for the past few weeks, and has already passed the first reading. Suddenly about ten days ago the shopkeepers and dealers in anything that might come within the category of luxuries (although the list of articles which would be affected by the Bill has not yet been disclosed) took it into their heads to speculate on the Bill's becoming law and put up prices all round. These consequently rose by leaps and bounds. Wines and spirits of course suffered (it will be remembered Seyed Zia ed Din, after the *coup d'état* of 1921, tried to introduce Prohibition, which came to nothing), and of course scents and perfumes, silk stockings and other articles of ladies' wear particularly, all advanced in price, in fact nearly every conceivable thing imported from abroad, including such things as boots and shoes and even lamp-glasses, which we would prefer to class as necessities rather than luxuries. This purely speculative and wholly unjustifiable raising of prices naturally occasioned an outcry from all

classes, and the Shah himself ordered the Municipality to issue a notice that prices must immediately revert to the former level, which has more or less had the desired effect, though it is naturally difficult here, as in other countries, to enforce the charging of such fixed prices. For, as we have experienced in the past, the merchants simply hide their stocks and refuse to deal in them. The only way would be by resorting to drastic measures.

I remember, a good many years ago, in a provincial town seeing a crowd in the main street, and on approaching I saw a poor wretched baker, who had been accused of selling underweight bread, attached to a tree at the side of the road by a nail driven through his ear) and a very rusty nail it was too!). It seems problematical if the Bill will be passed, as there appears to be considerable opposition to it. Opinion is divided among the Deputies on whether the importation of the articles listed as luxuries should be totally prohibited or the duty on them increased by 100 per cent., as suggested. Many contend that people who have been in the habit of buying such things will not lightly be able to give up doing so and do without them, and if, therefore, the duty on them is increased by as much again, as proposed, the cost of living will increase accordingly, and it is hard to see how this will eventually benefit an already impoverished country.

Boycott of Russian Goods.

While the Russo-Persian Agreement on the several outstanding questions between the two countries is still the subject of much discussion here, it is interesting to note that the Soviet Government (which last year placed an embargo on all Persian goods) has now stated that the import of Persian merchandise, such as wool, cotton, rice, fruits, and so forth, will be allowed, for the Baku Fair, which opened recently, up to a very considerable amount—which would have been of great benefit to merchants in Resht and Pahlavi, had it not been that these same merchants decided last week to boycott all Russian goods and to have no dealings with Russians, in retaliation for the economic pressure which the latter are bringing to bear on Persia in their endeavour to force this country to submit to Soviet dictates.

The Crops.

The weather is still delightfully sunny and bright, that is as far as we personally are concerned, but this continued dry, frosty weather is very harmful to the crops, for which moisture is absolutely necessary now, as the two or three slight falls of snow, which is all we have had so far this winter, have been quite insufficient. In fact, grave anxiety is beginning to be felt, for no one, naturally, wants a repetition of the state of affairs last winter, when famine was only staved off by measures taken by the Alimentation Service. These measures cost the Government the best part of half a million sterling. Two heavy falls of snow were reported last week from Resht, which lies below sea-level, and it seems strange that Teheran and other places at a much higher altitude have not had any snow to speak of. It is sincerely to be hoped that we shall have some soon.

Government Pawnbroking Institution.

The Government pawnbroking institution was opened the other day, and should be well patronised. The question of the establishment of a National Bank is still being discussed by the Majlis.

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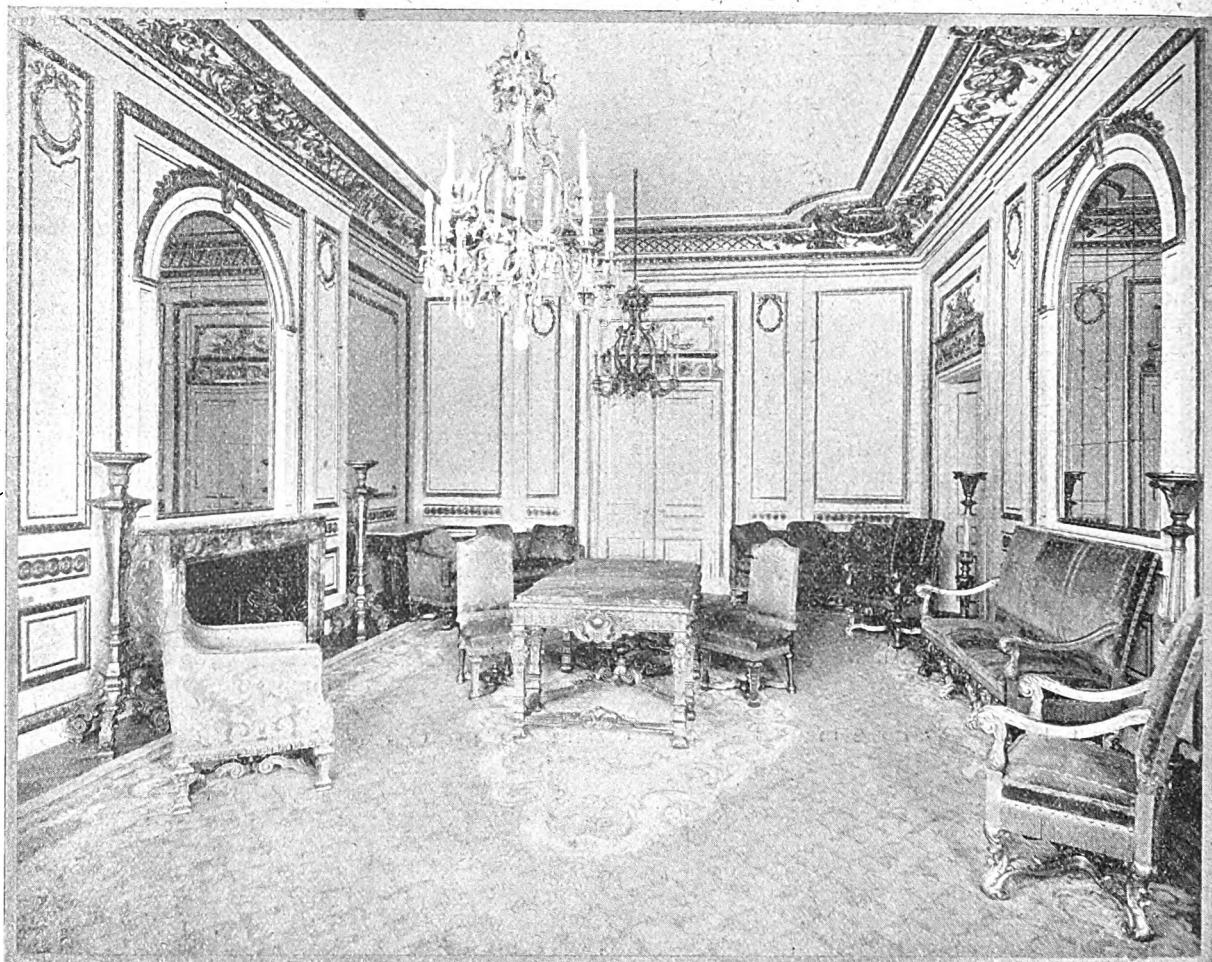
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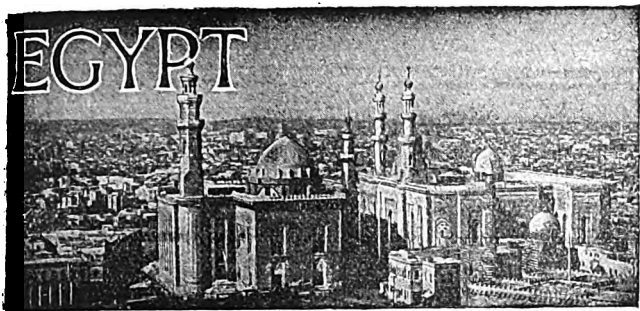
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Cairo, February 6.

The Cotton Congress.

The Cotton Congress has ended and the delegates have left for Upper Egypt, where they are spending the best part of a week before embarking, some on Friday next, some on Saturday, and some on the following Monday, for the return journey to Europe. With the exception of last Monday, the whole of the past week's proceedings have taken place at Kafr el Zayat, the principal ginning centre of the Delta, and at Alexandria. The programme of the Congress fell naturally into two parts. Everything concerning the growing of cotton was discussed during the meetings in Cairo. All that related to the baling and shipment of cotton, and the relations between shippers and spinners, was debated in Alexandria. As an intermediate stage between the two phases, the delegates spent a day at Kafr Zayat and there inspected the processes which the cotton undergoes during its progress from the farms to the loading quays.

Now that the Congress is over everyone is asking what practical results it has achieved. So far as it is possible to form an opinion at this stage, the most important consequence of the meetings has been the decision to set up a joint committee, having representatives of both growers and shippers, on the Egyptian side, and spinners, appointed by organisations controlling the industry in Lancashire. The objects of the committee will be to continue the work on which the Congress itself has principally concentrated, namely, reconciling the interests of growers and users. Throughout the past fortnight the Egyptian delegates have been insisting that the cotton growing industry cannot continue to flourish unless better prices than have recently prevailed can be obtained. The spinners, for their part, have stressed the view that unless Egypt makes more whole-hearted efforts than have been made in the recent past to produce fine cotton, prices will go still lower, for manufacturers will gradually discontinue the use of Egyptian cottons in favour of the more evenly running product of the Sudan, East Africa and other countries whose contribution to the cotton needs of the world is just beginning to be appreciable. All the points which have provided material for the animated debates between the two sides, such as the quantity of water added to cotton before shipment, the presence of impurities and the failure to secure shipments of even quality throughout, have been incidental to the main problem. Towards the solution of this the Congress has admittedly done little more than to create an atmosphere in which both sides can work amicably in their common interest. It will now be for the joint committee to evolve solutions of the difficulties which have been so frequently emphasised during the past fortnight, but towards the elimination of which there has not been much practical contribution.

Strike at Al Azhar.

Students and ulema of Al Azhar University have been on strike all this week because of the Government's decision, following a debate in the Chamber of Deputies, to transfer the School of Cadis, the Dar el Oloum Training College and various other higher religious schools from the control of the Department of Religious Instruction to that of the Ministry of Education. This decision has surprised nobody outside Al Azhar, and it is remarkable if the inmates of that institution, after last year's debate in the Chamber on the budget of the Ministry of

Wakfs, did not realize that the change just made was inevitable. In point of fact it is neither revolutionary nor new. The schools and training colleges affected are essentially technical institutions and always were under the control of the Ministry of Education until two years ago, when the transfer to the Department of Religious Instruction was effected, during the suspension of Parliamentary government, by royal decree. Zaghloul Pasha and his followers did not hide their intention of cancelling that decree as soon as the possession of a parliamentary majority should give them power to do so, and they have now fulfilled their promise. In consequence, Al Azhar is in revolt, and since the police, after one tumultuous morning of demonstrations in the streets, have now established a cordon around the University and refuse to allow the striking shaikhs and embryo shaikhs to emerge, a constant series of protest meetings proceeds within, where Parliament and all its works are anathematized.

It is interesting to see how little popular support the unruly Azharists are getting. The Press, with one or two insignificant exceptions, is solidly against them, as was the Chamber of Deputies, and articles are appearing daily arguing that, while the rest of the country is endeavouring to progress and to adopt modern methods, Al Azhar remains a centre of reaction and mediaevalism. There are hints that unless the famous centre of Muslim learning can reform itself and behave, drastic measures may be taken by the secular authority to reform the University, whether it wishes the change or no. The incident is interesting in its affording one more proof of the fact, daily growing more patent, that the local religious leaders, once almost omnipotent, have now lost nearly all their power and influence and, by the younger generation at least, are being more and more regarded as an encumbrance to a nation wishing to deserve the adjectives "modern" and "civilized."

Postal Advertising.

Having learned nothing, apparently, from the recent similar experiment in England, the Postmaster-General here is endeavouring to institute a system of advertising by affixing stamps, or labels, to all correspondence passing through the post. Business houses have been asked to submit designs of advertising stamps, for approval by the Post Office, which will then arrange to have these stamps affixed by the postal officials to all correspondence passing through any post office or offices chosen by the advertiser concerned, who will be charged so much per thousand stamps affixed. As might have been expected, this plan has had a very bad reception by the Press. Most of the arguments used against the advertising by postmark scheme in England have been repeated here, and several journals have announced their intention, if the Post Office proceeds with the scheme, of taking legal action to test whether private property, in the form of correspondence, can be used in this way, without the permission of the owners. The newspapers, naturally, are not entirely altruistic in this matter, fearing

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that some of the publicity now placed in their columns may be diverted, but there seems to be little doubt that they represent the opinion of the general public, which is solidly opposed to the stamp-advertisements proposal.

CYPRUS.

Nicosia, January 31.

The Legislative Council.

On January 21 and the following days the draft of a reply, in twelve clauses, to the address of the Governor, Sir Ronald Storrs, at the opening of the Council, came under discussion. It expresses pleasure at Sir Ronald's assumption of the government.

The clauses were passed, with slight additions, excepting the third. In this a hope was expressed that H.E. as "a faithful interpreter of national sentiments" would warmly recommend the Central Government to advise His Majesty the King so to alter the island Constitution that the chosen representatives of the people may be enabled to take part, responsibly and effectually, in the administration. The Turkish members, Eyoub Bey and Mahmoud Bey, voted with the official members against the clause, which was thus rejected.

In other clauses the conviction is expressed that the Governor will devote his care to the various needs of the island, and the co-operation of his Council is promised.

Forest policy is criticised as destructive of the breeding of animals. It is submitted that the deplorable condition of the island can be remedied by the following measures:—

(1) The establishment of an Agricultural Bank, with capital sufficient for the immediate and future needs of the agricultural classes, providing loans with interest not exceeding 6 per cent.

(2) The carrying out of irrigation work, under a well-studied policy, by the careful selection of a trained *personnel*, with a view to the discovery of "second water" supplies; thus solving the problem of increased productivity in the island.

(3) A thorough reorganisation of the Agricultural Department.

(4) Active help on the part of the Government in establishing new trade connexions, to provide new markets for Cyprus products. Other clauses refer to the need of further protection for workmen employed in mining operations in the island. The health of the island is stated to require attention. An improvement in external communications is very desirable, and it is hoped that the existing mail contract (which has still three years to run) may be made to meet the commercial needs of the island. The question of the nationality of the many Cypriots living abroad is commended to H.E.'s consideration, with the earnest hope that a satisfactory solution of the problem may be found. The proposal to favour the carrying out of excavations is warmly approved. The flow of visitors to the island would be encouraged.

A noteworthy point is that the Greek effort to introduce a claim to which an emphatic reply has been so frequently given was defeated by the Ottoman vote. The Turkish members of council have practically always had a deciding voice in the Assembly. When they voted recently with the Greeks against the Estimates for 1927, it was because they agreed with them in considering that the portion of

the Ottoman Debt annually payable by Cyprus (now £42,000) might now be devoted to island needs, Cyprus being no longer a part of the Sultan's dominions, and that this view could now be loyally taken. To Greeks who may ask "Why, since you voted against the Estimates, do you not also advocate larger powers for the Council, since even our joint vote is over-ridden by an Order in Council?" the reply is "We have no desire to alter the Constitution of the island."



Liubliana, February 10.

The Political Situation.

The political situation in Yugoslavia has undergone a considerable change during the course of the last month.

On January 23 there were the Departmental Diet Elections, i.e., for the popular representative bodies in all the thirty-three largest administrative units into which the Kingdom is divided under the present Constitution. As these elections were conducted, in essentials, on the same principles as those for the State Parliament, the result of them was awaited with very great interest. Because, in view of the unsatisfactory relations between the ruling parties in the Skupshtina, there had been repeated demands from many sides for a dissolution of the present Skupshtina; with a General Election to follow, in the hope that results would justify expectations and yield a legislature more capable of work than the present. The Departmental Diet elections would enable the public to gauge what changes, if any, were likely to be brought about.

The twenty-third of January, however, showed that the Yugoslav Parliament is not to be dissolved just yet. It revealed no surprising changes. Just as the Radical Party commands a relative majority in the Belgrade Skupshtina, so the Radicals have obtained, in the aggregate, the largest relative majority of mandates in the Departmental Diets; and the largest party but one in Parliament, the Croatian Peasant Party, scored the biggest number of votes after the Radicals. The other parties follow in pretty much the same order as in the State Parliament.

All the same, these results must be taken with some reserve. Election was on the principle of universal, direct and equal suffrage with proportional representation, the same as for the State Parliament. But the mandates were distributed on a different principle, for very small constituencies, and in such a way that the election order greatly favours the majority parties, while giving no representatives to weaker parties disposing only of a small number of votes in individual constituencies. For this reason, the bigger parties have scored, proportionately, a larger number of mandates than their votes represent, and the smaller parties more votes than would appear from the number of their representatives.

Besides this, it must be taken into account that the voting was very slack, not only in the rural constituencies, but also in the urban districts. In some places, as many as from forty to fifty per cent. of the electors stayed at home. This abstinence from voting was due in part to dissatisfaction with the inefficiency of the present Skupshtina, and in part to dissatisfaction with the mistakes and errors of modern parliamentarism in general. Another, perhaps the most important reason, was the fact

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that these were the first elections of their kind in the country, Departmental Diets being a new, and, so far, untried institution. The public was not particularly interested, because as yet it knows nothing of their work; hence a good deal of the apathy shown at the elections.

But on the whole these elections have shown that a fresh General Election would not bring about any material change in the representative strength of the individual parties in the Skupshtina. Herewith the main reason for a dissolution falls to the ground, and government will have to be carried on with the parties that come into consideration now. For a year and a half, the RR (Radical-Raditch) Coalition has been at the helm; but this alliance has proved very disappointing, and both parties to it have been thoroughly dissatisfied as well. Latterly, the Radichists have been specially indignant, because at the departmental elections the Radicals did not support, but actually worked against, them. So M. Stepan Raditch launched a series of attacks in his press, directed chiefly against M. Maksimovitch, Minister for the Interior, and made use of the first opportunity in Parliament to vote with the Opposition and against the Government, which was thereby left in a minority. M. Ouzounovitch handed in his resignation, which was accepted. And so ended the exceptionally barren era of the Government of National Agreement.

The King again entrusted M. Ouzounovitch with the task of forming a Cabinet. After relatively brief negotiations, M. Ouzounovitch came to an arrangement with the Yugoslav Club, which consists of the Slovene People's Party under Dr. Koroshetz, and so constituted a new Government which includes three members of the Koroshetz Party. This Government disposes of a very narrow majority of seventeen votes in the Skupshtina, and even this slender margin it owes to the support of the Raditchist Dissenters under the ex-Minister, Dr. Nikitch, and to that of the Germans. This new Government is referred to in Slovene papers as the KUN (Koroshetz-Ouzounovitch-Nikitch) Government, and its opponents augur but a short life for it. But time will show. For the moment, the chief task of the new Government will be to pass the State Budget for 1927-1928. This is a very urgent matter, because the financial year begins on April 1, and by that date the new Budget will have to be passed.

AN INDIAN IN YUGOSLAVIA.

(From a Belgrade Correspondent.)

Mr. Shoran Satya Singha, well-known as a Christian social worker, has just spent a few days in Belgrade. The Y.M.C.A. were responsible for his visit, which the Rector of the University described as "an unheard-of success." Certainly no speaker has caught the imagination of the students so thoroughly as this far-seeing Indian. On three occasions he spoke to large audiences, chiefly composed of students and professors, in the Great Hall of the New University, and it is estimated that the

total number of attendances at his lectures numbered upwards of eight thousand. When they were given in the new premises of the Y.M.C.A. so many people came that not all of them could gain admittance. Mr. Singha also spoke at the Anglo-American Luncheon Club, where there was a record attendance, and at the Anglo-Yugoslav Club, where he was entertained to tea.

Another event of importance was a luncheon for Cabinet Ministers and members of the Diplomatic Corps, arranged by Mr. P. H. Sitters, National Director of the Y.M.C.A. in Yugoslavia. For this were assembled: Dr. Nintchitch, M.P., Ex-Minister of Foreign Affairs, Dr. V. Janitch, M.P., Ex-Minister of Religion, Messrs J. Markovitch (Assistant-Minister of Foreign Affairs), D. Bogdanovitch (Alderman of Belgrade), Hon. N. Kennard (British Minister), Prince (American Minister), Dr. F. Olshausen (German Minister), Sheba (Czech Minister), Hoffinger (Austrian Minister), Polychronidis (Greek Minister) various other representatives of Foreign Ministries, and other guests.

Mr. Shoran Singha laid before the company a new problem—that of the future relationships between the white and coloured races, and handled his subject in such a way as to excite the admiration of all who were present. It was instructive to notice, in this as in his other addresses, his loyalty and unstinted recognition of the debt which India owes to the British Empire.

CORRESPONDENCE

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NEW RAILWAYS IN EGYPT.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—With reference to the Cairo letter, which appeared in your issue of December 23, I have received a communication from Mr. Macaldin from which I make the following extract:—

"The position I hold in the Railways is Assistant Chief Engineer New Works, and as such am directly responsible to the Chief Engineer for all New Works between Cairo and Shellal, including the work just completed on the Luxor-Assuan Line. Lieut.-Col. Mathieson as Resident Engineer in charge of the executive part of the work on the spot is my assistant."

Mr. Macaldin refers particularly to the paragraph "Luxor-Assuan," in which, in giving credit to those responsible for the good work, I mentioned that he was Lieut.-Col. Douglas Mathieson's assistant, a mistake for which I present my apologies to Mr. Macaldin.

As a matter of fact Col. Mathieson had no English assistant in the execution of the work on which about 3,000 "Saidis" were engaged. *Verb. sap.*—I am, etc.,

YOUR CAIRO CORRESPONDENT.

Cairo, February 2.

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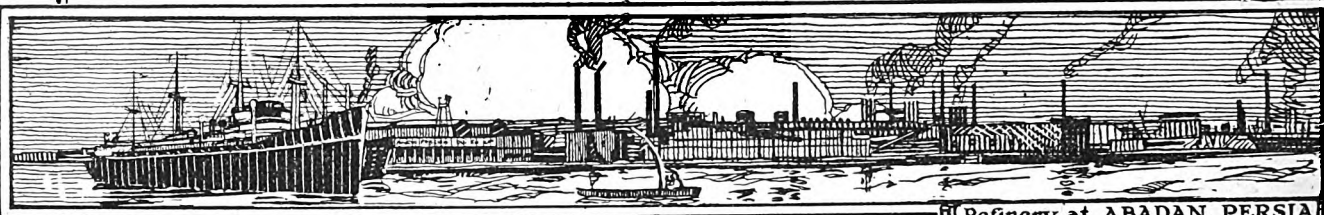
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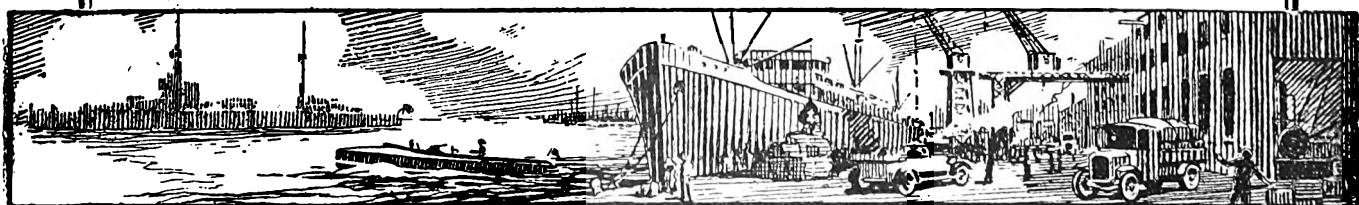
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WHERE THE TOURIST DOES NOT TREAD.

BY DAVID E. GOITEIN.

He had only one eye, His long coat must have been an heirloom. . . .

"His lordship will look?" He held in his grubby hand a few wisps of reddish hair—probably goat's hair.

"This from head the Judas 'Scariot'."

"Why should I want a whisp of Judas Iscariot's hair—eh?"

"Very antiqa."

"How do you know it came from the head of that traitor?"

"My grandfather he there. When they cut from head the Judas 'Scariot—his lordship understan'?"

"But Judas lived more than eighteen hundred years ago."

"Not so long."

Finding that the hair did not interest me, he produced a glass bead, tied up in a dirty bit of rag.

"I suppose this comes from the turban of Muhammad?"

"Not, not. This de Queen Sheba."

"What do you mean?"

"Very antiqa."

"What has the Queen of Sheba to do with it?"

My friend Jacob Hadassi arrived at this moment, so I did not wait for a reply. Hadassi had promised to take me to a quaint *bet hamidrash* which, he assured me, was a kind of Jewish university—absolutely mediaeval.

"You will find no reference to it in your Baedeker," he said with a smile. "And, Allah be praised, tourists have not discovered it."

That was no wonder. We went up by-lanes, along narrow cobbled alleys where the odour, not perhaps of sanctity, made itself very perceptible, down closed-in arcades, through a precipitous turning without a ray of light until we came to a series of houses thrown one on top of the other either by a drunken architect or a frolicsome jinn.

"I am not surprised tourists have never discovered this place."

Jacob chuckled. These were obviously not Arab but Jewish houses. The *mezuzoth* on the doors made this clear. Jacob Hadassi took me to the most antiquated of the houses and there suddenly appeared a whole host of dirty little children. Some stared, with their thumbs in their mouths, some peeped and ran away, one bright-eyed fellow with a most alluring lisp asked for "bak-theeth," the rest got under my feet—and screamed.

"*Hizaher*, it is very dark."

There was a series of very crazy steps which seemed to go round and round. Some had been worn down, others had fallen askew and some were missing. It was quite impossible to see anything. I merely had to feel my way and follow the continually disappearing coat-tails of Hadassi.

When we had arrived safely at the top, Jacob opened a small door, I bent my head and went in to—Wait. It was a sight that I shall never forget. The sun threw a diffused light through the dust-laden windows on to a mass of swaying bodies. There must have been some fifty people in the room and each one was chanting as he swayed backwards and forwards, backwards and forwards over massive volumes with tiny print. What was really surprising about this "school" was the type of pupil. There were children who could scarcely have been more than seven or eight, there were old men quite seventy and eighty. In between these extremes there were men of every age and condition. There was something fascinating about the weird chant. I stood stock still at the door—and listened.

I felt I had been pulled up by the hair and carried back five centuries or more. Only in a Gilbertian opera can you see dresses half so strange as graced these Jerusalem-ites in their *bet hamidrash*. They all kept their hats on. ("It is wicked to study bare-headed.") It must have been the Mad Hatter himself who had fitted them, allowing his strange fancy to run-riot. He had fitted one old man with

a bishop's hat, another with a pancake-shape trimmed with fur, yet a third with a cross between a bowler and a fez.

I could not, at first, make out who was the "professor" at this 'varsity. After a time I began to realise that there were nine or ten groups each entirely independent of the other. I went up to one which consisted of a grey-beard, a boy of about eleven with side-curls saucily appearing from under his cap, swinging as he swayed, a middle-aged man with glasses balancing dangerously on the tip of his nose and two nondescripts. He of the glasses was apparently the leader. He had a book to himself. The other four had two books between them. He sang out in Hebrew, "At what time do we read the *shema* prayer for vespers? At the time when the Priests enter to eat their portion of the sacrifice . . ." At the same time the other four chanted the words *sotto voce*. The boy in a childish treble, the rest somewhat huskily. Then the leader translated the words into Yiddish, while the rest hummed. No one took any notice of our arrival, they went on swaying and chanting as if their life depended upon it. . . . The translation over, the leader sang out the word "Rashi," and all the others echoed "Rashi." They left the main text of their Talmuds and turned to some microscopic writing in the margin.

"What does 'Rashi' mean?" I whispered to Hadassi.

"Have you never heard of him?"

"Is it a man?"

"Yes, of course. The text is written in a crabbed Aramaic. Rashi who lived before Saladin explains it in Hebrew."

"Hasn't the teacher just explained it?"

Jacob Hadassi laughed. "They all know what it means," he said, "but, you see, it is a religious duty to study the Talmud and you cannot study the Talmud without Rashi. . . . Come along to this group."

We moved away.

Above the gentle chant came an Arabic cry, "Water, liquorice water, buy water, liquorice water." Carrying a large brass apparatus on his back—it resembled a geyser—came a young Arab. He poured some dark-coloured liquid into a glass waited for a millieme (less than a farthing) then handed the drink to the students. They drank off the glass with one gulp and returned to their work without stopping for a moment.

"Will you sell me a glass?"

He looked doubtful. I handed him a piastre. He poured out a glassful and I tried to drink it. Imagine the flavour of cold tea, cod-liver oil and soap, and you will have some idea of the delicious taste of liquorice water.

My friend Hadassi informed me that this group was studying "Gitten" or the laws of divorce.

CUNARD

TO

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"Surely that little fellow—how old is he, thirteen?—is not learning about divorce?"

"Why not? It is all in the Talmud. Therefore it must all be known. You have an occidental mind," he laughed.

Luckily the boy I had referred to got up to go. Outside I said to him in Hebrew:

"Don't you go to school?"

"It is forbidden to speak Hebrew," quoth he in Yiddish.

"What do you mean?"

"It is a holy language. Only atheists and Zionists speak Hebrew."

I cannot speak Yiddish, and the rest of the conversation was carried on through Hadassi.

"Is this the only school you go to?"

"Of course."

"But you cannot learn anything else but Talmud here?"

"Is it true you have just been learning the laws of divorce?"

"Gittin, perek hanosen. Yes."

"Do you find it interesting?"

He laughed in my face. "Interessant? What a question! The Talmud is holy, sir, every word is from God—what a question!"

"Will you become a Rabbi when you grow up?"

"How do I know? God is good."

"You hope to be?"

Again he laughed. This time he was sure I was mad. We talked a deal more, and realising that in the East people do not usually give information away for nothing, I took out a few coins from my pocket. He blushed deeply.

"I am not a schnorrer (a beggar)," he said proudly.

"No, no. Merely a little present."

But he was angry, very angry, and walked away with his head in the air.

"Serves you right," said Hadassi. "You English and Americans think you can treat us all as beggars. Ha! Ha! Ha!"

"There is something to be said for an education that can turn out a boy like that," I said.

NEWS IN BRIEF.

The death occurred at Madras on February 9 of Sir Cheruvuri Krishnan, Judge of the Madras High Court, who received the honour of knighthood at the New Year, at the age of 58.

The Sardar Ala Mahmud Tarzi Khan, Foreign Minister of Afghanistan, and formerly Afghan Minister in Paris, arrived there on February 7.

The first weekly local North Persia air mail service was opened on February 7, when a Junkers monoplane left Teheran for Enzeli en route for Russia.

Two Englishmen and three Muhammadans were last week arrested at Karachi in connexion with the discovery of machinery alleged to be for manufacturing coins, and said to have been imported from England. The discovery was made by Karachi Customs house officials, who opened a large package to assess the value of the goods owing to the invoice having been lost.

Captain T. A. Gladstone, who left Khartoum on February 8 in a Fairey seaplane, on the opening flight of the Khartoum-Kisumu air line, left Kisumu on February 14 with the mail on the return journey.

Snow fell in Jerusalem on February 10, this being the first time since 1921.

Three shops were gutted and two partly destroyed by fire in the European shopping centre of Karachi on February 10. A detachment of the Sherwood Foresters kept large crowds at bay and prevented looting.

Sir James Wilson, K.C.S.I., of Annieslea, Crieff, Perthshire, and late of the Indian Civil Service, who died on December 22, aged 73, left personal estate valued for probate at £8,875.

The King and Queen of Roumania, the Princess of Roumania, and Princess Ileana met the Prince of Hohenzollern, the King's elder brother, at the railway station in Bucharest on February 11. The Prince's visit will last a month.

PERSONAL AND GENERAL

TO-DAY

February 17, 1927 (New Style).

February 4, 1927 (Old Style).

Shaaban 14, 1345, A.H., of the Muslim Calendar.

Adar I, 15, 5687, of the Jewish Calendar.

Lady Jane Grey has left Hong Kong for Palestine.

Sir Robert Horne has returned to 59, Pall Mall, from India.

Sir Cecil Harcourt Smith has left for Egypt, and will be away for six weeks.

Sir Roderick and Lady Jones left London on February 10 for Egypt, and will be away for some weeks.

Major and Lady Alexandra Metcalfe were among the recent arrivals at the Semiramis Hotel, Cairo.

M. A. Carapanos, Greek Minister in Paris, arrived in London last week, and is staying at the Carlton Hotel.

Sir Arthur and Lady Whinney sailed from Tilbury for Egypt on February 11 in the P. and O. ss. Mooltan.

Earl and Countess Winterton, who left Bombay on February 5, expect to arrive in London about February 20.

Violet Baroness Beaumont has left England to visit Sir Hugh and Lady Clifford in Ceylon, and will be away until May.

Sir Victor Warrender, M.P., and Lady Warrender are expected to return to England from India about February 20.

An afternoon lecture, illustrated by a film, was given at the Ladies' Carlton Club on February 8 by Lieutenant-Colonel Sir Arnold Wilson, on "The Development of the Oil Industry in Persia." Lady Brittain presided.

The King has approved the appointment of Mr. A. W. E. Wort, to be a Puisne Judge of the High Court of Judicature at Patna in the vacancy created by the death of Sir John Bucknill.

Lady Noble and Miss Rosemary Noble and Miss Powell Jones have left London for a tour in Egypt and the Holy Land. They will stay at the Allenby Hotel, Jerusalem, during Mafch.

Mr. Frederick W. Thomas, of Trinity College, Cambridge, Librarian to the India Office, has been appointed Boden Professor of Sanskrit at Oxford, in succession to Mr. A. A. Macdonell.

Among the passengers who left London on February 10 by the P. and O. special train to join the s.s. Ranpura at Marseilles were Sir J. Crockett, for Port Said, and Major-General Sir C. J. and Lady Deverell for Bombay. Lady Samuel also embarked at Marseilles for Port Said.

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PORT SAID—
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Book Reviews

A TEXT BOOK OF INDIAN HISTORY.

"THE MAKING OF INDIA." By A. Yusuf Ali. (London: A. C. Black 10s. 6d. net.)

This book is one of a series whose collective title is "The Making of the British Empire." It aims at presenting in a simple and readable form the tangled history of India from the earliest to the most recent times: and, of all the histories of India that the present reviewer has come across, this is the one that most nearly approaches his idea of what such a history should be. It presents the salient features of the story of India in a way that is easy to understand and in a sequence that it is easy to follow, and the author has resolutely refused to be drawn up any of the almost innumerable side-tracks through which the reader of more ambitious histories commonly finds himself trying to grope his way. Mr. Yusuf Ali is an apostle of the imperial unity of India, an idea which he traces from the Mauryan Empire of Chandragupta and Asoka, in the third century before Christ, through the Gupta and Harsha Empires of the fourth and seventh centuries A.D. to its temporary collapse after the fall of the latter: when three hundred and fifty years of complete anarchy supervened, till the Muslim invasions of the North and the Chola Empire of the South laid the foundations of the Mogul Empire founded by Baber in 1526 to which, after its collapse on the death of Aurungzebe in 1707, the British were so soon to fall heirs. He compares the Grand Alliance of 1815, by which the four strong Powers endeavoured to maintain the peace of Europe after Napoleon's downfall, thus indulging in "a dream for the confederation of Europe, the Great Powers imposing on themselves the task of keeping the small Powers in order," with the much more successful "treaty structure erected in India in 1819, by which one overwhelmingly strong Power undertook to regulate the constitution and external position of a number of small Powers which could not possibly compete with it."

The author, himself a Muslim, observes a quite unusual impartiality in communal matters; though here and there occur passages from which one could guess his creed if one did not know it. He records, for instance, how the Arab invaders of Sind carried out their instructions to show kindness to their enemies and to comfort them, by their "free reception as brothers of all Hindus who accepted Islam." He does not say how the less amenable Hindus were received; but one may guess that it was—to use a well-known India phrase—as brothers-in-law. So far as one has been able to check them, the author has been very careful to verify his facts; though he sometimes slips, as when he says that India's export of opium to China "would have been" extinguished in ten years from 1907 had not China herself re-started indigenous production. Nor can one always agree with his conclusions: as, for instance, when he declares that, during Lord Curzon's Viceroyalty, "the passion for efficiency became the ruling motive, and universal discontent the prevailing feature of the Indian atmosphere," and that, when Lord Curzon left India, he left it "a seething mass of discontent." The correctness or otherwise of wide generalities of this kind depends so much on the exact meaning that the words "India" and "Indian" are intended to convey; but, if they are taken in their ordinary meaning, the statement is certainly very wide of the mark. One may also take leave to doubt the accuracy of the author's statement that the advent of the British official selected by open competition, in place of the servants of the Company "who, with all their faults, at least adapted themselves to the people and the country" gave a type of man who, though much superior in education, had a much less Indian outlook, and was responsible for producing "a wide gulf between the rulers and the ruled, between British and Indian, in the thirty years following the Mutiny." Still less can one accept the argument that the "free movement of British non-officials, without the training and responsibility which

made for tact and smooth inter-racial relations" gave rise to a claim that "gave the more offence as, without being rulers, they claimed the status of a ruling race." The two statements strike one as mutually destructive: and, even if one were prepared to concede some basis of fact in the first, one can find none at all in the second. While the power and prestige of the British official are visibly declining, those of the British non-official are increasing: nowadays it is the latter who adopts himself to the people and the country, and the successful merchant cares nothing for ruling castes. The best hope for the future lies in the recognition, by himself as well as by others, both British and Indian, of the growing importance of the part to be played by the British non-official in India.

THE JEWISH RACE.

"ARE THE JEWS A RACE?" By Karl Kautsky. (London: Jonathan Cape. 9s.)

The views of the German Socialist, Kautsky, upon the problem of the Jewish race, are well known, for the first German edition of this work appeared in 1914, and a second edition, with additional matter, was published in 1921. Kautsky does not believe in the existence of the Jews as a "race," and he bends all other views to his conviction that the solution of the Jewish problem is by assimilation with other peoples.

What makes this English edition particularly interesting, however, is the inclusion of comment upon recent development in Palestine.

Kautsky does not, of course, approve of Zionism, which he defines as "not a progressive but a reactionary movement. Zionism aims not at following the line of necessary evolution, but of putting a spoke in the wheel of progress. Zionism denies the right of self-determination of nations, instead of which it proclaims the doctrine of historical rights, which is breaking down everywhere to-day, even where it is supported by the greatest powers." He believes that "whatever Zionism does not accomplish in the immediate future, it will never accomplish." Again, he says on this subject: "At best it might bring about the following partial accomplishment: the number of Jews in Palestine may increase more rapidly than the number of non-Jews in the country (the Arabs) and the new Jewish State, although it will never embrace the great mass of the world's Jewish population, may nevertheless be predominantly Jewish in tone. But even this prospect is not likely to be fulfilled."

But it is rather for what it can do than for what it cannot do that Kautsky is opposed to Zionism. On sociological grounds he thinks it a wrong-headed movement. "Zionism means a wasting of the fortunes and resources of the Jews in a wrong direction, at a moment when their true destinies are being decided on an entirely different arena. . . . It is not in Palestine, but in Eastern Europe, that the destinies of the suffering and oppressed portion of Jewry are being fought out."

Kautsky believes, in his conviction of the ultimate triumph of the proletariat, that the Jews have become a revolutionary factor, while Judaism has become a reactionary factor. What he most ardently desires is the disappearance of Jews *qua* Jews, to whom the vanishing

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of Judaism will mean, not decline, but a rising to greater things. When assimilation is fully realised, "Ahasuerus, the Wandering Jew, will at last have found a haven of rest."

It is an interesting book, one well worthy of study, although the main preoccupation of Kautsky's mind must never be forgotten. Disagreement with the author on many points is practically inevitable, but it is certainly a contribution to the examination of one of the oldest problems in the Christian world.

CEYLON, THE LAND OF ETERNAL CHARM.

"CEYLON, THE LAND OF ETERNAL CHARM." By Ali Foad Toulba. London: Hutchinson and Co., Ltd. Price 21s.

On the principle that all the world loves a lover, this attractive volume can command a warm welcome. Ali Foad Toulba Bey is in love with Ceylon, and out of the fulness of his heart he takes his readers with him on a visit to the island, to enumerate and enlarge upon its manifold attractions and to share with them all his numerous experiences. Among these, as is fitting, by far the most are sheer pleasures homely and personal indeed, but such as enable those who accompany him through the book to gain an excellent idea of Ceylon, if they have not already been there, or to revive happy memories of a land which deserves all the affection that Ali Bey showers upon it. The author is an Egyptian, now risen to a position in King Fuad's Household ("English Redactor to H.M.'s Cabinet"), who spent his boyhood in Ceylon, by reason of the fact that his father, Toulba Pasha Ismet, accompanied Arabi Pasha on his exile there. He was educated at Kingswood School, Kandy, and from the insight that he gains of the author's character the reader will be inclined to endorse all that is said about that school and about its founder and headmaster, Mr. L. E. Blazé, as a fine mould of men. This old school was the Kaaba of Ali Bey's Ceylon Haj, and no one, even should he not have heard of Kingswood before, will grudge the two dozen pages devoted to "Kingswood Week." Before he reaches them he will have covered much ground in the enthusiastic company of the author—Colombo, Mt. Lavinia, Kandy, Nuwara Eliya (by no means, by the way, "practically unknown" in the 'seventies of the last century), with a motor trip across the Island. Ceylon, without doubt, is one of Nature's beauty spots. The admirable photographs with which the book is so well

illustrated bring home this fact. A chapter is devoted to Ceylon fruits, and the author rightly gives the palm to the mangosteen, which, with the development of air transport, may yet make its way to England.

A final word is due to the praiseworthy restraint with which Ali Bey touches upon political subjects. He is an Egyptian Nationalist, but his devotion to his own country does not blind him to the good work that Great Britain has accomplished in various parts of the world. At Kandy he met Seyyid Talib Pasha, exiled for a period from Iraq; but he does not allow his sympathy with and admiration for this victim of "the dangerous game of politics" to disguise the fact that there are always two sides to a question and he contents himself with quoting a "tendencious" report of Seyyid Talib's deportation from Baghdad.

"CIVIS BRITANNICUS IN PARTIBUS."

"EUROPE IN THE LOOKING GLASS." By Robert Byron. (London George Routledge. 8s. 6d.)

Mr. Byron and his publisher appear to hold different opinions about this book. While the youthful author, hoping not to be taken too seriously, says that "this book makes no pretensions to literary merit," the publisher terrifies us by the information that if the "accepted beauties" "pass his test," he "stamps them on the retina with a white-hot wire." As a matter of fact there is nothing to be alarmed about. These occasional purple passages resolve themselves into imitations (we had almost said parodies) of his beloved Sitwells, and that is all there is to them. Few "accepted beauties," however, do "pass his test," whether it be that they have had the misfortune to have been admired by old fogies such as Ruskin, or that the car passed them so quickly that he did not see them. He and his friends seem to have spent their nights till dawn in any night-club or cabaret that came handy, so perhaps it is not altogether to be wondered at that they had small appetite for natural or artistic "beauties" in the daytime. Their days were chiefly spent in rushing over roads from Hamburg, via Berlin and Florence, to Brindisi and through towns, to the great discomfort and danger of the rightful inhabitants, to whom, excepting, possibly, their companions of the cabarets, they must have been eminently distasteful. They did have some little leisure in Athens, where our author finds time to write two pieces of Greek propaganda, one on Smyrna and one on the Dodecanesus. He also finds time to make some exceedingly offensive remarks about American tourist ladies.

After 229 pages of this, we sat up and rubbed our eyes on reading his last sentence, which runs:—"I experienced a new pride of race; the pride of being, as well as English, European." Well, no one would ever have thought it, and we might add, no one is likely to care. C. S.-W.

A Senior Officers' School for officers in Indian State forces has now been established at Gwalior.

"Young Palestine," a film to further the idea of Zionism among the Jews, is to be shown in London on Sunday afternoons.

The Inter-Collegiate Indian Students' Committee will shortly proceed to the appointment of a secretary, who is by preference to be a resident Master of Arts. Applications should be sent to the Vice-Chancellor on or before February 21.

Mr. Saklatvala, the Communist member for Battersea, N., arrived in Karachi on February 10 and was taken in procession through the streets accompanied by politicians and members of the Karachi District of the National Congress Committee.

The Director of Surveys and Land Records in India has been on a tour of inspection in Bengal, and his work has included the preliminary arrangement for an aerial photographic survey of the reserve forces in the province, which are reputed to extend over an area of 1,000 square miles and have not been accessible for ordinary survey work. Colonel C. H. D. Ryder, late Surveyor-General of India, is to conduct the work with the aid of the air survey company which recently carried out an aerial survey in Burma.



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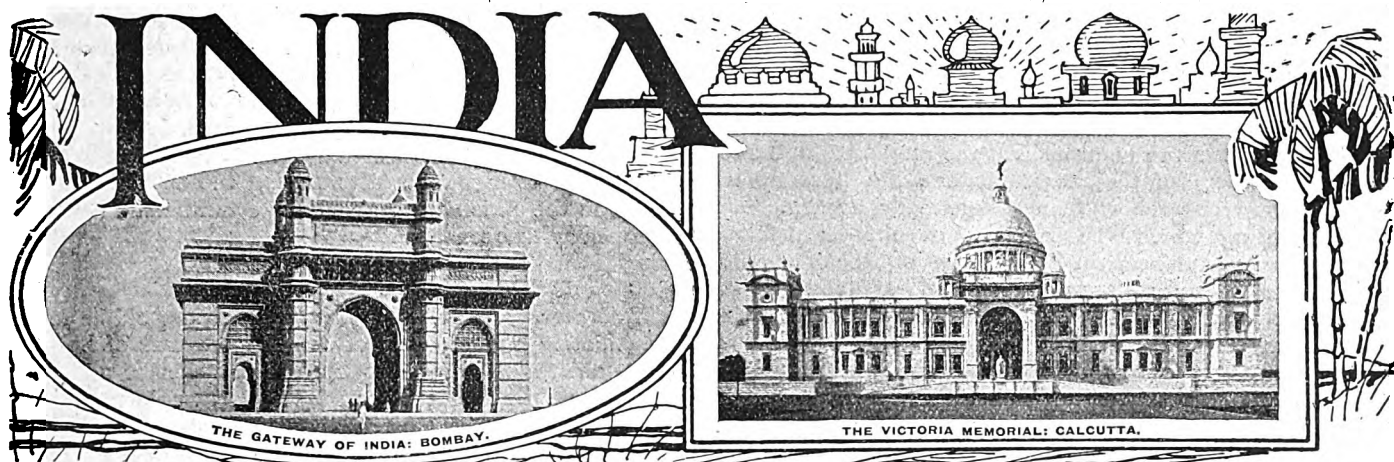
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THE BENGAL MINISTRY.

In his address to the newly-elected Legislative Council of Bengal, the Governor expressed the hope that it would pass the demand for salaries for two Ministers: and said that, if it did so, he would thereupon do his best to select such persons as appear to have the confidence of those who recorded such a decision. He went on to say that he had no wish, and no power even if he had the wish, to appoint Ministers unacceptable to the Council: and added "it will, I hope, be equally obvious that the personal likes or dislikes of individual members can also be a deciding factor, and my task would be greatly facilitated if, before any appointment is made, the groups who have a common political policy would elect their own leader to carry it on." It certainly seems odd that, after giving expression to these sentiments, Lord Lytton should have selected, as his first Minister, a Moslem who was not only unable to find a Hindu colleague to work with him, but did not even command the confidence of the members of his own community in the Council. When the Council met, there were three distinct Muhammadan parties in it: and Sir Abdur Rahim, the Minister originally selected, was not even the leader of the most numerous party, but of that which came second in numbers. At the same time, it is only fair to recognise the difficulty of the Governor's position, faced as he was by the personal jealousies that play so large a part in Indian politics. Even if not the most popular, Sir Abdur Rahim is undoubtedly the foremost among the Moslem leaders in Bengal: and it was perhaps better that he should be left to find out his unpopularity himself, rather than that the Governor should have pointed it out to him by refraining from offering him a Ministership. It is, of course, only natural that the foremost Muhammadan partisan should be specially obnoxious to all Hindus; but one would have supposed that he would have been specially popular among his co-religionists. If he is not, the explanation is doubtless to be sought in the abundance of "leaders" to be found in every Indian party. It is, for instance, instructive to learn that seven (according to some accounts, eight) Moslem candidates were nominated for the office of President of the Bengal Legislative Council; but all of them withdrew, leaving the election to be contested by two Hindu candidates, because the Muhammadans could not be induced to select, and vote for, any one Moslem candidate—no single one of them would consent to withdraw, unless all the others did the same. It is quite likely, therefore, that the Muhammadan parties in the Bengal Council already number considerably more than the original three: and that Sir Abdur Rahim's party, if not numerically the strongest, is the most homogeneous of them all.

According to the cabled reports, Sir Abdur Rahim is so nettled at his failure, not only to form a Ministry but also to be allowed to form one according to his own wishes, that he is credited with the intention of opposing the Ministry that was formed after he had given up the task. The previous Bengal Ministry consisted of three

Ministers, two of whom were Muhammadans and one a Hindu. Sir Abdur Rahim thought that this arrangement ought, to be revived. The Hindu, on the contrary thought that it ought to be reversed, in the interest of communal equality. The Governor left the number to be decided by the Council, but declared his intention of preserving the strictest possible communal impartiality. If the Council decided for two, or four, Ministers, he would appoint one, or two, from each community: if for three, the third would be a European. The triangular idea, though it looks reasonable enough on paper, is one that could not possibly be expected to work in practice: and it is admitted, on all hands, that Bengal cannot afford four Ministers: for whom, in addition, there would not be enough work. There are already four Executive Councillors—two Europeans and two Indians: a number generally held to be a generous one. The ideal that commends itself to most people is three Councillors and three Ministers; but this would, in practice, involve the translation of one of the Indian Councillors into a Minister: and, though this could be done so as to preserve communal equality on the Bengal Government, it could not do so on the "popular" side. It seems, therefore, that the present arrangement, though admittedly rather unsatisfactory, must continue: but it seems doubtful whether it will continue for very long. The voting on the question of salaries for Ministers shows how hopelessly the Swarajists are outnumbered in the Council; but personal jealousies, such as those obviously existing among the Muhammadan members, may play into the hands of the Swarajists, and help to carry out, in Bengal, their declared programme of refusing to form a Ministry themselves and of preventing any other party from doing so.

It looks, indeed, as if they would find plenty of opportunities. The Governor explained, at considerable length, the methods by which the confidence of the Council in its Ministries could be tested. In order that it might be in a position to express its opinion on each Minister individually, it had been arranged that the salary of each Minister would be shown separately in the Estimates: and the passing of a resolution moving a token reduction in the salary of any particular Minister would, while not involving the discontinuance of the Ministry, involve the resignation of the Minister. The passing of a similar resolution on a demand asked for by the Minister in charge of any Department would also involve his resignation. If such a resolution should be carried, the Governor would select a fresh Minister, and the Council would then have the same opportunity of expressing its opinion about him. If the internal jealousies that appear to be so rife, especially among the Muhammadans in the Council, are not speedily composed, it seems probable that it will have frequent opportunities of expressing its opinion on Ministers. The only bright spot in the outlook for the Governor would appear to be that, in the multiplicity of "leaders," he will have an almost unlimited field for selection of Ministers: and will be able to go on selecting fresh ones until, by a process of exhaustion, he has arrived at those who do command confidence—or, more probably at the conclusion that no one does so.

CALCUTTA LETTER.

Calcutta, January 27.

The New Ministers.

No one appears to be pleased at the method adopted for the appointment of the new Ministers, but possibly the difficulties were greater than is generally known. The period during which the running of the Transferred Departments had been in the hands of the Governor expired at the end of last week, and it was necessary for some arrangement to be concluded, if Ministers were to be appointed at all. The probabilities appear to be that appointments were offered to Sir Abdur Rahim and Mr. Byomkesh Chakravarty, and whether the latter had at one time expressed his willingness to accept or not, the fact remains that he refused at the last moment to act, if the other appointment were given to Sir Abdur Rahim, on the grounds of the latter's communal activities. This was very near to being an attempt to dictate to the Moslem community whom they should choose as their leader, and Lord Lytton attempted to get out of the difficulty by appointing Sir Abdur Rahim, provided that he could find a Hindu willing to act with him; this reversed the situation and apparently pleased no one; least of all the Hindu politicians, and no one was surprised that, after vainly trying to induce anyone to sit with him, Sir Abdur Rahim threw in his hand. It is announced this morning that the new Ministers will be Mr. A. K. Ghuznavi and Mr. Byomkesh Chakravarty. European opinion is by no means enthusiastic at the way that the situation has been handled and the whole Indian press, in a greater or less degree, has taken full advantage of the opportunity to criticise the Governor. The Extremists are venting their annoyance at the failure of their policy of obstruction by an indiscriminate attack on the Ministers, Hindu as well as Moslem, and throughout it all there is an unpleasant undertone of communal feeling which bodes good to no one.

The Assembly and Terrorists.

The Legislative Assembly at Delhi by 64 to 46 votes, passed the motion moved by Pundit Motilal Nehru for an adjournment of the House in view of Government's action in not permitting Mr. S. C. Mitra, a political *détenu*, to join meetings of the Assembly and exercise his rights as a member of that body. This was not a good beginning, but it is indicative of the attitude, largely a sentimental one, of Indians generally in regard to the steps that have been taken to keep the terrorist organisation under. There is hardly a single Moderate Indian left who would dare publicly to state that he approves of Government's action in this matter, and the Extremist has to go outside ordinary language to express a glimmering of what he feels. The situation is an unfortunate one; but it is difficult to see any other remedy than the retention of these men who refuse to give any undertaking that they will not engage in the organisation of terrorist activities in future. The Viceroy did well, in opening the Assembly, to point out that the maintenance of public safety is a matter outside questions of political progress; it is the first duty of any Government to see that its subjects are not terrorised by revolver, bomb and dagger. The Extremist press will have none of it, however, and it only sees in Lord Irwin's studiously moderate expressions a proof of official hypocrisy; it is a bad sign that the Moderate press is now joining in the chorus on very much the same lines.

Indian Extremists and China.

No attempt is made by the Extremist press to conceal its satisfaction at the turn of events in China, and this morning's leader on the matter in *Forward* is headed "Asia for the Asiatics." It is too late to hope for good manners or common decency on the part of Extremist

writers when they are dealing with matters that concern Great Britain or the Empire, and the action of the Viceroy in disallowing the motion tabled in the Assembly to protest against the dispatch of Indian troops to China without consulting that body has resulted in a stretching of licence to its furthest extreme. If they are to be judged by their public utterances, the Extremist will welcome the Bolsheviks and their communistic activities to India with open arms.

The Corporations and the Communist.

If further proof of this were required, it could be found immediately in the action of the Corporations of Bombay and Calcutta in regard to the presentation of addresses of welcome to the notorious Parsee, Mr. Saklatvala. Both of these popularly elected bodies are controlled by Swarajists, and both of them have refused at various times to present addresses of welcome to the Viceroy or to have anything to do with his reception. Bombay, however, presented an address of welcome to the Parsee M.P. on his arrival there, and the local Calcutta Corporation has this week resolved by 29 to 12 votes to give an address of welcome to the member for North Battersea. Everything for which Mr. Saklatvala stands is opposed to the social organisation of India, and in such circumstances too much importance should not be attached to the matter; the mere fact that he represents a party of one in the Imperial Parliament is sufficient to give him a peculiar appeal to the Indian Extremist, who in all the Council operations represents an almost similar proportion of the people; apart from this the principal plank in his platform is to be "ag'in the Government" whenever possible, another parallel to the policy of the Extremist. In fact, he only does it to annoy, because he knows it teases.

Men and Things.

There was a certain amount of surprise at the absence from the last Honours' List of the name of Mr. J. E. Armstrong, who was Acting Commissioner of Police during the recent communal riots in Calcutta; his appointment is now announced as Commissioner of Police for the State of Hyderabad (Deccan) and this is probably a recognition of his work at a particularly trying time. A number of new appointments have been made in Hyderabad State, and these are probably the explanation of the reports which were published a few months ago in Bombay that the Government of India were "advising" the Maharajah to adopt certain measures of reform.

The Bengal Congress has at last succeeded in finding a President, and its choice has fallen upon a College Professor who has been one of the more vocal Extremists from the beginning; the appointment increases the prestige of neither the Congress nor its leaders.

Attention is being called to the increase in the number of beggars, particularly those suffering from more obvious diseases, in the streets of Calcutta. There is an inherent objection in Indian minds to taking any administrative action restraining the beggars, whose lot, equally with that of his more fortunate brethren, has been cast by the gods, and at the moment large numbers of lepers are to be seen in the streets of the city, particularly in the neighbourhood of the fresh food bazaar; public concern is always aroused at this season of the year when small-pox begins to appear again, but the Corporation members are too busy thinking of elections to worry about beggars who have no votes.

The youths discovered in possession of bombs and revolvers recently have been sentenced to transportation for seven years; the Extremist Press makes its usual comments in regard to the complicity of the Police in these conspiracies against the subject!

The mail was late again this week, delivery not taking place nominally until Sunday evening and practically in many cases not until Monday morning; Press comment

is ceasing to be in any way reserved, and, if matters do not mend, there will be some plain speaking shortly.

Mr. J. Sime, Chairman of the Jute Mills Association, has made some very pertinent remarks upon the housing conditions of the jute mill operatives; there is a curious resemblance between what the capitalist says and the remarks of his labour namesake from Dundee, who came out and saw what he wished to see last year, but Mr. Sime correctly remarks that there is no sign that the operatives themselves are in any way unhappy in their surroundings. He makes the suggestion that the working day on the four days a week basis is far too long and that the mills should run shorter hours on more days.

The Trivial Round.

Racing continued at headquarters on Saturday last in ideal weather. Once again the books had all the best of the exchanges, as the favourites failed to materialise throughout the afternoon, and long faces followed the long-priced winners.

The paperchase this week was over a five-mile course with rather a tricky finish; the thrusters were lying handy against the usual run in only to discover that the finish was round a short corner after an innocent jump. Hugh Colvin was first past the post, well ahead of G. S. Johnstone and Captain Leetham, who were following in that order.

The M.C.C. scored a comfortable draw with Madras, and are now on their way to Colombo. In local cricket the principal match was the return between the Bengalis and the Anglo-Indians, in which the latter were well beaten.

The flood of sports meetings continues in full spate, the principal event on Saturday last being that on the Mohan Bagan ground when all the principal local athletes were out getting ready for the Olympics.

The tennis tournament continues successfully, but most of the local candidates have been eliminated. Mrs. "Commander" Graham looks good for the finals of the Ladies' Open; she is playing better than ever this year and will require a lot of beating. The meeting concludes on Saturday.

The Chamier Revue Company continues to hold the boards at the Empire. The fourth concert of the Calcutta Symphony Orchestra took place on Sunday night and after a vivid opening with the "Figaro" overture and a 'cello solo by Sgr. Verga, we had a very fine performance of Elgar's "Enigma" Variations. The house was fuller than ever, and it is obvious that the popularity of this class of music is growing.

Markets.

The jute market during the past week has been conspicuously dull, although prices show very little change from those ruling previously. The hessian market has been equally apathetic apart from the temporary activity on the news of the Steamer Karroo being on fire in New York. This quickly died down, and the tendency at the close is considerably easier. The piece-goods market on the other hand shows signs of improvement day by day, and there has been a good demand both for ready goods and for near shipment, at better prices. In the tea market, there has been a better feeling both here and in London for all descriptions, and the local sale showed a slight increase in rates for all kinds except the poorest qualities. The total crop figures are to hand to-day, and these are reported to amount to 345½ million pounds, against 317 million pounds for last year, thus showing an increase of 28½ million pounds; this is slightly in excess of anticipations.

On the Stock Exchange, Government Securities are easier all round, and business has been on a much reduced scale, with the 4 per cent. 1960-70 Loan most in request. Debentures and other investment stocks have been less easy to place with the exception of jute preferences, for

which there has been more inquiry. Interest in jute shares has been conspicuous by its absence, but in spite of this, prices have for the most part shown little change. With the hessian market closing easier, it appears that there may be a slight reaction in jute shares; but the general opinion is that so long as the mills continue to make their present handsome margin of profit there can be little reaction from present quotations. Coals and cottons continue to be neglected, and in the tea section there has been but one transaction reported, which speaks for itself. Business in rubber shares has been restricted only by scarcity of sellers at market prices, and it seems that more activity is likely to be seen in this section in the near future, especially when the allowance is further reduced to 70 per cent. from next month.

The Exchange Market has been very dull during the week, and closes quiet in the absence of bills with Ready T.T. quoted at 1.6d. Short money has been in slightly less demand, but there have been good takers of Fixed Deposits. Rates are quoted at 4½ per cent. for Short and One Month and 5 per cent. for Two and Three Months.

BOMBAY NOTES.

The Rupee.

It seems a great pity that financial matters should be regarded in India as a subject for politics and for politics only. Whether the rupee should be 1s. 6d. or 1s. 4d. or some wholly different figure, and whether the existing Imperial Bank is fitted to fulfil the functions of a Central Bank, appears to the man of ordinary intelligence to be technical questions of great delicacy to be discussed by financial experts. It does not appeal to the ordinary man how these matters affect one political party more than another: many Englishmen at any rate would, as far as their own business is concerned, prefer the lowest rate of exchange, and there does not appear to be the least reason for making a racial feud out of it. But that is the spirit in which this highly technical matter is likely to be thrashed out in the Assembly: and a division, which could only be of any interest, if all whips were taken off, is likely to follow the strictest Party lines.

The Back Bay Scheme.

The enthusiasm of the Indian legislator for interference with matters of no consequence of which he has no knowledge, is likely to cripple very seriously even those legislatures which are most earnestly attempting to face the problems of Government. How far it would have been possible to dismiss the Back Bay Scheme soon after its inception is doubtful; the most ardent opponents of Government were inclined to favour it more wholeheartedly than many of those on Government benches. But the opportunities of discussion were thrown away by the inveterate passion of the Indian for irrelevancy. It was the practice of Government to put the demands for the Development grants at the tail end of the Budget, for the discussion of which twelve days were allowed. The Budget consists of a series of many hundred demands for grants of all kinds, great or small: and it appears to be the practice of Indian members to compete for the maximum number of objections.

For several years in succession the debate had to be closed before the Development estimates had been reached, while honourable members vied with each other in arguing such points as whether a telephone ought to be installed at the policeman's bungalow in some up-country station: and, if so, whether the installation could be done for less than the estimate of Rs.275 or not. This shows zeal, no doubt, but a certain lack of a sense of proportion, which will have to be remedied before the Indian legislators take their proper place in the constitution.

Whether any good would have been done is more than doubtful. It is probable that words of warning would

have been unpopular on both sides of the House. For a point which the Report of the Commission ignores, is that the Back Bay Scheme was almost universally popular at the time it was instituted. It was very far indeed from being thrust on the people of Bombay by Lord Lloyd and the Government: on the contrary it was looked upon as a Government investment of vast profit-earning capacity: and it is safe to say that, had it been a public flotation, almost every member of the Opposition in the Legislative Council would have fought for shares. Sir Chimonlal Setalvad's estimate of fantastic profits, quoted in the Report, was received by a crowded house without the slightest question: and any dissent would have met with the same sort of reception that would await a turbulent stockholder at a general court of the Bank of England.

The Report of the Commission is an admirable one, but it does not seem to me that it quite recognises how completely the scheme was accepted by the whole of the Indian population of Bombay, and how universal was the belief in its success. On one occasion, a responsible Minister, in a speech in the Legislative Council at Poona, spoke of the ridiculous suggestion that a certain plot of land in Bombay was worth only Rs.500 per square yard—the equivalent of about £100,000 per acre: and in this estimate of the future value of land he was supported by several leading members of the Opposition who poured scorn on the unfortunate head of the non-official Englishman who had ventured to dream of the possibilities of lower prices.

Lord Lloyd was himself no pessimist; but he certainly did nothing to stimulate, and probably did a good deal to modify, the unreasoning optimism of the general public of Bombay—and though the responsibility of the scheme is no doubt his, he was never in the position of forcing it on a reluctant public.

The scheme, as run by Government, has been an expensive failure: but if it had not been run by Government, it would certainly have been taken up by a company, the failure of which would have been even more disastrous to the financial stability of Bombay than the public loss has been. And, as the Back Bay Company of 1864, left to future generations, when all was done and said, the fine expanse of maidan seaward of Queen's Road, I believe that our successors, when to-day's troubles are over, will find the amenities of Bombay enormously increased by the operations of the Development Board.

“COMRADE SAK.”

It is curious that all three of the “Indians” who have sat in the British Parliament should have been Parsees—members of what is numerically by far the smallest of the communities of India and, strictly speaking, not an Indian community at all; since the Parsees are, and always have been since they sought asylum in India, foreigners not only in race and religion, but in outlook also. If it be true that a prophet is without honour in his own country, this fact perhaps explains the triumph of Mr. Saklatvala's progress in the Bombay Presidency, where he has been affectionately dubbed “Comrade Sak” and hailed as “the greatest Communist of the world”—presumably since the death of Lenin, of whom his Indian admirers class him as an even more fervent (though not, perhaps, more humble) follower than Mr. Cook himself. It is reported that, in Bombay, he addressed several “tremendously huge concourses of humanity”: and took the opportunity “to drill his fresh and dynamic views into the hearts of his audience with his magnificent oratory to which, indeed, there is no parallel in India to-day. Wherever he goes, he enlivens the atmosphere and electrifies his hearers with the message which he is carrying home every day to thousands of hearts with the shafts of his inimitable eloquence. If Mr. Saklatvala, one of the most eminent sons of modern India, continues to

preach throughout the country as he has done in Bombay, he will fire many an imagination and convert many a mind in the course of his whirlwind tour.” At one of his meetings the Chairman, in introducing him, said that, if the pictures of communism drawn by the capitalist press were correct, Comrade Saklatvala would be returning to India “with his hands bleeding with blood. But nothing of the kind had happened. The heart of the Comrade was full of the milk of human kindness.” At another, Mr. Saklatvala was presented with a red rose, “in humble token of affection”: and, on this occasion, the Chairman of the meeting, “when pinning the rose on the Comrade's buttonhole, said that, in days to come, that flower was going to be the symbol of India's Communism.” At a third, he was presented with a *khaddar* purse containing money collected from among those attending the meeting: which (the purse, presumably not the money) he said he would cherish all his life as a token of the love of the donors towards himself.

Among the gems of speech which fell from his lips when, “amid sky-rending shouts of joy from the huge audience,” he rose to speak on the first of these occasions, were condemnations of thrift and of usury. “Thrift,” he declared, “is a vice: it is a sacrifice of the present generation. Usury was condemned by public opinion even in the days of its inception. The money-lender, in those days, used to be put down and condemned by the enlightened section of society. In capitalism the simple form of benevolent money-lending had been converted into a powerful pump with which capitalists started pumping blood out of poor human beings.” Among resolutions passed at the various meetings was one of thanks to the people of North Battersea for their firm stand by Comrade Saklatvala: a resolution which, it was decided, should be “communicated to the Mayor of that county.” Another, passed by a meeting of Muhammadans, under the auspices of the Central Khilafat Committee with the inevitable Shaukat Ali in the chair—where the “august” Parsee guest was greeted with deafening shouts of the Moslem war cry “Allaho Akbar”—called upon the King of Egypt to “permit Mr. Saklatvala, a brave and courageous friend of Islam, to land in Egypt on his way back to Europe, and thus remove the blot of ungratefulness from the good name of Islam.”

It is true that Mr. Saklatvala's expositions of his creed have not altogether escaped criticism. One of his most enthusiastic supporters in the press goes so far, indeed, as to suggest that some of his views “are based on an imperfect understanding of the real conditions in India.” Another otherwise friendly critic says that Comrade Sak is “importing not the stodgy beer of England but the heady wines of the Continent or rather the too-exhilarating vodka of Russia, and the danger is that the tee-totalling people of India may be too much intoxicated by these treats. . . . He condemns the cinema as stupid, idiotic and foolish, but allows it a place in the modern mechanism on the ground that we cannot fight against the inevitable. We would not allow it any place, nor would we consider that we have to be dragged willy nilly in the general herd which follows industrialism as the rats followed the Piper of Hamelin.” But these are, after all, very small spots on the sun. It must be a new and pleasing experience to Mr. Saklatvala to be reported at full length in place of his usual fate in the English “capitalist” newspapers' reports of Parliament—the discussion was continued by” Mr. Saklatvala and others. Up to the present, he has never been so contemptuously summarised as in the famous report that said, of a debate in the House of Lords, “after some fatuous remarks by the Bishop of ———” (a Prelate whose best-known oratorical efforts were often quoted a generation ago—“I feel a feeling that I feel you all feel”: and “And these, I think, are the things we all think we ought to think about”); but, on the record of his recent speeches in India, there is no need for him to lose hope.

chartered by Government for the conveyance of troops to India, his only practicable alternative, to the Overland route, was by "the fine and fast-sailing ships of Messrs. Green or Wigram, which generally perform the voyage in three or four months." The only advantage of the all-sea route was cheapness; for, while the Overland journey to Bombay averaged 34 days only, it cost £140 first class, and the sea voyage by steamer cost £90 (plus £2 as "steward's fee") and by sailing ship £70 to £100 "according to accommodation offered." But the young Civilian is warned that, as he gets no pay, nor does his service commence, until he has reported in person to his local Government, "if he travel by a sailing vessel he loses every chance of promotion that may have arisen during a period of four or five months: and, as deaths are frequent in India, it is but fair to presume that many vacancies would take place during so long a period."

Climate

The traveller is advised, if possible, to avoid leaving England later than February; for, if he should "make his first visit to India in the hot (May) or rainy (June) season, he is almost certain to have successive attacks of all those diseases which are most peculiar to the climate." by way of emphasising this piece of advice, it is added that "the old Indian," when homeward bound, generally leaves in April at the latest, and then frequently "sojourns some time in Italy or France before returning to England, or he will find the change of climate too severe for his shattered constitution."

Outfit.

The list of indispensable articles of outfit is a long and comprehensive one, including, among many other items, 3 long-cloth shirts, with linen fronts, 6 dress shirts "if worn," 18 Indian gauze waistcoats, 54 pairs of socks, 24 pairs of gloves and 30 towels: besides a "Maud shawl, which can be used as a dressing-gown in the morning, wrapper by day and coverlet by night," two veils, one green or blue and the other brown, a sun umbrella, a brandy flask, and a bottle of smelling salts. (A list of outfit for a lady is also included, among the items in which may be mentioned 24 pairs cambric trousers (plain) and 12 ditto (trimmed), 12 common and 6 spring muslin nightcaps, 6 pairs mosquito sleeping trousers, and 24 Indian gauze waistcoats). The male outfit also comprises a travelling book case, with a list of recommendations for filling it with "a Library which will contribute much to beguile the traveller's weary hours and will enlighten him as to the manners, customs, peculiarities and origin of the various castes with whom he will hold constant intercourse." Then follows a formidable list of about 200 books—mostly, to judge by the titles, of a strictly educative nature: witness "Indian Commissioner's Reports to the House of Commons," "Wilson's Select Specimens of the Theatre of the Hindus," "The Oriental Treasury of Indian Knowledge," "Meteorological observations of the Bombay, Simla and other Indian observatories," "Chemistry of Creation," and Hayden's Dictionary of Dates, as examples. Finally, the lady traveller is urged to take out with her "her own patterns of every article, even from a chemise to a dress, cut out in calico, with the dimensions accurately marked on each piece," so that she can get her garments made for her, under her own eye, by an Indian tailor; for "the charges of milliners in India are most exorbitant and frightful in the extreme, it being usual for a European to charge from £2 to £3 for making up a dress!"

Recommended Firms.

The "India gauze waistcoats" which, it is to be noted, appear in both the male and female outfits list (though the lady needed more of them than the gentleman), are described as a speciality of Messrs. Thresher and Glenny, next door to Somerset House, Strand. One wonders whether that famous firm, still in the same location, makes "Indian gauze waistcoats" now: and, if so, whether there is still a market for them. Many other names of

firms still well known appear in the "recommended" list: e.g., Stanford for maps, Waterlow for stationery, Heal for bedsteads, Thurston for billiard tables, Thacker for newspapers, Chubb for safes and locks, Keating for cough lozenges, Crosse and Blackwell and Mortons for groceries, Finnigan for trunks, Whitelock for shirts, Eaton and Dellar for fishing tackle, Samuel Bagster for books, Hickie Borman and Co. for passages, Grindlay and Co. as agents. If the traveller is liable to sea-sickness, "three drops of creosote taken in a small quantity of water half an hour prior to embarkation, and the same dose on a piece of sugar, repeated every half hour, is an excellent antidote": and the advertisements in the volume include one of "Joseph Brown's patent anti-sea-sickness sofa beds"—though these, perhaps by an oversight, find no place in the recommended outfit—announced as "acknowledged by all the Captains of the Port of London to be a complete preventive against sea-sickness and all the disagreeable sensations attendant on the motion of the ship."

The Red Sea.

The Indian part of the Overland traveller's voyage may be said to have begun at Suez—referred to, in the book as "that miserable hole" and "that most wretched hovel of a place." As to the Red Sea, "this portion of the Overland route is by far the most dangerous and trying to climatise as well as unclimatise constitutions, and many old Indians on their return, and Europeans on their passage out, have found watery graves in this sea." The heat in the day time is almost unbearable—rarely is there a breath of wind, the body becomes heated and the traveller, to assuage his burning thirst, has recourse to drinking what, in those days, was the rational beverage (during his passage through Egypt, he is constantly warned to avoid drinking water, and to stick to it) Pale Ale. Aden is reached after eight days. The book says there is hardly anything to be seen that is worthy of note except boatmen—"arrant knaves, wild Arabs, with red hair." The water tanks, now the stock "sight" of Aden, are not mentioned; presumably they had not then been excavated.

Bombay.

Eight days' voyage from Aden brings the traveller to Bombay; where, if he is bound further, he must put up at a hotel—with a company "of a most heterogeneous description." If, however, he has been posted to Bombay, he must rent, and furnish, a house, and supply himself with a staff of servants. When arranging to rent a house, he must be careful to obtain the signatures of at least two witnesses to the agreement, "because deaths take place suddenly in India, and then great difficulty exists in proving the signatures, if one party only attests a document." A special difficulty that is likely to confront the new tenant is a "squatter" in his "compound"—often occupying a small hut which the book correctly describes as a "nuisance." The best method of abating this reads somewhat surprisingly. Complaint, or an attempt to buy out the squatter, is certain to be useless: "the most effectual, safest, easiest and most economical plan will be to purchase a small pig, price five rupees, have a hole made in the hut, and send the unclean animal into the premises, at the appearance or sound of which the whole of the inmates will abandon *instantly*, as it is against their creed to remain in any place which a pig has crossed or inhabited."

Finance.

The furnishing and equipment of the new arrival's establishment is reckoned to cost from 3150 to 4700 rupees: and, as the initial pay of the young civilian was 300 rupees a month, it is easy to agree with the opinion that "it is quite out of the question for any civilian, on his debut in India, to form an establishment without incurring debt, unless his parents or guardians place sufficient funds at his disposal to purchase such for cash, which they are *most earnestly* solicited to do." The alternative is debt: and the book contains a very lengthy

and impassioned warning against "purchasing rupees"—borrowing from a native moneylender: "who, like the venomous cobra Capella, twines himself tightly round his victims, and has scarcely ever been known to leave them during the lengthened period of their sojourn in India": and who uses his hold upon the official to pervert the course of justice in his own interests, or to obtain favours for himself and his relatives; so that "the Civilian who has so far degraded himself as to "purchase rupees" loses his own independence and becomes the mere puppet of the designing and unprincipled native." One wonders whether Rudyard Kipling ever read this book, and whether he worked its views into the couplet in his "Maxims of Hafiz," that accurately summarises them:

"Yea, though a Kafir die, to him is remitted Jehannum
If he borrowed in life from a native at sixty per cent. per annum."

Servants.

The compilers then proceed to enumerate the staff of servants necessary for an Englishman who desires to keep up a proper position in India. These number no less than 32, whose united monthly wages total to 259 rupees; so that anyone, who feels the need of keeping up such an establishment, must obviously be in receipt of a private income in addition to his pay. For one not so fortunately situated, and who is prepared to exercise "the most rigid economy," it is possible to make shift with 13 servants; but this is the absolute minimum. Indian servants, with one exception, are declared to be "with the slightest over-colouring, the most adroit and consummate rogues that are to be met with in the whole universe. True it is, that they will not allow any of the other menials to cheat their master, unless previously consulted; but yet they themselves will rob, plunder and deceive their employers in the most shameful, impudent, cunning, barefaced, heartless and unconscionable manner imaginable." The one exception is the "Sepoy, or belted messenger": whose fidelity in the discharge of his duties "is patent to the Indian world. He may be safely trusted with any sum of money to take to the bank or pay to tradesmen without the least fear of his betraying his trust."

Housekeeping.

The young Civilian is recommended to buy, so far as possible, his stores direct from England: in particular, "as the nature of the climate renders the consumption of Pale Ale considerable, the resident European may effect a great saving in that article by importing the quantity he may require direct in hogsheads, preferably on a standing order every quarter; which, on arrival, his butler will bottle off under his own immediate surveillance." As regards perishable stores, which must necessarily be bought locally, the dealers will cheat the official openly—"the native buttermilk who supplies the establishment of a Civilian who has the entrée at Government House will only give him twelve cups of butter for a rupee; while a European engineer, or any individual in a similar position, will obtain sixteen cups at the same price." According to a specimen household account, made out for a practitioner of "the most rigid economy" with the minimum of thirteen servants, the youngster is left with a monthly credit balance, over and above his board and lodging and the wages of his servants, of 54 rupees: from which to defray "incidental expenses—viz., wine, brandy, soda water, clothing, repairing, carriage and saddlery, veterinary surgeon, newspaper subscriptions, medical attendance, subscription to Civil Service fund, postage, etc.": and the conclusion drawn from this calculation is nothing more nor less than what is termed in India—*subsistence allowance*."

Conclusion.

Finally, the youngster is urged to shun the insidious siesta and to "battle with that dead langour and heavy torpid lassitude which creeps over every European when resident in India. It is then that he should rouse himself, mount his horse and take a hard gallop, which will have the effect of restoring him to his accustomed energy."

One does not know what the Honourable East India Company thought of this presentment of the position of the young Indian Civilian; nor what effect it had on "the competition of candidates for the Indian Civil Service." perhaps they were too busy with the Mutiny to notice it. But it does at least show that the I.C.S. had its grievances in 1857, and that the disabilities that led to the appointment of the Lee Commission, had a parallel seventy years ago. One cannot imagine similar propaganda receiving the "patronage" of a modern Secretary of State for India: and one may be excused for supposing that such an attempt to smooth the way of the young Indian Civilian would nowadays be the reverse of popular with the powers that be; even if those that were, in 1857, looked upon it not only with calmness, but even, as it would seem, with approval.

CURRENT TOPICS.

Civil Aviation.

In a reference to the subject of civil aviation in India in these columns some time ago, the opinion was expressed that what was needed was that the Government of India should be spurred into activity by someone sent from Home for the purpose. Sir Samuel Hoare's visit has evidently produced the desired result; for it is now announced that the Government—which had "found it impossible" to ask for the money in advance—is demanding a supplementary credit of approximately ten lakhs of rupees, in order to pay for the work either undertaken or decided on in anticipation of financial sanction. This, we are told, includes the provision of a mooring mast at Bombay and arrangements for another at Calcutta: also, apparently, the acquiring of the existing landing ground for aeroplanes at Karachi—at present, it appears the property of the Royal Air Force—with a view to charging Imperial Airways rent for the use of the sheds. As for the near future, "expert consideration is being given" to the modernizing of the Karachi wireless station and to the extension of the Karachi meteorological service. As to internal aviation, it is announced that India "may soon consider" the conversion of the fortnightly Cairo-Karachi service into a weekly one with a view to its extension to Delhi: that "it is proposed to lay down" a chain of landing grounds from Karachi to Victoria Point (in the extreme south of Burma) and to establish this as an invariable route across India: and that it "hopes in the near future" to invite tenders for an aeroplane service from Calcutta to Rangoon, for which a subsidy should be offered, the contract to contain a condition that any Company formed to operate the service must be registered in India with rupee capital, and shall be required to afford training and opportunities to Indians in all branches of its work. For the "establishment of the trans-Indian air route" and the salary of the new Director of Civil Aviation, a credit of 1½ lakhs of rupees is to be asked for. These are rather modest beginnings; but it is something that, at least, a beginning has been made, and it seems certain that it is Sir Samuel Hoare's visit that is responsible for it. It may be hoped that his departure will not prove the occasion for a relapse.

INDIAN MAIL.

"Whitewash."

In its issue of January 27, THE NEAR EAST AND INDIA wrote, of the Bombay Reclamation Committee's report, "It has always been the fashion, in extremist circles, to characterise official reports of this nature as 'whitewashing'; but it will be difficult for the most violent partisan to apply this particular epithet to the present report; although it is not at all unlikely that extremist perverseness may make such a suggestion regarding the

Committee's findings in the matter of 'dishonesty'—a reckless charge in which it is certain that no one ever believed."

Some of the extremist papers have risen surprisingly to the occasion. The *Bombay Chronicle* publishes "the main conclusions of the Committee" under displayed head-lines which are headed (in letters nearly an inch long) by "The Expected Whitewash": and proceeds, in its leading article, to impugn the honesty of the Committee. "Once more public funds have been wasted by what was made to appear, when it was appointed, a well-balanced and conclusive Committee, but which, in the result, has turned out to be a mere whitewashing effort on the part of Government to save their own face and the skin of their muddling henchmen. . . . Signs are not wanting of the restraint imposed on this Committee by their age, experience, or expectations of further official preferment. . . . The incompetence and inefficiency of everyone associated at the top with this enterprise . . . deserves a greater condemnation . . . and would have secured a different set of recommendations from the Mears Committee had they not been over-anxious, as is evident from many places in their report, to minimise the guilt of the officials. . . . Nothing is more conclusive of this attitude on their part than the judgment of Solomon which they have delivered in regard to the allegation of dishonesty on the part of officials. Corruption is not seldom the twin sister of incompetence: and, where inefficiency was rampant to the degree to which it is revealed even in the cautious document now made public, it is not conclusively proved that a closer examination of papers would not have brought to light serious over-payments, discrepancies, etc. . . . There is no evidence in the report to convince the public that their inquiries have gone far enough and that they have not made those invitations to the public (to put forward proofs) with their tongue in their cheek, since it is not possible in human nature to expect that those who profit by corruption would come forward with accusation or evidence. . . . If ever there was a fiasco of public inquiry, it is the Mears Committee."

Indianisation.

The remarkable progress that has been made during the last few years in the Indianisation of the government in India is hardly realised in this country. In a recent speech the Governor of the Central Provinces stated that, of the 33 members of the Indian Civil Service who had not completed ten years' service in the Province, seventeen are Indians; while, in the Forest Service, there were eight Indians out of seventeen of the same standing. In this connexion, it is worth noting that 112 candidates entered for the competitive examination for the Indian Civil Service that began at Allahabad on January 3. Incidentally, it is interesting to see that the Public Services Commission was making what would seem to be its first public appearance, at this examination; where its members, assisted by a local official—one is inclined to wonder why, in the case of an All-India service, this should be thought necessary—were to conduct the vivâ voce examination. The men recruited at the last examination in London numbered 29 Europeans and eleven Indians; so the number of vacancies to be filled at Allahabad is presumably eighteen. According to present experience, it is unfortunately almost certain that a number of these will have to be filled by nomination; an expedient that is rendered necessary by the fact that the candidates appearing at such examinations are nearly all Hindus, most of whom are Bengalis or Madrasis. No doubt it will be

some time before this state of affairs can be altered; but in the meantime, the number of candidates shows that the service is decidedly popular, and that the rapid advance that is taking place in its Indianisation is fully appreciated by those whom it most concerns.

Sub-Provincial Autonomy.

The writer of these notes has received, from personal correspondents in India, a number of interesting comments on the idea of Indianisation of the government from below, by the creation of comparatively small administrative units with a semi-autonomous system of government. A friend writing from Calcutta suggests that the City with the whole of its adjacent industrial areas would need a separate "sub-provincial" government of its own: perhaps something on the lines of the County Council government of Greater London. "Few people at home," he writes, "have any idea of the size of these industrial areas, which run some forty-five miles north and south, closely hugging the river; while their population, including the mill hands, must be four or five millions. These areas would simply not exist were it not for the British trading interests, and it is in them that the most persistent political agitation is found."

A correspondent from Bengal suggests two other candidates for separate representation—the tea areas in Assam, the Dooars and Northern Bengal, and the coal-mining districts in Bengal and Bihar: neither of which, he thinks could be handed over to Indian administration without the result of introducing "a flood of pleader agitators" among the labourers. The "sub-provincial" idea does not, in fact, contemplate exclusive, but only progressively preponderating Indian administration: which may, of course, in time and under proper safeguards, become exclusive; but, at any rate at first, there would certainly be a number of areas whose peculiar conditions would need special treatment.

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Commercial and Financial Section.

NOTES AND NEWS.

170, Strand, London, W.C.2.

Tuesday Morning.

Prospects in Palestine.

We give this week lengthy extracts from a comprehensive report on conditions in Palestine as at October last which has just been issued by the Department of Overseas Trade. The report, which is by Mr. K. W. Stead, Director of Customs, Excise, and Trade in Palestine, is one which deserves careful perusal by all who are interested in the progress of this important Mandated territory. One point that Mr. Stead makes that is of special interest is that the country is under-populated, but, of course, one of the causes of the trouble from which the country suffered last year was an undue influx of emigrants into a land not yet ready to receive settlers in such volume. Palestine, it may be emphasised, requires town dwellers no more than Australia and Canada do, and it may be assumed that it was because to some extent the wrong type of settler was being attracted that last year witnessed the development of a significant movement to leave Palestine. It is needless to say it is agriculturists (using the term in its most comprehensive sense) that are wanted, and the Jewish race can only justify the hopes based upon them if they prove (as they have demonstrated on a small scale at the various colonies) that they are as a people just as fitted to a life on the land as they are to the exchange of commodities in a large town. So far as can be seen the immediate economic development of Palestine rests mainly on the expansion of agriculture and of industrial undertakings appertaining to the land. The provision of power in the form of electricity will go far to open new economic outlets, but it has to be borne in mind that it cannot provide the country with raw materials which it lacks. At present Palestine has a large adverse balance of trade, but this, Mr. Stead points out is accounted for by invisible items, such as the tourist traffic, expenditure of Zionist funds, immigrants' capital, and investments and remittances from abroad. In the tourist traffic the country has an asset which no doubt will be of constantly increasing value in the future.

British Trade with Palestine.

The trade figures give Great Britain little cause for satisfaction for there is no getting away from the fact that we have not been able to hold our own with our rivals in this market. A particularly glaring instance of the way in which we have been outpaced is provided in the case of motor cars. As was to be expected motor transport has developed considerably in Palestine in recent years, and the figures of the registrations of vehicles given by Mr. Stead indicate plainly the prospects in this direction. In 1925 805 motor cars were imported into Palestine, and of this number the United Kingdom provided four as against 738 from America, 24 from France, and 23 from Italy. It is unbelievable that this is the best our manufacturers are capable of in competition in this market against America, and one can only assume that

it is due to the outlet having been overlooked; it is to be hoped that the publication of these figures will suffice to bring about a different result.

Sudan Trade Progress.

The figures for the trade of the Sudan for the first eleven months of last year make an excellent showing compared with the same period of 1925 even if the expansion shown has not quite come up to expectations. The value of the imports was £E4,827,654, while that of the exports was £E4,751,012, the total trade amounting to £E9,981,545 as compared with £E8,598,059. It will be seen that the Sudan has now a slight adverse trade balance as against a favourable one in previous months, though if re-exports be included the converse is the case. Two factors in 1926 may be said to have prevented a really marked development of the commercial figures as compared with the previous year. On the one hand the failure of the durra crop had a generally depressing effect while the expansion of cotton growing had only a limited effect on the population. On the other, while exports of cotton amounted to 498,833 kantars as against 171,225 kantars the fall in the price of cotton was such that the effect on the export figures was quite disproportionate. It is satisfactory to learn that the outlook for the Sudan generally is now improving. A second failure of the durra crop is unlikely, and the reports regarding other staple crops are fair so that it may be assumed that the period of depression will give place to commercial activity which will be marked by an increase in imports. The outlook for cotton is reported to be particularly good, and it seems probable that the official estimate of the yield (which was given in these columns recently) will be considerably surpassed. If the crop is disposed of at good prices—and the indication is that the cotton market is now on the up grade—then the Sudan should be in for a good year, which, it may be added, will go a long way to popularising cotton as a crop in the southern districts of the country where American is grown, the increase in the cultivation of which variety is so necessary to this country to decrease the strain on the sterling exchange in New York.

Italy and the Near East.

A further indication of Italy's growing interest in the Near East markets is provided by the news of the dispatch of an Italian floating samples exhibition to the ports of

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the Mediterranean and the Red Sea. Since the first few years after the War, as a matter of fact, Italy has been making rapid commercial progress in the Near Eastern outlets. The Turkish trade figures are illuminating in this connexion. In 1925 Italy was at the head of the list both as regards imports and exports, and the only one of her rivals to make really rapid and consistent progress in the last few years has been Germany. In Turkey's import trade Italy's figures for the years 1923 to 1925 in millions of Turkish liras were 28, 40.9 and 43.4, the last figure representing 18 per cent. of the total trade. In those years Germany rose rapidly from 9 to 27.4 million Turkish liras which represents 11 per cent. of the trade and gives Germany third place in the import list. In the exports for 1925 Italy's percentage is 26 while Germany's is 14, but in the case of the latter country it may be noted that between 1923 and 1925 her exports from Turkey have almost quadrupled. One would like to be able to say that Great Britain was making equal progress in this important market, but the figures unfortunately do not permit of this deduction, but one may hope that this year with the lower prices now ruling it will be possible to compete more advantageously with these two great rivals in the Near East.

The British Industries Fair.

The fact that buyers from thirty-four countries will attend the British Industries Fair, which opens on Monday in London and Birmingham, indicates very plainly the reputation this annual event has acquired in the course of its very brief existence and the assured basis on which it rests. When it was inaugurated during the War there was bound to be considerable doubt whether, in view of the competition to be anticipated from similar institutions abroad, it would be able to hold its own in the future, but doubts on this head have long ago been dispelled, and year by year the Fair fulfils an increasingly useful function in demonstrating to foreign buyers the new developments in British industries. Its rôle hitherto would have been much more effective if the conditions had been favourable. It was held last year, for instance, under the shadow of an approaching industrial crisis. This time the sky is relatively clearer than it has been at any time since the Armistice, and it is reasonable to anticipate a great volume of orders at the Fair. A particularly satisfactory feature of the Fair this time will be the presence of a number of buyers from the Near East, and it may be hoped that the time will not be far distant when every country included in this region will be represented at this event.

COMMENTATOR.

Joseph Cattani Pasha, a former Minister of Finance and of Communications in the Egyptian Government, has been appointed a Senator. Cattani Pasha is President of the Cairo Jewish community.

British Trade Reports

I.—PALESTINE.

The economic and financial situation of Palestine is the subject of a detailed report by Mr. K. W. Stead, Director of Customs, Excise, and Trade of Palestine, from which we give the following extracts:—

Palestine, as administered by the Palestine Government, has an area of roughly 9,000 square miles in extent, and includes only that part of historic Palestine which lies to the West of the Jordan. The population, according to the census on October 23, 1922, was 757,182, of which number one-third is located in 22 towns and large villages. It is estimated that the population as at April 30, 1926, was 752,268, plus over 100,000 nomadic Bedouins. Of these it is calculated that 528,229, plus over 100,000, are Moslems, 139,645 Jews, and 75,936 Christians. The others are mostly Druses. These figures do not include His Majesty's forces in Palestine. Jewish immigration and the measures taken to protect the public health have been important factors in the increase of population.

The country is under-populated and under-cultivated, and lacks capital, but the wants of the rural districts, other than those which they can satisfy by their own production, are few, and there is little poverty. Modern business methods are making headway amongst the urban population, and there is every reason to hope for further development and progress.

Finance.

The following expenditure has been incurred from surplus revenue balances and from advances by the Crown Agents, London, in anticipation of the issue of the projected Palestine loan of £4,500,000:—

	£E.
Railways	1,405,241
Buildings	57,087
Roads and Bridges	123,091
Telegraphs and Telephones	129,315
Other works of development—	
1. Harbours and Wharves	4,468
2. Cadastral Survey	127,672
3. Land Settlement Courts... ..	15,525
4. Stud Farm, Acre	308
5. Afforestation	3,003
Total	1,955,717

The sum of £1,000,000 is due to His Majesty's Government in respect of railways, roads, telegraphs and other capital assets acquired by the Palestine Government. Provision for the payment of this amount is included in the schedule of the projected Palestine loan referred to above.

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Agricultural Loans.

In accordance with the terms of an agreement between the Chief Administrator of the Occupied Enemy Territory Administration and the Anglo-Egyptian Bank, Ltd. (now Barclay's Bank (Dominion, Colonial, and Overseas)), the bank has advanced the total sum of £E561,911, for loans to cultivators, of which £E404,980 have been repaid, leaving an outstanding balance of £E156,931 at March 31, 1925. The loans to cultivators bear interest at the rate of 6½ per cent. per annum.

The cost of maintenance of the military units in Palestine is defrayed from Imperial funds; and grants-in-aid have been made to the Palestine Administration, as under, to meet the cost of the British section of the Palestine Gendarmerie, which constituted a part of the Civil Forces up to March 31, 1926:—1922-23, £E287,625; 1923-24, £E234,606; 1924-25, £E187,200.

Palestine possesses no stock or produce exchanges or organised money markets, although some merchants indulge in speculation in shares and currencies.

Trade Conditions.

The commercial situation of the country, which became more stable during 1924, received a considerable stimulus during 1925 owing to the large numbers of new immigrants possessing capital. Immigrants entering the country during the year numbered 34,641, a large percentage of whom were possessed of considerable means, which were deposited in the banks, thereby facilitating the granting of credits. During the first part of the year the rate of interest on loans reached the lowest figure since the British occupation. Some 6,000 building permits were issued by municipalities, and a sum exceeding £E2,000,000 was invested in buildings during 1925 in order to provide housing accommodation for the new settlers. The principal centre for this activity was Tel-Aviv, where over 70 per cent. of the total amount spent in building operations was invested.

The requirements of the country, particularly in foodstuffs, clothing, and machinery, increased considerably, especially as the cereal season of 1925 was a poor one owing to drought. As a result of the increased demand traders indulged in speculative purchases abroad, particularly in the building and allied trades. The immobilisation of capital in extensive building operations and land purchases, coupled with speculative purchases abroad, caused a shortage of capital towards the end of the year which led to a restriction of credit. This synchronised with a decline in the building activity and resulted in a depression in trade which still continues (October, 1926). A number of bankruptcies occurred, but the total liabilities were relatively small. These failures were due principally to keen competition and the unsound basis on which certain traders were working. The urban population of the country, particularly that of Tel-Aviv, is suffering most from the present depression.

With a cautious policy on the part of the banks, the cessation of land speculation, and the restriction of orders by traders, it is anticipated that the trade depression will be only temporary.

The adverse balance of trade is accounted for by the following invisible items:—Tourist traffic, expenditure of Zionist funds, religious and relief missions, immigrants' capital, re-exports to Trans-Jordan and Syria, and investments and remittances from abroad. Though the balance of trade is not satisfactory, it is not alarming.

Modern methods of business are progressing rapidly, and though 35 to 45 per cent. of the trade is still in the hands of commission agents or small merchants, direct connexions with foreign firms are increasing. A relatively large number of partnerships engaged in all branches of trade were registered in 1925. Twelve foreign and 27 Palestinian companies were registered during the year, as compared with 13 and 29 companies respectively registered during 1924. The Palestinian companies represent a capital of £E255,675.

A number of chambers of commerce are functioning in the principal cities. The Jerusalem Chamber is composed of members from all nationalities, whereas those at Jaffa and Haifa are divided into Jewish and Arab chambers. There are also a number of traders' associations at the smaller towns of Hebron, Gaza, Acre, Nazareth, etc. The principal chambers are in constant touch with the Government on questions connected with the promotion of trade in general.

The increase in the imports during 1925 as compared with 1924, amounting to the sum of £E2,078,576, was chiefly in cereals, foodstuffs, wood and timber, cement, cotton, and woollen tissues, motor cars, benzine and kerosene. The principal decreases were in sugar, tombac, iron bars, girders, plates and sheets. The countries which contributed chiefly to the increase in imports in 1925 were, in order of importance, Germany, France, Austria, United States of America, Italy, Roumania, Syria, the United Kingdom, India, Australia, and Egypt. The percentage of goods imported from the principal foreign countries during 1925 was as follows:—United Kingdom, 14.50 per cent.; Syria, 14.50 per cent.; Germany, 12.50 per cent.; U.S.A., 9.50 per cent.; France, 7.50 per cent.; Egypt, 5.50 per cent.; Italy, 5 per cent.; Roumania, 4.50 per cent.

Although the increase in the value of imports from the United Kingdom in 1925 is not substantial in comparison with other countries, the United Kingdom trade still holds the first place in the list of countries exporting to Palestine. The principal articles imported from the United Kingdom are cotton piece-goods, yarns of all kinds, woollen tissues, and under garments. The total imports from other parts of the British Empire increased from £E351,940 in 1924 to £E583,550 in 1925, and was due to increased imports from India and Australia, consisting of wheat flour, wheat and rice.

Foreign Competition.

Syria ranks second in the list of countries exporting goods to Palestine. Goods purchased in Syria are not all of Syrian origin, and many foreign goods which have undergone a slight process of manufacture in that country are classified as Syrian goods. Animals, foodstuffs, furniture, brass and copper manufactures, olive oil, apparel, bullion and specie are imported from Syria.

Germany holds the third place. The principal articles imported from Germany are machinery, iron and steel goods of all kinds, cement, paper and cardboard. Imports from that country increased in 1925 by £E370,757.

The United States of America is fourth in the list. Imports thence increased by £E280,458. The chief articles imported in 1925 were wheat, flour, motor cars, kerosene, benzine, mineral lubricating oils, tyres and glucose.

France, which comes fifth in the list of the countries of supply, has increased her trade by £E244,099. The principal articles imported from that country are silk cloths and mixed silk textiles, wheat flour, potatoes, drugs and hosiery.

Small merchants frequently visit the Egyptian market and obtain their requirements of foreign goods from wholesale dealers in that country. The trade transactions between Palestine and Egypt are far more important than the statistics show, as only goods of Egyptian origin are included in the figure given for the total imports from this country. The rest of the goods bought in Egypt being

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classified under their respective country of origin. The principal articles of Egyptian origin imported into Palestine are rice, sole leather, vegetables, sugar, cigarettes and wearing apparel.

From the figures given below it will be observed that the textiles imported into Palestine are chiefly of British origin. Competition, particularly from Italy, has increased considerably, but not to such an extent as to challenge the United Kingdom in the supply of these goods. The following figures show the value of the various textiles imported and the principal sources of supply:—Cotton piece-goods — United Kingdom £E265,281, Italy £E135,508, France £E48,277, other countries, £E223,437; total, £E672,503. Woollen tissues wholly of wool or mixed:—United Kingdom £E47,490; France £E44,937; Italy, £E10,920; other countries, £E26,876; total, £E130,223.

With regard to machinery (excluding electrical machinery), Germany holds the premier position, the United Kingdom takes the second place, and the United States of America the third, as shown below:—Germany, £E108,119; United Kingdom, £E38,980; United States of America £E30,940; other countries £E53,583; total, £E231,622.

Exports from Palestine of local produce increased during 1925 by £E96,747 over the previous year. The principal articles responsible for this increase were oranges, water melons, laundry soap, leaf tobacco, durrh and almonds. The principal decreases in the exports of the year were in cereals, wine, grapes, hides and skins. The principal countries purchasing Palestinian produce are Egypt, the United Kingdom and Syria.

Agriculture.

Palestine is essentially an agricultural country, and it is only since the British occupation that industries have begun to develop. Before the War the manufacture of wine was the only industry existing on a large scale, and a few factories in Nablus and elsewhere made soap from olive oil by simple processes.

A considerable number of small industries manufacturing a large variety of goods, as well as a few factories on a large scale engaged in the manufacture of cement, soap, silk, leather, flour, silicate bricks and textiles have been founded by immigrants entering Palestine since the British occupation, and a total sum of over £E2,500,000 has been invested in these enterprises. Agriculture, however, continues to be the leading industry of the country.

During 1925 the country was largely dependent on imported food supplies, particularly foreign wheat, wheat flour, barley and slaughter stock. Though exports of these commodities during the previous years had been very important, imports during 1925 reached the total of £E312,682 for wheat flour, £E167,167 for wheat, £E69,712 for barley and £E128,065 for slaughter stock. This was due principally to unfavourable weather conditions and certain areas formerly planted with cereals being reserved for the cultivation of forage crops. In addition, the considerable number of immigrants entering the country during last year were responsible for a substantial increase in the imports of these commodities.

The orange trade, which forms the principal export of the country, is progressing favourably, and large areas approximating to 6,000 dunums, were planted during the year. The crop suffered from frost and drought and was slightly lower than in 1924, but the prices realised in the English markets were high owing to the failure of the Spanish crop. Cases of oranges to the number of 1,868,291, valued at £E551,463, were exported during 1925, of which 1,319,291 cases, value £E417,940, went to the United Kingdom, as against 1,880,783 cases, value £E460,350, in 1924.

The export of water melons and melons, chiefly to Egypt and Syria, has also increased, though prices realized were lower than in 1924. The value of melons exported in 1925 was £E128,447, as compared with £E106,375 for the previous year. Almonds had a better sale, exports amounting to £E32,070, as compared with £E27,098 in the previous year.

The value of wine exported was lower than that in 1924 by £E7,850. The industry is suffering from lack of sufficient markets and the strong competition of countries with a depreciated currency. Vine-growers are converting vineyards into orange groves, others are paying more attention to the production of table grapes. The production of wine and liquors as assessed in 1925 and 1924 were as follows:—

		1925. Kilos.	1925. Kilos.
Dry wine	...	1,035,523	830,838
Sweet wine	...	1,123,343	634,115
Arak	...	138,858	69,948
Cognac	...	34,356	40,905
Other liqueurs	...	13,183	6,974

The remarkable enthusiasm displayed for tobacco planting during 1924 resulted in the production of a crop largely in excess of local requirements. A large surplus caused an inevitable reaction, and the area planted with tobacco decreased from 27,137 dunums in 1924 to 11,676 dunums in 1925. This, however, may prove a blessing in disguise by ensuring the production of higher-grade tobacco leaf. The production of tobacco decreased from 1,845 tons in 1924 to 678 tons in 1925.

The introduction of new staples promising higher acreage results is being organized by the Department of Agriculture, selection being made of crops the production and preparation of which call for no considerable outlay on machinery and no special expenditure except for labour. Oil seeds, such as ground-nuts, linseed, sunflower and soya beans, and fibres such as cotton, flax and hemp, which find a ready market locally in oil and textile mills, soap factories, etc., are being encouraged. The past season was not favourable from a weather point of view, but good results were obtained at forest nurseries with ground-nuts, flax, and sunflowers, where a deficient rainfall was supplemented by irrigation. Banana cultivation is increasing. Subsidiary industries for the production of perfumes, medicinal barks, etc., have been established. Liquorice roots from the Jordan Valley are in good demand.

(To be continued.)

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Cotton and Cotton Goods.

THE LIVERPOOL COTTON MARKET.

Messrs. Reynolds and Gibson report as follows for the week ended February 9:—

Egyptian Future.—Sakel Contract.—The action of this market since we last wrote has rather justified the anticipations expressed by us in recent reports, as, despite every encouragement from the American markets, the tone has inclined decidedly to the heavy side, and prices, in spite of spasmodic upward movements, show little change from the level ruling at the time of our last circular. The factors responsible for the present tendency are the heavy stocks overhanging the market, the poor spinning quality of this year's crop, and the comparatively moderate participation by fine counts in the recent trade revival. In addition to the above, the Alexandria market has latterly given little support; rather to the contrary recent reports have revealed a decided weakness, and the fact that we are now approximately half-way through the season with so much cotton unsold is evidently discouraging holders, even in face of hardening values in other cottons. Near positions, both here and at the other side, are still under pressure, and we now find that in the local market the next active trade position, March, is the cheapest month on the board. Manchester reports continue to reveal an improving tendency, but, as mentioned previously, fine yarns do not seem to be moving off nearly as freely as other counts. Where sales have been effected the recent tendency to cover them by purchases of Sudan Sakels is still in evidence. With regard to the future course of the market, we do not anticipate much change; provided that American values register a further strong advance our market might show a reluctant following, but if this support is withheld values will probably show little change, or alternately commence to develop a reactionary tendency.

Upper Contract.—This option continues to suffer from lack of interest, but under the influence of appreciating American values and a satisfactory trade offtake prices have had a hardening tendency throughout the greater portion of the week. As there is no reason to anticipate any falling off in the trade demand, we still consider that the probabilities are for a further stiffening as the season advances, and on this account consider conservative purchases on any set-backs to be recommended.

Egyptian Spot.—A distinct broadening in the inquiry has been in evidence during the past week, but on the whole the resultant business has been rather disappointing as the turnover has only amounted to 1,200 bales. The main portion of the business transacted continues to be in the medium Upper qualities; scattered sales of Pilon have also taken place, but the Sakel offtake con-

tinues on a moderate scale, the exception being a demand from a certain quarter for export for really good staple cotton grading in the neighbourhood of Fine. Sudan Sakel continues to be in steady request, and the number of users of this variety is being consistently enlarged. Throughout the week, Manchester reports have shown a very satisfactory tone and c.i.f. business has been on an improved scale. Forwardings to spinners for the week ending February 4 show 6,714 bales Egyptian and 1,443 bales Sudan. Estimated sales 1,200 bales Egyptian and 1,600 bales Sudan. Quotations of all grades of Sakel are unchanged on the week, whilst all qualities of Uppers and Brown are advanced 20 points. Fully Good Fair Sakel to-day, 13.65d. Fully Good Fair Upper to-day, 10.30d.

Negotiations for a commercial treaty between Czecho-Slovakia and Greece will open in the course of the current month.

The production of wheat in Yugoslavia last year was about 1,950,000 tons, while the maize crop yielded 3,750,000 tons.

The production of crude by the British Burmah Petroleum Company and Rangoon Oil Company for January was 46,895 barrels.

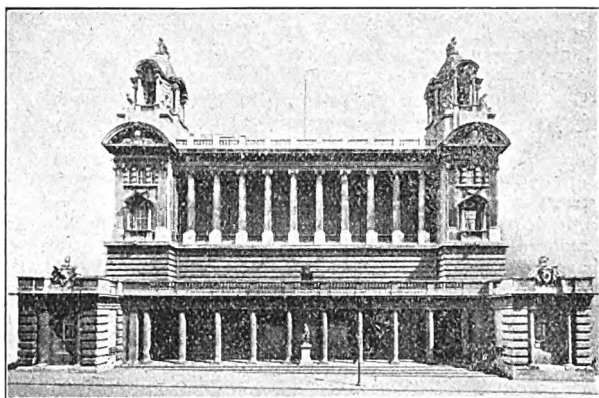
The production of the Indo-Burma Oilfields for December was 2,280 barrels, being 1,097 barrels from Yenanna field and 1,183 barrels from Padaukpin field.

The Customs duty on raw silk imported into Syria coming from countries belonging to the League of Nations, the United States of America, and Turkey, has been reduced from 25 per cent. to 11 per cent. *ad valorem*.

A contract has been received by Messrs. Wm. Simons and Co., Ltd., for a powerful cutter and drag suction hopper dredger for the port of Chittagong. The dredger will be constructed under the direction of Messrs. Rendel, Palmer and Tritton, the consulting engineers for the Chittagong Port Trust.

FOREIGN EXCHANGES.

Country.	Method of Quoting.	Parity of Exchange.	Latest Quotations.
Alexandria.....	Piastre to £	97½	97½
Athens	Drachmæ to £	25.22½	374½
Belgrade.....	Dinars to £	25.22½	276
Berlin	Marks to £	20.43	20.46½
Berne	Francs to £	25.22½	25.22
Bombay	Sterling to Rupee	24d.	18—18 1/32
Brussels	Belga to £	35	34.88
Bucharest	Lei to £	25.22½	840—845
Budapest	Pen to £	27 82	27.74
Calcutta	Sterling to Rupee	24d.	18—18 1/32
Constantinople	Piastres to £	110	945—955
New York	Dollars to £	4.86 2-3	4.85½—3/16
Paris	Francs to £	25.22½	123.30—40
Prague	Kronen to £	24.02	163½
Rome	Lire to £	25.22½	112½
Sofia	Leva to £	25.22½	667—680
Teheran	Krans to £	52	51
Vienna	Sch to £	34.58½	34.42—34.45
Warsaw	Zloty to £	25.22½	42—45



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NEWS FROM ALL SOURCES.

Yugoslavia produced about 38,000 tons of dried prunes in 1926.

The production of the Anglo-Egyptian Oilfields for the week ended February 4 was 3,167 tons.

During the third quarter of 1926 it is reported that approximately 120 passenger cars were purchased for Greece for use as taxicabs.

Messrs. Ransomes and Rapier, Ltd., Ipswich, have obtained a contract for a 5 ton steam travelling crane for the Bombay, Baroda and Central India Railway.

Mr. H. W. B. Schroeder (of Messrs. J. Henry Schroeder and Co.) has been appointed a director of the North British and Mercantile Insurance Company.

A party of 20 members of the Skupshtina arrived on February 13 in Prague to return the visit to Belgrade of Czech Parliamentarians last autumn.

Sir John Cadman, Chairman of the Anglo-Persian Oil Company, has been appointed a member of the board of the Suez Canal Company, in succession to the late Mr. Oswald Sanderson.

The authorities of the vilayet of Nigde, part of what used to be Cappadocia in Asia Minor, have declined to support the movement for prohibiting the wearing of the veil by Muslim women in Turkey.

The new bridge across the Nile at Dessuk, which has been constructed by Messrs. Dorman Long and Co., was officially opened on February 12.

The Rt. Hon. Josiah C. Wedgwood, P.C., M.P., is addressing the Anglo-Palestinian Club at Jews' College, Guildford Street, W.C.1, this evening (Thursday), at 8.30 p.m., on "Criticism of Zionism."

The contract for electro-pneumatic inter-locking at the Victoria Terminus, Bombay, of the Great Indian Peninsula Railway, has been obtained by Messrs. Saxby and Farmer (India), Ltd., who are associated with the Westinghouse Brake and Saxby Signal Co.

It is reported that a company is being formed under the title of the Yugoslavia Steamship Company to inaugurate a service from Yugoslav ports to South America. It is understood that tonnage is being purchased from the Hamburg-Amerika Line and that that concern will be actively interested in the company.

The directors of the Manchester Ship Canal Company have decided to recommend at the meeting to be held on February 23 a dividend of 3½ per cent. on the Manchester Ship Canal Corporation Preference stock, 5 per cent. on the Preference shares and 5 per cent. on the Ordinary shares. After placing £80,000 to reserve for contingencies and repairs a balance of £31,346 will be carried forward.

Sir Edward Manville, Chairman of the Phoenix Oil and Transport Company, replying at the second annual dinner of the Oil Industries Club at the Trocadero Restaurant last week to the toast, "The Oil Industry," said he thought the people of this country owed a debt of gratitude to the pioneers and sportsmen who, 25 years or more ago, realised what the position of this country might be if we did not have powerful influence in the production of oil. He did not think it was going too far to say that Great Britain would be in the forefront of the oil industry, for while she was not producing in the various parts of the world to the extent of others, she was at least reserving oil lands which would almost certainly in the future put her in the forefront of oil production.

TENDERS INVITED.

Tenders are invited for the following contracts, and must be made by the dates mentioned.

(Particulars of tenders marked D.O.T. are to be obtained from the Department of Overseas Trade, 55, Old Queen Street, S.W.)

EGYPT.

Chemical Manure, Bags, Sacks, Etc.—The Egyptian Ministry of Agriculture are inviting tenders for the supply of the following goods required during 1927-28:—(a) Nitrate of soda; (b) nitrate of lime; (c) sulphate of ammonia; (d) superphosphate of lime; (e) new bags for bagging the nitrate of soda; (f) new sacks for sacking cotton seed (Tagawi); (g) twine (coloured blue); (h) pieces of tin for sealing. March 21. (D.O.T.) In the case of certain quantities of nitrate of soda required the latest date for the receipt of tenders is June 7.

Paints, Etc.—The Ports and Lighthouses Administration, Alexandria, invites tenders for the supply of the following goods required during the year 1927-28:—(a) Paints, oils, soap, tallow, tar, etc.; (b) bunting, ropes, canvas, hose, etc.; (c) general stores (including firebricks, fireclay, caustic and crystal soda, brushes and brooms, insulators, electric wire, files, hacksaw blades, emery cloth, glue, brass polishing paste, etc.). March 15. (D.O.T.)

ROUMANIA.

Hemp Postal Sacks.—The General Post Office invites tenders for the supply and delivery of the following quantities of hemp postal sacks:—4,000 sacks, size 0.75 met. x 1.30 m.; 3,000 sacks, size 0.65 met. x 1.10 m.; 3,000 sacks, size 0.45 met. x 0.80 m. March 18. (D.O.T.)

FORTHCOMING SAILINGS.

The following are the sailings for the Near East and India, the ports of departure and closing dates for cargo being given in parentheses:—

Anchor Line.—S.s. Circassia for Bombay (Birkenhead, February 24). (For passenger sailings and dates see advertisement.)

Anchor Brocklebank Line.—S.s. Malakand for Port Said, Colombo, and Calcutta (Birkenhead, February 19).

Bibby Line.—S.s. Herefordshire for Port Said, Colombo, and Rangoon (Birkenhead, February 23).

British India Line.—S.s. Margha for Bombay and Karachi (London, February 26); s.s. Matiana for Colombo, Madras, and Calcutta (London, February 26).

Cunard Line.—S.s. Sea Glory for Gibraltar, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Gruz, Venice, Trieste, and Fiume, also Corfu and Ancona if inducement (Liverpool, February 19, Swansea February 22); s.s. Cypria for Gibraltar, Malta, Patras, Piræus, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza, also Algiers and Volo if inducement (Liverpool, Glasgow and Swansea, March 5).

Johnston Line.—S.s. Jessmore for Galatz and Braila (Liverpool, February 17); s.s. Kenmore for Piræus, Volo, Salonika, Smyrna, Constantinople, Bourgas, Varna, Constantza, Sulina, Galatz, and Braila (Liverpool, March 12).

P. and O. Line.—S.s. Ranchi for Bombay (London, March 4); s.s. Nankin for Colombo, Madras, and Calcutta (London, April 2).

Prince Line.—S.s. Syrian Prince for Tunis, Malta, Alexandria, Jaffa, Haifa, Beyrout, and Cyprus (Manchester, February 18); s.s. Lancastrian Prince for Tunis, Malta, Alexandria, Jaffa, Haifa, Beyrout, and Cyprus (London, March 9).

Ellerman and Papayanni Lines.—S.s. Andalusian for Algiers, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza (Liverpool February 19, Swansea February 19); s.s. Serbino for Malta, Alexandria, Jaffa*, and Haifa* (Liverpool, February 23); s.s. Egyptian for Gibraltar, Malta, Alexandria, Jaffa*, and Haifa* (Liverpool, March 2); s.s. Manchurian for Gibraltar, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Gravosa, Ancona*, Venice, Trieste, and Fiume (Liverpool March 5, Swansea March 8); s.s. Algerian for Gibraltar, Malta, Patras, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza (Liverpool, March 16); A steamer for Gibraltar, Malta, Alexandria, Jaffa*, and Haifa* (Glasgow, March 21). * Subject to sufficient inducement. Transhipments.—Algerian ports via Algiers; Moroccan ports via Gibraltar; Tripoli (Barbary) via Malta; Syria and Cyprus via Alexandria; Greek outports via Piræus or other convenient port; Fiume via Trieste.

THE WEEK'S FINANCE.

(Continued from page 195.)

12½ per cent. for 1923-24, and 10 per cent. for 1924-25 and 1925-26. There are evidently expectations of a not distant return to more generous dividends, for the ordinary shares yield only £5 6s. per cent. John Hetherington paid 7 per cent. for 1923-24, and 5 per cent. for 1924-25, and the ordinary shares return £5 14s. per cent. Platt Bros. and Howard and Bullough are likely to be first to recover a larger measure of prosperity, for they occupy a stronger financial position.

ANCHOR LINE

LIVERPOOL TO BOMBAY.

KARACHI via Bombay, calling at Gibraltar and Egypt.

LARGE STEAMSHIPS. UPPER DECK CABINS.

MODERATE FARES.

RECOGNISED BY INDIAN GOVERNMENT.

Indian Government Vouchers accepted.

Passenger sailing dates:—

*CIRCASSIA ...	Mar. 4	*CASTALIA ...	April 13
*BRITANNIA ...	Mar. 19	*ELYSIA ...	May 3

*First class passengers only. Specially low fares.

SPECIAL NOTICE.

New T.S.S. California, 17,000 tons, carrying 1st, 2nd and 3rd class passengers, sails from Liverpool Oct. 26; Marseilles Nov. 1.

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THE WEEK'S FINANCE.

(By Our Financial Expert.)

London, February 15.

The negotiation of the fortnightly settlement did not prevent the Stock Exchange from exhibiting marked strength in one or two sections all the week and in general on one or two days. The opening of Parliament, the King's Speech, and the debates on China have produced little visible effect, and on the whole China as a factor in market calculations is not so prominent as it was. The principal interest has centred on the Railway dividend cuts, which are discussed below; the further postponement of a reduction of Bank rate caused little disappointment because it was expected by a majority; and apart from these points, the most notable event has been the strong and sustained upward movement in oil shares.

The discussion of monetary policy, aroused by Mr. McKenna's speech at the Midland Bank meeting, has by no means died down. Although his attack upon the Bank of England is far from commanding universal approval, both opponents and supporters of the attack agree that, the subject being of such vital importance to the nation, the Government would do well to adopt his suggestion that a Committee should be appointed to review, in the light of recent events, the whole problem of monetary policy. This, however, is not to be done at present.

Home Railway Dividends.

Three of the four great British railway companies have made their dividend declarations this week. Very much more than the normal interest attached to these announcements, as the market had made no attempt to forecast the rates, since none of the companies was likely to have earned anything upon the junior stocks. It may be recalled that the gross traffic receipts of the four companies for 1926 showed the following declines in comparison with 1925: London, Midland and Scottish, £11.4 millions; London and North Eastern, £9.8 millions; Great Western, £4.7 millions; Southern, £1.8 millions. Obviously the rates of dividend had to depend on the extent to which reserves would be drawn upon. The directors of the London, Midland and Scottish have declared a final dividend of $1\frac{1}{2}$ per cent. on the ordinary stock, making 3 per cent. for the year, a sum of £7,188,000 being withdrawn from reserve to pay the dividend, while, in order to clear

up the position resulting from the coal strike, a further sum of £1,700,000 has been transferred from general reserve against the losses to be met this year in respect of foreign coal commitments entered into last year. The dividend for 1925 was 6 per cent., the withdrawal from reserve being £1,626,000. The Great Western dividend for 1926 is 3 per cent. on the ordinary stock after withdrawing £2,100,000 from reserves; for 1925 the dividend was 7 per cent. and £800,000 was withdrawn from reserve. The dividend on Southern deferred ordinary stock is at the rate of $1\frac{1}{4}$ per cent., after withdrawing £704,000 from reserve, and bringing in £128,000 from Suspense Account. For 1925 the rate was $3\frac{1}{2}$ per cent. and only £200,000 was withdrawn from reserve. The London and North Eastern announcement is not due until next Friday. The usual interim distribution at the rate of 5 per cent. per annum on the preferred ordinary stock was not made last midsummer and as only one per cent. was paid on the deferred ordinary for 1925, after withdrawing £4 millions from reserves, there is no likelihood of any payment on the deferred for 1926. Nor is the preferred ordinary likely to receive its full 5 per cent.

A Brighter Outlook.

Disappointing as are the results disclosed by the announcements so far made, they had but small effect upon prices in the home railway market. The payment of 3 per cent. by the L.M.S. and Great Western companies on their ordinary stocks enables the prior stocks of these two companies to retain their "trustee" status. Reductions in the rate of dividend had been partly discounted in advance, but not to the full extent, for at the present quotations the yields obtainable are absurdly small. This is, of course, explained by the fact that earnings in 1927, barring some unforeseen catastrophe, should at least equal those of 1925 and enable the companies to pay substantially higher rates than those now declared. Traffic receipts for the first five weeks of the year are mostly slightly below those of the corresponding period of 1926, though better than in the same period of 1925, and it is encouraging to find that goods receipts are, in three cases out of four, higher than in the first five weeks of 1926. There is no cause for alarm on the part of the holder of home railway stocks. The outlook, indeed, at present is fairly encouraging, for with industrial peace and reviving trade, and the recent small increase in freight charges, traffics should expand, while the economies for which the companies have been striving for the past four years will no doubt become more effective.

Improving Outlook for Textile Machinists.

Since the beginning of the New Year there has been a distinct improvement in the cotton trade. Buying has been on an appreciably larger scale and there is a much more hopeful feeling regarding the future than for a long time past. In particular, there is a more definite inquiry for textile machinery. After five and a half years of industrial depression, machinery—by no means new when the slump began—badly needs replacing. Moreover, if foreign competition in textiles is a source of anxiety to the Lancashire manufacturer and merchant, it is not entirely unwelcome to the Lancashire textile machinist, who often receives large orders for textile machinery for foreign mills.

The leading firms of textile machinists have, of course, felt the effects of the depression ruling in late years. But so far as Platt Bros., Howard and Bullough, Ltd., and John Hetherington and Sons are concerned, the ordinary shareholders have received a distribution during the past few years. What effect the coal stoppage has had, however, remains to be seen. Platt Bros. is the largest of the group. The ordinary dividends have been 15 per cent. for 1923-24 and 10 per cent. for 1924-25 and 1925-26, and the ordinary shares give a return of £6 10s. per cent. Howard and Bullough have paid 20 per cent. for 1922-23,

(Continued on page 194.)

INDIAN AFRICAN SERVICE

Regular Passenger and Freight Service from

RANGOON, CALCUTTA, and COLOMBO
To BEIRA, DELAGOA BAY, DURBAN, EAST LONDON
PORT ELIZABETH, MOSSEL BAY, and CAPE TOWN.Excellent Passenger Accommodation.
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DELAGOA BAY—John T.
Rennie & Sons.
DURBAN—Andrew Weir & Co.
EAST LONDON—Messrs. Dunn
& Co.
PT. ELIZABETH—Mackie, Dunn
& Co.MOSSEL BAY—Messrs. E.
Searle & Co.
CAPE TOWN—Thomson,
Watson & Co.
HONG KONG—The Bank Line,
Ltd.
BANGKOK—Siam Forest Co.,
Ltd.
SINGAPORE—Hattenbach Bros.
& Co.
MAURITIUS—Adam & Co.

LONDON—ANDREW WEIR & CO., 21, Bury Street, E.C.3.

Near East Markets

GOOD WINTER SOWINGS IN IRAQ.

The Agricultural Bulletin of Iraq for the month ended January 15, states:—

The sowing of winter cereals continued at a great pace with the continued rainfall and it is believed that more than average areas have been sown throughout the country. Particularly is this so in the case of daim or rain-fed wheat, and daim sowings have been made in more southerly districts where the practice is not general. Towards the end of December, the weather became suddenly dryer and colder, and during the first half of January sowings were largely stopped. The colder temperatures had an adverse effect on the early sown cereals which had made too rank a growth, but it is not considered that the permanent effect of this will be serious.

Irrigation water was reported as plentiful in all regions, but it was not until the end of the period under report that any irrigations were required. Owing to early rains the desert grazing is plentiful, and live-stock is reported to be in better than average condition. Lambing has been general during the period under report, and is believed to have been more than usually good, mortality being low.

The last picking of cotton were taken in December. Heavy losses to cultivators of this crop were caused by the unusual autumn rains, and the quality of later picking is naturally poor. The amount of new season cotton delivered to the ginnery during the calendar year amounted to 2,863 bales of lint, as compared with 2,169 bales for the same period last year, and 2,540 bales for the total 1925 season crop. Some cotton remains to be delivered and it is expected that the total crop for 1926 will be at least 3,000 bales.

Preparations for the anti-locust campaign are being pushed forward. Temporary inspectors have been appointed throughout the infested areas, and material is being dumped in suitable sites. Much anxiety has been felt on account of the non-delivery of poisons from England (due to manufacturers' difficulties consequent on the coal strike), but it is now hoped that the bulk of the material will arrive in time. Locusts which were reported to be feeding into the late autumn and to be damaging maize crops have been identified as *Locusta Migratoria*. This is the true migratory locust, but so far as observations go it does not seem to have arrived to serious pest conditions, and indeed seems to have modified its habits to non-migratory type.

Orders of silk eggs are beginning to be received by the Department. The rearing of silk continues to show steady progress. The value of the 1926 crop was estimated at Rs. 35,000 as against Rs. 11,500 in 1925; in

view of the fact that a continued increase at this rate would eventually glut the local market, the Department has this year, at the suggestion and with the assistance of the Silk Committee of the Imperial Institute, forwarded a consignment of cocoons to the Cyprus silk Filature. It is hoped to estimate in this way the feasibility of an export trade in cocoons, pending the growth of the industry to dimensions where a local filature would be economically possible.

Agricultural exports figures for December were as follows:—Wheat 38 tons, barley 1,331 tons, total 1,369 tons as compared with a total of 33 tons during the same period last year. Dates amounted to 4,123 tons valued at Rs. 7,51,524 as compared with 8,990 tons valued at Rs. 11,66,913 for December, 1925. Exports of wool for the month were 676 tons against 751 tons last year.

The exports for 1925-1926 amount in all to the following:—Wheat, 188 tons; barley, 1,339 tons; wool, 9,844 tons; dates, 151,020 tons. The new season's crop of dates amounted to an export of 72,245 tons at the close of December.

CONDITIONS IN EGYPT, THE SUDAN, AND PALESTINE,

The current issue of the Monthly Review of Barclays Bank contains a series of quarterly reports on Near Eastern countries, from which we give the following extracts:—

Egypt,

Alexandria.—January 15. Cotton.—The salient features in the situation during the period under review have been steadily increasing crop estimates, with their depressing influence on prices and two measures of Government intervention. It was ordered officially that the acreage upon which cotton might be grown was to be limited, for three years, to one-third of the total under cultivation and the Government announced that they were prepared to purchase all January (Sakellarides) contracts at 23.50 dollars and all February (Ashmouni) contracts at 15.50 dollars, delivery to be insisted upon. The Government also stated that they were prepared to advance upon cotton held in the interior at the rate of 22.50 dollars per kantar for Sakellarides and 15.00 dollars for Uppers. This latter measure had the immediate result of easing the position for the fellahen and, indirectly, for the merchants dependent on the money circulated by them.

The effect of both these ordinances upon the general cotton market, however, does not appear to have been entirely beneficial. It is reported that although the price of Sakellarides contracts is 1.50 dollars above the Government minimum, the twin factors of a piling up of stocks and a falling off in demand render that price liable to a further drop at any moment. Should such a fall occur, it must add to the already large Government stocks at Minet-el-Bassal and in the interior. This precarious position would appear to be felt more by dealers in Sakellarides cotton than in Ashmouni, since the latter is closely allied with the American position, which has recently been firm. A good deal of Zagora and Pilon cotton are tenderable against the Ashmouni contract, but these descriptions are not in great favour and may eventually depress prices. It is suggested, on the facts now available, that the lack of demand for Egyptian Sakellarides is due to a fall from favour of this type and it is stated that Sudan Sakellarides, Peruvian Tanguis, and Brazilians are replacing it. In some quarters, the artificial price support afforded by Government intervention and by the limitation of acreage is held to be responsible for buyers going elsewhere. Taking a view of the situation generally, the spot market is heavy for all varieties except Ashmouni, and with the stocks increasing, a steady demand will be required from now onwards to relieve the pressure.

Cotton Goods.—The keen competition of Italian and Japanese goods and the large number of small holders pressing sales at very low prices, have been the two principal factors depressing this market during the period under review. At the time of writing, the general situation remains unchanged, and there seems to be no visible prospect of an improvement. Prices continue weak and the actual stock at the bonded stores shows practically no reduction, as compared with the stock in October last. Consuming districts are buying only for immediate requirements and are evidently expecting lower prices.

The Sudan,

Khartoum.—January 13.—The situation has shown gradual improvement during the last three months. Stocks of dura have been found to be greater than was estimated and it is confidently expected that they will suffice for the country's needs without further imports. The 18,000 tons imported from India cost about £180,000, while the absence of the usual exportable surplus, which may be reckoned

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for an average year at 30,000 tons, represents a loss of about £E150,000. Against this, however, must be reckoned the increased cotton cultivation in the Gezira. Imports compare favourably with 1925, but reports from the interior show a slack demand and general absence of money and, in many parts, the natives are in an impoverished condition. If rains are good this year, it is thought that considerable improvement may be expected generally.

The sesame crop is normal and there are steady exports to Egypt, but groundnuts are only about 40 per cent. of last year's crop. Rain-grown cotton in the Blue Nile Province and the Northern rainbelt has been almost a total failure and the price is so low that, from the Southern provinces, it can scarcely repay the cost of ginning and transport. The Gezira scheme now covers an area of 100,000 feddans of cotton planted, the estimated yield being 400,000 kantars. The total crop from the Sudan is estimated at 120,000 bales of Sakel and 22,000 bales of American, all bales being of 400 lb. each.

The financial position generally is not good and considerable stringency prevails, but although, on the whole, the situation is depressed without any prospect of a material improvement in the near future, it is felt in most quarters that the worst is over and that there is certainly no cause for alarm.

Palestine.

Jerusalem, January 19.—The general financial and economic conditions during the last quarter have shown restrictive tendencies.

Picking and packing of oranges are at present in full operation, and it is hoped that a good orange season will ease the general situation to a certain extent. The yield is estimated at two-and-a-half million cases, valued at approximately £E750,000, the crop being from 30 per cent. to 40 per cent. heavier than last year. Heavy storms and violent winds, however, during the middle of December,

caused considerable damage, and the loss is estimated at about 10 per cent. of the whole crop. The market for Jaffa oranges in England has greatly improved lately, owing, it is understood, to the frost having damaged a large portion of the Spanish crops.

This season's tobacco crop is still on the strings. The market is inactive, there being few purchasers, and growers are considering the advisability of destroying unsold stocks carried forward from last year. It is estimated that this season's yield will amount to 555 tons, of which 500 tons will be Turkish and 50 local "Baladi." Important quantities of Palestine grown tobacco were exported to various European countries during November.

Imports of motor cars continue to increase. American manufacturers are devoting considerable attention to the Palestine market, and arrangements have lately been introduced whereby local agents are now allowed to cover their sales by bills instead of ready cash. It is thought that at the present time, there is a very good opening for the sale of British cars to British officials and others who prefer that make of car, provided sufficient attention is given to the requirements of the market. The sale of British motor cycles continues to show steady improvement.

Messrs. Edgar Allen and Sons, Ltd., Sheffield, have obtained a contract for the supply of crushing and grinding machinery to the order of the Crown Agents for the Colonies.

The monthly meeting of the Council of the British Cotton Growing Association was held at the offices, 333/350, Royal Exchange, Manchester, on February 1. In the absence of the President (the Rt. Hon. the Earl of Derby, K.G.), Mr. J. M. Thomas occupied the chair.

Stock and Share Markets.

LONDON EXCHANGE		Prices on Feb. 14	Railways.		Prices on Feb. 14	Coal.		Prices on Jan. 26
Government Stocks.								
Egyptian 4 p.c. Unified Debt...	...	82½	Assam-Bengal	...	81	Baraboni	...	31/16
Do. Pref. 3½ p.c. 1890 ...	...	72½	Bengal Nagpur	...	96	Bengal	...	480
Do. Turk 4 p.c. 1891 ...	...	85	Egypt Delta Light Rly. ...	...	415/16	Burrakur	...	18½
Do. 3½ p.c. Eg. Trib. Bonds '94	...	77½	Southern Punjab	...	195½	East Indian	...	25
Greek 5 p.c. 1881	...	57	Rubber.			Equitable	...	19½
Do. 5 p.c. 1884	...	57	Ceylon Para Rubber Ord. ...	...	15/6	Pench Valley	...	24½
Do. 4 p.c. Rentes 1889 ...	...	47	Doolgalla (Ceylon) Rub. Est. ...	...	20/-	Ranegunge	...	32½
Do. 5 p. 1890	...	56	Grand Cent. (Ceylon) Rubber ...	...	44½	Standard	...	51
Do. 5 p.c. Funding Loan 1893	...	56	Hewagum Rubber Co.	...	25½	Cotton.		
Do. 4 p.c. Rails, Loan, 1902 ...	...	51	Kepitigalla Rubber Estates ...	...	3/-	Bengal Nagpur	...	23½
Do. 4 p.c. Loan, 1910	...	52½	Malayalam Rub. and Produce ...	...	39/10½	Bombay Dyeing, etc. ...	...	912½
Do. 5 p.c. Loan, 1914 (Lon. issue)	...	65½	Shipping.			Bowreah	...	382
Do. 7 p.c. 1924	...	94½	Anchor 5½ p.c. Pref.	...	89/32	Buckingham and Carnatic	...	190
Persia 5 p.c. 1911	...	79½	Cunard	...	19/4½	Cawnpore Textiles	...	3½
Roumania 4 p.c. Ext.	...	71½	Furness Withy	...	37/6	Century	...	410
Do. 4 p.c. Consolidation ...	...	46½	Khedivial Mail Ord.	...	1	Central India	...	510
Sudan 5½ p.c. Guar. Bds. ...	...	108½	P. and O. Deferred	...	267½	Elgin	...	92
India 3½ p.c.	...	70½	Tea.			Khatau Makanji	...	97½
Do. 3 p.c.	...	59½	Assam Co.	...	40/3	Muir	...	292
Do. 2½ p.c.	...	49½	Bengal United Tea Ord. ...	...	2½	New Ring	...	210
Do. 5½ p.c.	...	102½	Bramapootra	...	33½	Phoenix	...	396½
Do. 4½ p.c.	...	91½	British Indian Tea Ord. ...	...	2 29/32	Svadeshi	...	508½
Turkish 4 p.c. Unified	...	23½	Cachar and Dooars Tea Ord. ...	...	3½	Jute.		
Banks.			Ceylon Tea Plantations Ord. ...	...	6½	Alliance	...	536
Agri. Bank of Egypt	...	77/16	Consolidated Estates	...	4½	Barnagore	...	228½
Bank of British West Africa ...	...	4½	Darjeeling Co.	...	25/32	Budge Budge	...	533
Bank of Roumania	...	86/3	Dimbula Valley (Ceylon) Ord. ...	...	37/16	Clive	...	39½
Barclays Dom. Col. Pf.	...	28/6	Dooars Tea Ord.	...	37/16	Dalhousie	...	479
Lloyds	...	61/9½	Dooloogram Tea	...	1 11/16	Delta	...	608
P. and O. Banking	...	10½	Doom Dooma	...	4	Fort Gloster	...	978
Eastern	...	65/16	East Assam	...	3½	Gourepore	...	777
Chartered Bank of India	...	19½	Empire of Ind.	...	2½	Howrah	...	46½
Ottoman Bank	...	10 9/16	Halem Tea	...	2 7/16	Kamarhatty	...	797
Imperial Bank of Persia	...	93/16	Jhazie Tea Association	...	3 29/32	Kankarrarah	...	549
Land Bank of Egypt Ord. ...	...	13½	Jokai (Assam) Tea Ord.	...	4 3/16	Khardah	...	472½
Westminster	...	18½	Lanka Plantations Ord.	...	27/32	Kinnison	...	1,040
National Bank of Egypt	...	36½	Lungla (Sylhet) Tea Ord. ...	...	13/16	National	...	33½
National Bank of India	...	48	Nuwara Eliya Tea Estates Ord. ...	...	5 1/32	Standard	...	492½
Land.			Pabbojan	...	6 25/32	Union	...	627
Kassala Cotton	...	8/-	Scottish Assam	...	1½	Miscellaneous.		
Sudan Plantations	...	4 13/16	Upper Assam	...	27/16	British India Corporation ...	...	4½
Mines.			Insurance.			Bengal Paper Mills	...	3½
Balaghat Gold Mining	...	3/6	General Accident Fire and Life (£5, £1½ paid) ...	...	87/16	Bengal Timber Trading ...	...	129
Burma Corp.	...	13/10½	London & Lancs (£5, £1 paid) ...	...	21½	Burn and Co.	...	240
Champion Reef Gold	...	11/6	Royal Exchange (£1)	...	7½	Cawnpore Sugar	...	244
Mysore	...	15/-	Sun Fire £10 (£2 paid)	...	24½	Champaran Sugar	...	9½
Nundydroog	...	10/-	Trade Indemnity (£10)	...	14½	Howrah Oil Mills	...	134
Ooregum Gold Mining Ord. ...	...	15/-	Miscellaneous.			ALEXANDRIA		
Oil.			Alexandria Water Co.	...	14	Prices on Feb. 4, supplied by G. L. Mortera, Alexandria & Cairo.		
Anglo-Egyptian B.	...	113/32	Associated Cotton Ginners ...	...	3	Agricultural Bank of Egypt ...	...	£71
Anglo-Persian Ord.	...	5½	Egyptian Hotels	...	7½	Alexandria Water Co. " Fond. ...	...	£620
Do. 8 p.c. Cum. 1st Pf. ...	...	26/rd	Do. Markets Ord.	...	25/6	Assoc. Cotton Ginners	...	£14½
Do. 9 p.c. Cum. 2nd Pf. ...	...	28/6	Do. Salt and Soda	...	21/-	Behera Ord.	...	£15 12/16
Do. 5 p.c. Debs.	...	95½	Mortgage Co. of Egypt 5 p.c. Pref. ...	...	8½	Ciments d'Egypte	...	Frs. 132
Brit. Burmah	...	107/-	INDIAN EXCHANGES.			Comptoir Fin. & Com. d'Egypte	...	£ 192
Burmah Oil Co. Ord.	...	71/16	Government Loans.			Credit Foncier Egyptien	...	£ 5/16
Do. 8% Cum. Pref.	...	27/-	3½ Government Paper	...	77	Fondateur	...	Frs. 999
Phoenix Oil and Transport ...	...	27/-	Banks			Crown Brewery Priv.	...	£ 2,090
Steaua Romana	...	16/-	Imperial Bank of India	...	1,504	Filature Nationale d'Egypte ...	...	Frs. 96
			Bank of India	...	75-	Frigoirique d'Egypte	...	£37/16
			Central Bank of India	...	29½	Immeubles d'Egypte Soc. An. des	...	£5½
						Land Bank of Egypt Actions ...	...	£146½
						" Parts de Fond	...	£146½
						Menzaleh Canal Navigation ...	...	Pt. 340

THE IMPERIAL BANK OF PERSIA

(Incorporated by Royal Charter, 1889.)

CAPITAL (fully paid) - £650,000 | RESERVE - £470,000
Reserve Liability of Shareholders, £1,000,000.

Branches in Persia:—

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Ahwaz
Barfrash
Birjand
Bander Abbas
Barajird

Bashire
Duzdab
Hamadan
Isfahan
Kazvin
Kerman

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Masjed-Saleiman
Meehad
Mohammerah
Naeratabad
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Pehlevi
Reest
Shiraz
Sultanabad
Tabriz
Yezd

Branches in Iraq (Mesopotamia):—Bagdad, Basra, Kirkuk.

Branch in India:—Bombay.

The Bank is prepared to transact Banking business of every description in and connected with Persia and Mesopotamia; and in London grants Drafts, Telegraphic Transfers and Letters of Credit, and negotiates or collects Bills on Persia and the Near East.

Head Office: 33-36, KING WILLIAM ST., E.C.4; Chief Office in Persia, TEHERAN

IONIAN BANK, Ltd.

Established 1839.

Capital Authorised - £1,000,000
Capital Paid up - £600,000
Reserve Fund - £235,000
Total Assets - £5,663,445

HEAD OFFICE:

Basildon House, Moorgate, LONDON.

GREECE.

Central Office:

ATHENS.

25 Branches and Agencies.

CYPRUS.

NICOSIA,
Larnaca and
Limassol.

EGYPT.

Central Office:

ALEXANDRIA.

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Managing Governors in India:—

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Sir N. M. Murray.

Manager in London:—

Sir S. A. H. SITWELL.

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Paid-up Capital - Rs. 5.62.50.000.

Reserve - Rs. 5.00.00.000.

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Branches in all Principal Towns in India.

London Branch - 22 Old Broad Street, E.C.2.

NATIONAL BANK OF INDIA, LIMITED.

Registered in London under the Companies Act of 1862, on the 23rd March, 1866

Established in Calcutta, 29th September, 1863.

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AUTHORISED CAPITAL ...	£4,000,000	Paid-up Capital ...	£2,000,000
Subscribed Capital ...	£4,000,000	Reserve Fund ...	£2,850,000

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Aden, Steamer Point	Cawnpore	Delhi	Madras	Tuticorin	Kisumu	(Brit. E. Africa)	Jinja
Amritsar	Chittagong	Kandy	Mandalay	Zanzibar	Mombasa		Kampala
Bombay	Cochin (S. India)	Karachi	Newera Eliya		Nairobi, Nakuru		Uganda

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The Bank purchases grants, advances against or collects Bills payable in India, Burma, Ceylon, Aden, Zanzibar, British East Africa, Uganda, etc., on current terms.
The Bank issues Drafts on its Branches, as well as on its Agents in the principal towns of India and Burma, Africa and elsewhere, and also sells Telegraphic Transfer on all its Branches, at the exchange of the day.

The Bank, on behalf of its Constituents, undertakes the collection of Furlough Pay and Pension from the India and Colonial Offices, the Custody of Government and other Securities, and the receipt of interest and Dividends thereon.

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Reserves 1,705,000 Leva.

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CAPITAL PAID UP - Drs. 47,107,000
RESERVE FUNDS - Drs. 57,091,594.50

The Assets include securities worth £1,000,000, which are valued at Drs. 25,000,000; that is at the rate of Drs. 25 per £1 only.

Head Office: ATHENS,

Branches: Piraeus, Argos, Pyrgos, Patras, Corfu, Cephalonia, Nauplia, Vostizza (Aegion), Calamata, Syra, Chio, Candia, Volo, Salonica, Larissa, Triccala, Mitylene, Canea, Zante, Plomari, Tripolitza Rethymo.

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The Bank undertakes the warehousing and sale of goods consigned.

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INCORPORATED BY ROYAL CHARTER

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COLIN FREDERICK CAMPBELL, Esq.
SIR WILLIAM HENRY NEVILLE GOSCHEN, K.B.E.
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Managers—J. S. BRUCE and G. MILLER.

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BATAVIA	ILOILO	MEDAN	SOURABAYA
BOMBAY	IPOH	NEW YORK	TAIPING (F.M.S.)
CALCUTTA	KARACHI	PEKING	TAVOY
CANTON	KLANG	PENANG	(Lower Burma)
CAWNPORE	KOBE	PESHAWAR	TIENTSIN
CEBU	KUALA	PUKET	TOKYO
COLOMBO	KANGSAR	RANGOON	TSINGTAU
DELHI	(Perak)	SAIGON	YOKOHAMA
HAIPHONG	KUALA	SEMARANG (Java)	ZAMBOANGA
	LUMPUR		(Philippine Islands)

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THE NATIONAL BANK OF SCOTLAND, LIMITED.

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The Bank is prepared to undertake Trusteeships and Executorships.

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Head Office: 2 & 3, CROSBY SQUARE, LONDON, E.C.

Authorised Capital (200,000 Shares of £10 each) - £2,000,000
Reserve Liability of Shareholders - £1,000,000

Paid up Capital - £1,000,000
Reserve Fund - £380,000

Branches: BOMBAY, CALCUTTA, KARACHI, MADRAS, COLOMBO, BAGDAD, BASRA, AMARA, MOSUL, BAHREIN, KIRKUK.

Board of Directors:

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SIR JAMES LEIGH-WOOD, K.B.E., C.B., C.M.G. (*Deputy*
G. BROMLEY-MARTIN, Esq. *Chairman*).

J. H. BATTY, Esq. EMILE FRANCOU, Esq.

SIR PERCY WILSON NEWSON, Bt.

Captain R. E. SASSOON, M.C.

The Bank issues Drafts, Telegraphic Transfers and Letters of Credit, purchases, grants advances against or collects Bills of Exchange, and transacts Banking and Agency Business in connection with the East.

Deposits are received for one year and for shorter periods at rates which can be ascertained on application, and Current Accounts are opened by the Bank in London and at its Branches.

F. H. SUTTON, *Manager*.

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formerly the Colonial Bank

with which are Amalgamated

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This Bank has also over 400 Branches in the British West Indies, British Guiana, Transvaal, Rhodesia, Cape Province, Natal, Orange Free State, British West Africa, Swaziland, Portuguese East Africa, South West Africa, Tanganyika, Nyasaland, Kenya Colony.

The Bank acts as Correspondent for Home, Colonial and Foreign Banks.

NATIONAL BANK OF EGYPT

HEAD OFFICE: CAIRO.

FULLY PAID CAPITAL	-	-	-	-	-	-	-	-	£3,000,000
RESERVE FUND	-	-	-	-	-	-	-	-	£2,550,000

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MOOLTAN	21,000	Feb. 18	Feb. 18	Colombo and Australia
Kaisar-i-Hind	11,500	Feb. 18	Feb. 25	Bombay and Karachi
COMORIN	15,000	Feb. 25	—	Colombo and Australia
MALWA	11,000	Feb. 25	Mar. 4	Straits, China, Japan
RANCHI	16,600	Mar. 4	Mar. 11	Bombay and Karachi
KHIVA	9,000	Mar. 10	—	Straits, China, Japan
MALJOJA	21,000	Mar. 11	Mar. 18	Australia via Bombay
RAJPUTANA	16,600	Mar. 18	Mar. 25	Bombay and Karachi

* Taking passengers for Bombay via Aden † Calling Malta. ‡ Taking
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(Under Contract with the Govts. of India and Queensland.)

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MANTOLA	8,963	—	Feb. 18	East African Ports
MARGHA	8,258	Feb. 19	Feb. 26	Bombay and Karachi
MATIANA	8,900	Feb. 19	Feb. 26	Madras and Calcutta
MORVADA	8,193	Mar. 5	Mar. 12	Madras and Calcutta
QUERIMBA	7,696	Mar. 5	Mar. 12	Bombay and Karachi
MODASA	9,070	Mar. 9	Mar. 18	East African Ports
DOMALA	8,441	Mar. 19	Mar. 26	Bombay and Karachi
GANDARA	5,281	Mar. 19	Mar. 26	Madras and Calcutta

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City of York	7,844	Mar. 12	Colombo & Calcutta
City of Hong Kong	9,678	Mar. 16	Bombay & Karachi
City of Benares	6,984	March 24	Bombay & Karachi
City of Canterbury	8,421	Apr. 2	Bombay & Karachi
City of Poona	7,485	Apr. 13	Bombay & Karachi

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City of Alexandria	4,712	Feb. 18	Cape Town, Algoa
City of Valencia	7,329	March 4	Bay, East London, and Natal.

MEDITERRANEAN and LEVANT.

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Serbino	4,080	Feb. 25	Malta & Alexandria

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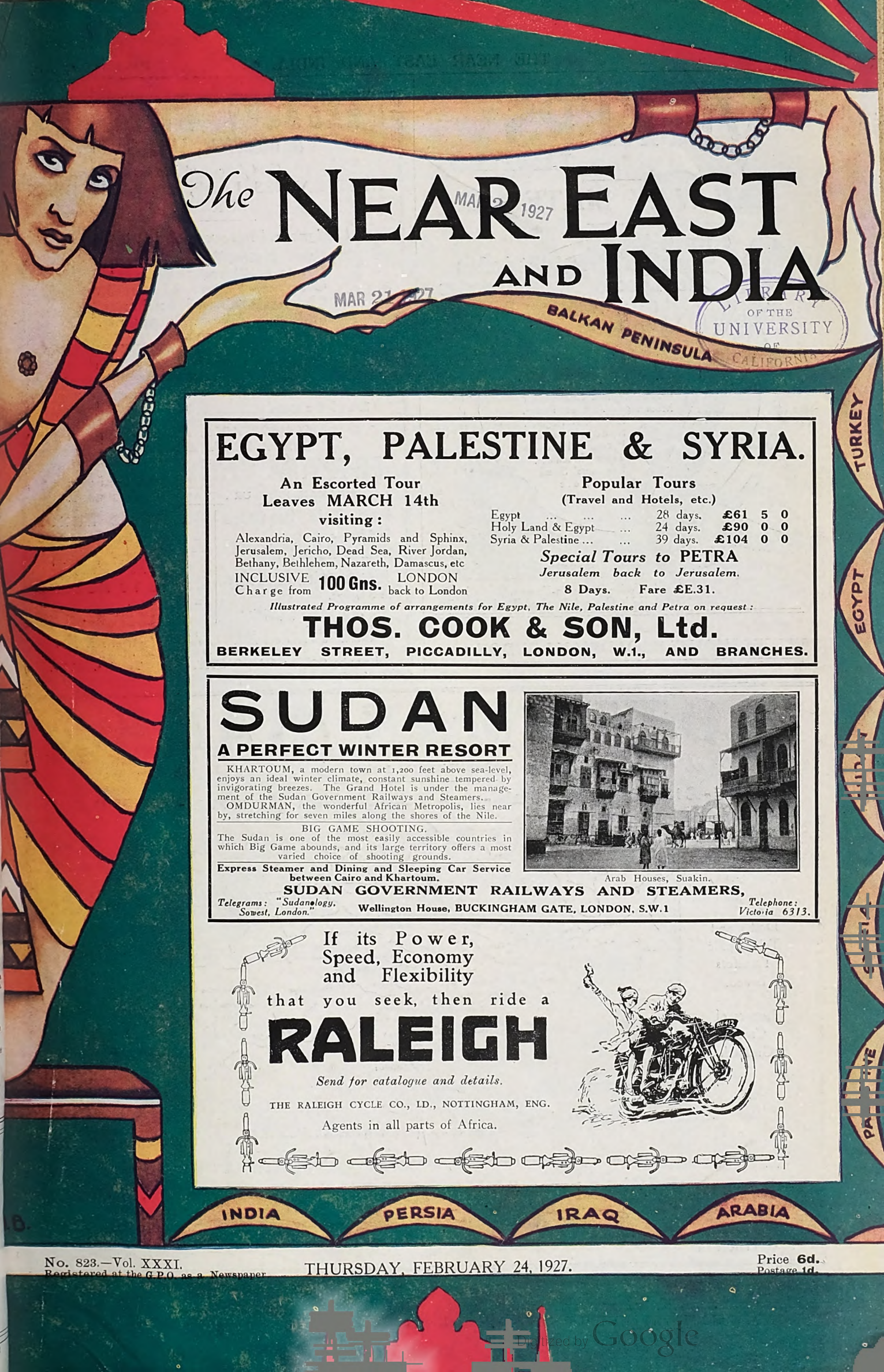
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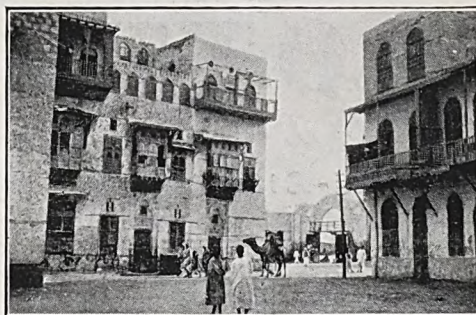
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THE NEAR EAST AND INDIA.

No. 823.—VOL. XXXI.

THURSDAY, FEBRUARY 24, 1927.

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Notes of the Week.

Peace Pacts in the Balkans.

If any uneasiness still lingers among Albania's neighbours in regard to the innocuousness of her treaty with Italy, it should be largely removed by the step now taken by the Tirana Government in Belgrade and Athens. Both to Yugoslavia and to Greece, it is reported, Albania offers to conclude a territorial guarantee pact similar to the Italo-Albanian Treaty. It is unlikely that the offer will be refused in either case; and, although the value of such agreements, which do little more than register the absence of hostile intentions, is for the most part negative, in the present instances they may go far towards reassuring the Balkan States in regard to Italy. At the time of the Tirana Treaty the Italian Government sought to disarm criticism by stating that it had no objection to Albania's concluding similar agreements with her Balkan neighbours. Italy's foreign policy at the present has, admittedly, to keep in mind both economic and territorial considerations. In the Balkans, however, her interests should be exclusively economic, as she stands to gain little on the balance if, for the sake of potential territorial expansion in Albania, she were to close all other Balkan markets to her traders. In the meantime Yugoslavia and Greece may hope to benefit in the economic sphere by the maintenance of good relations with Albania.

Earthquakes in Yugoslavia.

With extensive floods last year and now with a serious earthquake Yugoslavia may well complain that her already hard task of reconstruction is being unfairly hampered by these disastrous visitations. The centre of the earthquake which caused considerable damage in the early morning of February 14, and has been followed by repeated tremblings of the earth, was in lower Dalmatia and Herzegovina, in the region between Mostar and the sea. The loss of life has fortunately not proved as serious as

was at first supposed; the damage to property would also have been greater, if the area visited by the earthquake had not been largely in the Karst district, where there is less to destroy and where the peasants' dwellings are often rock caves. As it was, the towns in the region affected suffered badly—Liubinye, Stolatz, Metkovitch and Bukovici—and it is stated that approximately a thousand houses have been entirely or partially destroyed, and many other buildings left in an unsafe condition. As often happens in an extensive earthquake, water channels have been subjected to curious experiences; some have dried up altogether, others have been reduced in volume, and one stream that flowed some twelve miles from Stolatz disappeared entirely, to re-appear the following day at a distance of three kilometres from its original channel. A railway bridge over the Narenta at Metkovitch has been destroyed, and the railway station at the same town was also wrecked. Immediate relief is being sent to the damaged areas, and, as happened in the case of the floods last year, there will be ready co-operation throughout the Kingdom in repairing the effects of the disaster. Dalmatia forms Yugoslavia's chief holiday centre, especially for visitors from Central Europe, and it was a wise precaution on the Prime Minister's part to urge the Skupshtina to avoid panic legislation, and to await full details before voting money intended to repair actual damage as distinct from affording immediate relief to the sufferers.

Yugoslavia and Czecho-Slovakia.

The exchange of visits between parliamentary delegates of Czecho-Slovakia and Yugoslavia has naturally led to the emphasising of the cultural kinship of these two branches of the Southern Slavs and many schemes have been evolved for bringing the two peoples closer together.

by extending this interchange of visits to as many classes of the population in each country as possible. The more immediate problem for the two States, however, is to adjust their economic and political relations. Czecho-Slovakia is largely an industrial country exporting manufactured goods and importing raw material; Yugoslavia, on the other hand, is an agricultural State which stands in growing need of markets for her increasing agricultural production. Post-War conditions have caused the Yugoslavs to place a heavy tariff on imported goods, while Czecho-Slovakia, in order to encourage her own agriculture, has recently increased the import duties on agricultural products. In these circumstances there is clearly room for the two countries to come together for an adjustment of a mutually prejudicial state of affairs. In many other details the relations between the two States can be simplified, as, for instance, in regard to railway tariffs, traffic on the Danube, passports and postal and telegraphic communications. Yugoslavia, moreover, would like to secure Czecho-Slovakia as a regular purchaser of her tobacco on a definite footing, with a view to regulating her production of tobacco by the amount that she is able to sell. Amid the social amenities that are being lavished in Prague on the Yugoslav delegates the ground for an agreement on outstanding questions is being prepared, and a Czecho-Slovak delegation is expected in Belgrade before the end of the month to begin negotiations for a new commercial treaty between the two countries.

Mandates and the League.

An interesting point was raised last week in the House of Commons in connexion with the status of mandated territories. The Governor of Tanganyika had stated in a speech that Tanganyika was part of the British Empire and would remain so. Questioned on the subject the Secretary of State for the Colonies (and Mandated Territories) replied that the phrase was a colloquial summary of the exact position as defined in the preceding part of the Governor's statement, where "he rightly laid down that Tanganyika was mandated territory under British control, and there was no possibility of its passing from that control." Asked whether he was aware that Mandates were allotted by the League of Nations, which could also take them away, Mr. L. S. Amery replied: "That is precisely not the case. The Territories were allotted by the Allied and Associated Powers, and the Mandates are obligations which we have undertaken towards the League of Nations. They are in no sense a form of tenure which

is held by us from the League of Nations, and the League of Nations is not in a position to transfer them or take them away." As it was obvious from the question that elicited this answer, the position in regard to the Mandated Territories is not generally understood, and it is well that it should have been so clearly explained by the spokesman of the British Government.

The Sinai Peninsula.

The unhappy experience last week of Captain Malins and Mr. Oliver, the British motor-cyclists who are on a tour round the world, is being held up in the Sinai Peninsula for five days, gives point to the discussions that one hears from time to time upon the future of this barren land. The way from Palestine to Suez runs from Beersheba along the old Turkish railway (since destroyed) which had been built almost as far as Al Kossaima, in preparation for the attack on the Suez Canal during the Great War. The route goes through Asluj, Al Auja (where the old Turkish barracks are said to be still standing) and Al Kossaima itself, where the frontier authorities are. This much of the way between Beersheba and Suez is, from the point of view of desert travel, more or less ordinary. But from Bir al Hassana the drift sand is stated to be almost impossible for anything but a powerful motor car. At Nakhl, which is a little nearer Egypt, and which was well known to British soldiers during the War, there is an army rest house; and it is after leaving this place that the motorist encounters the mixture of sandy plain with the flint from volcanoes which constitutes so considerable a part of barren Sinai. It is not surprising that the two adventurers on motor-bicycles should have met with ill-fortune. But it seems hardly probable that there are any commercial possibilities in the route which these two British cyclists have chosen as the beginning of their world tour. Nor does there appear to be any need, on strategical grounds, for any anxiety upon Sinai's future ownership.

Imperial Service.

In the Earl Grey Memorial Lecture which the Bishop of Durham delivered last week in Armstrong College, Newcastle-on-Tyne, upon "The Ethics of Empire," the remark was made that "the English in India have erred less from mistaken policy than from lack of imagination. In their anxiety to propitiate native sentiment they had sometimes failed to understand the idiosyncrasy of the East." Dr. Henson went on to quote Sir Michael O'Dwyer as having said that "religion is the one thing which the people of the East take seriously," and he stated that "the British Government had silently exchanged religious toleration for religious neutrality." This dictum undoubtedly has force: there is a tendency on the part of the British Government occasionally to be neutral in the East. Sir Arnold Wilson recently reminded the Royal Geographical Society that Christian culture in the East has been of incalculable value, not only in the world sense, but, he implied, in the Imperial sense also. The importance of the right direction of affairs in the undeveloped East, through the medium of one personality, is, indeed, tremendous, and it is an axiom that this direction is best achieved when it is in the hands of a man who represents the finest not only of the English race, but also of the English religion. One may mention Syria as a striking example of a country in which the head of affairs, in the person of General Sarrail, neglected the advantage which his predecessors had given him in this regard. This High Commissioner, while flouting the Catholics of the Lebanon and Syria, by no means succeeded in gaining the respect of the Catholics' religious enemies in the country. The old maxim of "service" can no doubt be abused, but in its highest sense it must forever be the watchword of British policy, especially among those people whose destiny has been undertaken as a "sacred trust" of civilisation.

(Continued on page 206.)

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THE PREOCCUPATION OF EGYPT.

Whether the political map of the world has been changed to a greater extent and more lastingly by design or by chance is a question for historians to determine; but it is certain that there will always be those who scheme to redraw it. Apart from minor essays in a necessarily limited space in Arabia, contemporary opinion would have been inclined, until a few weeks ago, to attribute rightly or wrongly intentions in this direction to Signor Mussolini alone. Now, however, a new competitor has appeared in the ranks of the British Labour Party in the person of Colonel Josiah Wedgwood, who would seem to have decided that in the case of Egypt a redrawing of the map of the world is necessary, without having quite made up his mind in what colour that country had better be painted. It is true that the leader of the Labour Party has hastened to deny that Colonel Wedgwood's views have the Party's official sanction; but it is not likely that this disavowal will detract from the attention that is being given to the views by Egyptians themselves. A brief visit to Egypt four months ago has made the Labour ex-Minister gravely dissatisfied with conditions in that country. He starts from the premise that "British statesmen are tired of the problem of Egypt . . . it has not been one of our successes. . . . The Egyptian statesmen and patriots look on England as the oppressor . . . our trade benefits in no sort of way from our protection of Egypt," and on these grounds he advocates a change. His policy, however, is not one of incontinent scuttle; the Labour Party—at least officially while Mr. Ramsay MacDonald leads it—has no Little England traditions to live up to at all costs, and Colonel Wedgwood is out to promote the interests of the British Empire. He holds, as far as any clear policy emerges from his writings, that those interests would be best promoted by Great Britain's withdrawing from a thankless and, in his opinion, unsuccessfully performed, task; Italy, he realises, would at once step into British shoes in Egypt, and it would probably be better for Egypt, and for British trade, if she did. Great Britain should safeguard herself in relation to the Suez Canal by arranging for the transfer of Sinai Peninsula to Palestine, in order that British troops, withdrawn from Cairo, might be stationed at Port Fuad for the protection of the Canal, and she would at the same time regularize her single hold on the Sudan by friendly arrangement with Egypt. Colonel Wedgwood recognizes that there is "only one objection" to his scheme; Egyptian statesmen told him that they prefer British to Italian protection. He is tempted to attribute the remark to the natural politeness of the Orient; but he is prepared to pay to it the deference entailed in propounding an alternative proposal:—If Egypt wants British protection, she must pay for it; and his ideas hover between a purely business transaction for cash and an Egyptian "Dominion" within the British Empire. In the latter case the *quid pro quo* from Egypt would follow the policy adopted by Australia and the other Dominions, of trade preference, contributions to the Navy and similar forms of assistance.

It is true that the last Imperial Conference laid the

foundation of profound changes in the constitution of the British Empire; but, while these changes may be very real to Britons and may even have impressed General Herzog, it is doubtful whether their significance is capable of being fully appreciated by peoples outside the Empire. Earlier in his article in the *Contemporary Review* Colonel Wedgwood recognised that "Egypt does not want to come into the British Empire," and it may be doubted whether the attraction of a more tangible form of protection, which might give the British Empire advantages in Egyptian eyes over the League of Nations, would outweigh the risk of having to be content with what outwardly appears to be a reduced measure of independence. If this should prove to be the case, the result of the change proposed would be to convert Great Britain into a mercenary world-policeman, who would be expected not only to justify the payments received by the concrete services rendered, but also to adjust the bargain from time to time by what might be considered or alleged to be the market rate for the measure of protection provided.

In the circumstances, the first point to be considered would seem to be whether the game is worth the candle. It may be true that British statesmen at one time or another have been "tired" of the problem of Egypt; but it is by no means an axiom that they ought, on that account, to use their tiredness as an excuse for bad or useless bargains. Colonel Wedgwood was in Egypt at a moment when a new stage in Anglo-Egyptian relations was being reached. The manifest attractions of an independence that in the first flush of novel sensations seemed to raise Egypt to the level of the great nations have given place to a shrewd weighing of the chances that Egypt, situated in one of the key positions of the earth, might have of retaining that independence unaided against a thrustful and covetous people. The situation clearly calls for the careful consideration that the Egyptian people are now giving it. Enter at this precise moment Colonel Wedgwood, whom a cursory glance convinces that Egypt is the Sick Man of Africa and that it will never do for Great Britain to be in attendance up to the moment of death. The condition of the fellaheen, it is true, is serious as a result of the slump in cotton and the general economic condition of the world; since 1922 some valuable years have been lost in barren strife; the genius of the people has been directed towards the baiting of Great Britain instead of to the advancement of Egypt's interests; Nile regulation works have been delayed, because it was hoped first to browbeat the British out of the Sudan, where the barrages must be built, regardless of the fact that the complete irrigation programme entails further training-works at the Lakes, which can never be in Egyptian hands. Yet there is no reason for extreme pessimism in regard to Egypt or to Anglo-Egyptian relations. The hostility displayed by the Wafd has abated, in its cruder form, and Egypt appears to be approaching an attitude towards Great Britain which it has been the aim of the latter for the last four or five years to cultivate. Time must be given for the new relationship to bear fruit. At this particular moment there can be no need for the drastic measures proposed: that Great Britain should "cut her losses," or that Egypt should subscribe to the revival of the Roman Empire. In theory it is a sound principle that a nation should have a definite policy; but a definite policy does not necessarily imply a cut-and-dried programme for all time. British policy in regard to Egypt has been laid down in the desire to assist her in making a success of her independence. Up to the present circumstances for which Great Britain is not responsible have prevented that independence from being properly rounded off, and the stage of assistance has not been reached. Now that the Egyptians have realised that the indefinite prolongation of the present make-shift arrangement is a mistake, there is a chance of the two countries coming together at last with a view to terminating it.

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The Near and Middle East*

From Our Own Correspondents.



Cairo, February 13.

The Dessouk Bridge.

The new railway bridge at Dessouk, whose recent completion by Messrs. Dorman Long and Co., within the contract time of twelve months, despite the difficulties caused by last year's strikes in Great Britain, has been one of the best advertisements that British industry has had in Egypt for many a long day, was officially opened yesterday. Mohammed Mahmoud Pasha, Minister of Communications, who performed the ceremony, made an excellent little speech which was very much approved by his hearers, especially the British element amongst them. The old bridge, he said, took four years to build, from 1894 to 1898. When the old structure became inadequate for the increasing weight of engines and rolling stock used by the Egyptian State Railways, tenders for a new bridge were invited. Messrs. Dorman, Long and Co., undertook to do the work in twelve months; the next best offer, in point of time, specified two years. The British tender was accepted and, in spite of the difficulties encountered by the British steel industry last year, the contract had been kept. It was a feat on which he heartily congratulated Messrs. Dorman, Long and Co. Their achievement, too, meant a saving of at least £30,000 to the Egyptian State Railways, which could now dispense with the ferry which had been in operation whilst there was no bridge, and which cost £10,000 annually, while the balance of £20,000 would be easily economized during the twelve months by the economies in haulage made possible by utilizing the Dessouk route from Alexandria to Mansura and the Central Delta. Another advantage, difficult to estimate in cash values, was the greater convenience and quicker travel afforded to passengers.

Messrs. Dorman, Long and Co. are the more to be congratulated on having kept to their undertaking because, when the tender was accepted, there was considerable criticism in the vernacular Press, which asserted that the British firm could not possibly do the work in the time specified and had named twelve months as the necessary period merely as a bluff, well knowing that they could not keep to it and that they would have to pay back to the E.S.R. in penalties the difference between the amount of their tender and that of the rival concern which had offered to build the bridge in two years, at a considerably lower figure.

The completion of the bridge in the contract time, despite the strike difficulties at Home, made a splendid opportunity for impressing upon the Egyptian Government and the Egyptian people the merits of British methods and workmanship, and it is very pleasing to be able to record that Messrs. Dorman, Long and Co., made the most of it. Yesterday they invited some hundreds of local notabilities to attend the inauguration ceremony, provided a special train to take them to Cairo and back, and entertained them on the journey in princely fashion. The day's excursion must have cost Messrs. Dorman,

Long and Co. some hundreds of pounds, but there is no possible doubt that the result justifies the expenditure. For British industry generally and for their own firm in particular they obtained an advertisement of enormous value which, it is to be hoped, will contribute towards making their connexion with the Egyptian Government, so pleasantly and satisfactorily begun, one which will grow steadily in the future, with benefit to both parties.

The Motor Show.

British industry is not so well represented at the First International Motor Show, which King Fuad will open in the grounds of the Royal Agricultural Society of Egypt on Wednesday morning. The British firms represented will be Rolls-Royce, Bean, Clyno, Hillman, Rudge-Whitworth and one or two accessory makers. In large measure the fact that there will be any British representation at all is due to the initiative of Messrs. Rootes, Ltd., the important firm of car distributors of Devonshire House, London. Mr. Rootes is now in Egypt, in the course of a world tour, and will attend the Cairo show as part of the investigation he is making of this market, with a view to deciding whether it will be worth while for his firm to make efforts to secure some of the Egyptian motor business.

The meagre representation of British cars is not so serious as it might otherwise be because of the fact that the show itself is rather a half-hearted affair, in which no country is displaying more than a rather meagre selection of its leading makes of automobiles. America is represented better than any other car-producing country, but this fact is mainly due to the enterprise of General Motors, Ltd., who, with their comprehensive range of six different makes, have during recent months been making energetic and successful efforts to capture a considerable portion of local trade. Italy comes next in importance, where Wednesday's show is concerned, but here again there is a predominance of one or two very big firms, like Fiat, and a complete absence of many others whose products are typical of the best Italian automobile engineering. Renault, Citroen and Peugeot are the leading French makes represented.

The fact that the Show cannot be more than a partial success is chiefly due, it is to be feared, to defective organisation. The Royal Automobile Club of Egypt has given its patronage to the exhibition, but has been able to exercise little effective control over the details. Instead of the organization being carried out by the local motor agents, or by a committee representative of them, it has been in the hands of an organizer who, in the first instance at least, appeared to believe that the purpose of the exhibition was to make a profit, rather than to afford the public an opportunity for a comprehensive view of the cars and motor-cycles which are sold in this market, thus enabling agents to establish contact with thousands of potential customers who, normally, might never enter the agents' showrooms. As a result of being asked what they considered prohibitive prices for stands, many firms, conspicuously local representatives of British makers, fought shy of the exhibition and even when stand rentals were lowered, declined to come in. This is regrettable, but as the agents of cars of all countries are more or less

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in the same boat, the British motor industry may not lose very much by being so poorly represented at this initial Egyptian exhibition. On the other hand, this first show will almost certainly be succeeded by others and, with the experience gained on this occasion, it is probable that future exhibitions will be far more representative and more successful. If all the organizations at present represented in the Egyptian market would get together and run their own exhibition it would probably be a very successful and useful display. If between now and next year something of this kind develops, it is to be hoped that the British motor industry will then be represented by many more makers than are participating in the present exhibition.

Al Azhar.

The Azhar ulema and students who have been defying the Government for the past fortnight appear now to have been cowed by the threat of severe action and the instructions given by the Ministry of Justice to the Cairo Parquet to open an inquiry, with a view to bringing to trial the ringleaders of the insurrectionary movement. Al Azhar seems, on this occasion, to have gravely misjudged popular sentiment towards religious institutions. A few years ago a strike by Al Azhar on the grounds which have been the cause of the present unrest would have been a serious matter, for the ulema and their pupils would certainly have carried a considerable portion of the country with them. But popular sentiment, at least of the educated section of the Egyptian nation, is now almost solidly against the Azhar extremists, and the Arabic Press has of late been full of articles declaring that, unless Azhar reforms itself and realizes that it cannot continue to exist as a State within a State, reformation must come from outside and that it will be drastic. The present tendency is towards confining the authority of Al Azhar and similar institutions, to purely religious matters, severing religious teaching from general education and towards lopping off from the Ministry of Wakfs the innumerable schools, hospitals and institutions of various kinds which, in the course of centuries have become attached to that Ministry but which now, it seems are to become dependent upon the Ministry of Education, the Department of Public Health, and other purely secular branches of the administration. The decline of the influence of the religious element is, indeed, one of the most striking features of recent years in Egypt.

ROUMANIA.

Bucharest, February 17.

The Railway Bill.

Contrary to the advice of the Tutelary Liberal Opposition Press the first Bill brought before Parliament, and passed in the face of strong opposition, was the Bill for the Reorganisation of the Railway Administration, probably the most unpopular on the whole of the Government's

programme for this Session. The main reasons for the unpopularity of this measure were dealt with in my last letter (published on February 3), the chief of these being that the railway appointments should be made on the basis of technical efficiency and not for political party interests. So strong was this conviction in the mind of M. Pretorian, who has held with distinction the post of Secretary-General of the Railways for several years, that he has retired on the overthrow of his organisation by the passing of the new law, which involves the appointment of an Under-Secretary of State for Railways, in whom many of the powers of the former Secretary-General are vested.

Railway Materials from Germany.

The latest development in connexion with the needs of the Railways is the inclination to turn towards Germany both for rolling stock and for the loan required to execute the necessary repairs to the permanent way and to provide means for the upkeep of the existing rolling stock, by supplying the workshops with materials and funds for wages for a more numerous and efficient staff. Germany appears to be the only country willing to step into the breach. Already orders for rails and other materials have been placed with a German group (Krupp, Otto Wolff, and Vereinigte Stahlwerke) to be the value of 30 million gold marks, on account of reparations and the Dawes scheme. Moreover, negotiations are apparently on foot between the two Governments with a view to laying aside the old bone of contention (viz., the compensation demanded by Roumania and refused by Germany (outside the Dawes plan) for the issue of banknotes by the Banca Generale during the German occupation) and coming to an agreement for a railway loan. The Opposition Press is making use of this circumstance to try to excite the anti-German section of public opinion against the Government by issuing long articles with such headings as "Economic Offensive of German Trusts." In justice to the Government, however, it may be asked where else it can turn for the loan which is absolutely necessary even to maintain the railways in their present state of efficiency. France, America, and Great Britain have all repeatedly refused a loan and have thus left the field open for Germany to pursue her favourite wise and far-seeing policy of peacefully expanding her economic influence by a process of slow infiltration. Germany fully realises the amazing natural wealth of this country, with its cereals on the Danube and timber in her Carpathians and their foothills (to say nothing of the extensive and rich fisheries in the lakes and marshes in the Delta), and she is now making overtures to Roumania for an exchange of products and an intensification of trade relations generally. It is obvious even to a casual observer that Germany has begun to regain all the ground lost during the War, as far as the Roumanian market is concerned.

Change of Capital.

Considerable interest has been aroused by the proposal of Her Majesty the Queen to transfer the capital from Bucharest to Brashov. Her Majesty confidently states that American capital could be obtained to carry out this project. It has often been argued that Bucharest is an unsuitable centre, and it certainly has a much less pleasant climate than Brashov, the former lying in the sun-baked plains, with no pleasant surroundings, while Brashov stands higher, in the Carpathian foothills, and is surrounded by mountains and beautiful wood country. Brashov is, too, an historic old township, having been the centre of trade between East and West during the Middle Ages. It is also provided with modern drainage. It would certainly make a much pleasanter and more convenient Capital city, but whether the advantages would justify the enormous expense involved is a question which involves much consideration and calculation.

Cost of Living.

In spite of the rise in the value of the leu (which has reached 860 to the £, on an upward swing from the figure



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of 7,600 reached during last summer) the cost of living continues to increase, the index number of prices in Bucharest last month being 54.7 times those of 1916.

Free Zones in Roumanian Ports.

In anticipation of the Free Zones Bill which is to come before Parliament this session, a concession has been granted by the Government to the Société Americo-Danubienne for the establishment of Dépôts for stocks of Brazilian goods intended for the Roumanian and also for Eastern markets, in the ports of Braila, Galatz, and Constantza.



Sofia, February 15.

Bulgaro-Yugoslav Relations.

The approaching departure of M. Rakitch, transferred to Rome, which is at the moment the most delicate and difficult post for a Yugoslav diplomat, has been the occasion, on the part of the Press of Belgrade and of Sofia, of comments upon Bulgaro-Yugoslav relations—what they are and what they might be.

M. Rakitch is leaving amid unanimous regrets—regrets for him personally and for the policy which he followed. This was a policy of *rapprochement* between Bulgaria and Yugoslavia. This *rapprochement*, which logically should end in an entente and in the cause of which M. Rakitch has worked ceaselessly during his six years' stay in Sofia as Minister for Yugoslavia, was at first ardently desired by Bulgaria and but coldly received by Yugoslavia, which gave the idea little welcome until Dr. Tsankoff, ex-President of the Council, visited Belgrade in December, 1924. The change in temper which was the result of his visit was, however, soon overtaken by the explosion of anger which the attempt in the Cathedral at Sofia provoked. This was the work of the agents of Moscow, and of the Agraro-Communists who had sought refuge in Yugoslavia. But the conversations were resumed in the autumn of 1925, and, at the time of the fall of the Tsankoff Cabinet, at the beginning of January 1926, the question was seriously considered of the conclusion of a Customs union between Bulgaria and Yugoslavia.

The arrival of the Liaptcheff Cabinet seemed to open out the best possibilities for a Bulgaro-Yugoslav entente, in view of its political composition. The old National-Progressive Party (the Gueshoff-Daneff group) had without doubt a Slavophil and Serbophil orientation. Moreover, the new Foreign Minister, M. Bouroff, who had

never disguised his French and Yugoslav sympathies, thought that he could realise the definite reconciliation of the Bulgarians and the Yugoslavs. The first personal contact of M. Bouroff with Dr. Nintchitch, then Minister of Foreign Affairs in Yugoslavia, filled the numerous supporters of a Bulgaro-Yugoslav *rapprochement* with hope. This alarmed the Yugoslavs, who believed the moment had arrived when matters might be precipitated by a grand *coup*. They proposed to Sofia the conclusion of a Pact of Arbitration the preamble of which contained a declaration that Bulgaria completely disinterested herself in the future of Macedonia and the Macedonians, and an undertaking to pursue into Bulgarian territory all revolutionary activity and all political propaganda against the Yugoslav domination of this province. No Bulgarian Government could possibly sign such a declaration; and no one was surprised in Bulgaria on hearing of the categorical refusal of MM. Liaptcheff and Bouroff. But in Belgrade the refusal to discuss the matter on the proposed basis was interpreted as a lack of loyalty and as proof that Bulgaria cherished treacherous thoughts towards her neighbour. And so, the nascent reconciliation giving place to resentment and hatred, Belgrade covered Sofia with most serious charges. A little while after it was learned that Yugoslavia had secretly sounded Roumania on the subject of a military occupation of Bulgaria for the purpose of destroying the revolutionary centres therein, the activities of which threatened equally the frontiers of Macedonia and of the Dobruja. This secret agreement, made sufficiently manifest at the Conference of Bled, was expressly remarked in the famous letter which the aged Generalissimo Savoff wrote at this time to Sofia, a letter which it has been attempted to disprove but the authenticity of which cannot really be questioned. The author of this document, which was distorted in the Yugoslav Press and consequently in the European Press, showed alarm at the intentions of Belgrade and advocated instantly the policy of *rapprochement* with Great Britain, which is the sole Power able to secure security and peace in the Balkans. The Collective Note which the three neighbouring States of Bulgaria presented last August 11 at Sofia and to which Greece adhered only under pressure from Yugoslavia and Roumania, was but the corollary of this anti-Bulgarian policy.

It is well known how Bulgaria faced the threats contained in this Note, which was virtually an ultimatum. Courageously recognising her errors, she took all the measures wished for against the revolutionary organisations, to repress their activities upon her territory. But at the same time, she no less courageously showed that the responsibility for the troubles of which her neighbours complained lay with them themselves, and asked to be assisted, in her heavy task of putting down all revolutionary activity, by political measures in Macedonia and in the Dobruja. This was a reference to the question of the Bulgarian minorities in these two provinces. This firm and even audacious attitude astonished Belgrade.

The Loan, guaranteed by the League of Nations, had not yet been concluded—and consequently the bitterness which it provoked in Bulgaro-Yugoslav relations was still fresh—when the Italo-Albanian Pact was published. This was the most considerable event for the Balkans

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since the termination of the Greco-Turkish war. Immediately, and, so to speak, instinctively, a current of mutual sympathy started flowing in Belgrade and in Sofia. The idea of *rapprochement* became the "order of the day." The Bulgarian Government gave it to be understood that it was ready to enter into conversation, if so desired. Negotiations were unnecessary; what was wanted was a simple explanation. The relations between Bulgaria and Yugoslavia cannot, and ought not to, rest—in the interest of the peace and independence of the whole Balkan Peninsula—in their present state of indifference.

But an explanation did not come, Yugoslavia, wounded by the Italian offensive, deciding not to enter upon conversations of which Bulgaria could not take the initiative.

In face of this reserved attitude on the part of the authorities, a discussion was waged in the Press, which ended in misleading conclusions. One of the most serious Bulgarian journals having written, that after all the platonic declarations of recent times, a Bulgaro-Yugoslav entente was most desirable, but that the question must be got out of the domain of generalities (it mentioned several concessions that Yugoslavia would have to make if the entente were to become a reality), the Yugoslav Press, with the *Politika* at the head, replied that if it were necessary to make concessions of this sort and especially if it were necessary to allow the Bulgarians of Macedonia to continue to call and to feel themselves Bulgarians, it was not worth the trouble of bringing about an entente with Bulgaria. . . .

And at the moment when M. Rakitch goes to take up his new post in Rome, there is, between Sofia and Belgrade, only a heavy and enigmatical silence. Perhaps it is because of this uncertainty that the new Minister for Yugoslavia, M. Liuba Neshitch, who is one of the best Yugoslav diplomats, has been taken from Warsaw, whither he went but last spring.

SCHOOL OF ORIENTAL STUDIES.

This week the School of Oriental Studies celebrates the tenth anniversary of its opening by King George. A luncheon is to be held in honour of the event, at which the principal guest will be Lord Birkenhead. Owing to the fact that this issue of THE NEAR EAST AND INDIA goes to Press on Tuesday, our account of the gathering has to be held over until next week.

NOTES OF THE WEEK.

(Continued from page 200.)

India and Arabia.

Events in China have naturally eclipsed, and are likely for some time to eclipse, all other happenings in Asia. It is, therefore, even more difficult than usual to estimate how this year's *haj* is to loom in Muslim eyes. A considerable number of pilgrims have, of course, already arrived in the Hijaz, or are on their way thither—notably the Javanese and Mussulmans from Chinese Turkestan. But the main question of this year's *haj*—the participation of the Indian Muslims—is still unsolved. There is little means of judging how far the campaign instigated by the Ali brothers against the Wahhabi régime is having effect. Both pro-Wahhabi and anti-Wahhabi meetings are reported from India. We notice that the Foreign Minister of the Hijaz, Dr. Abdullah Damluji, when in Bombay recently on his way to Hasa, definitely denied the report that special rates had been provided for by the Hijaz Government for Indian pilgrims, and he is also stated to have defended the Wahhabi attitude towards the undesirability of tombs as being in strict accordance with the *Shariat*. The actual pilgrimage season is in June this year, so that there is yet time for the Indian Muslims to reconsider the matter of supporting Ibn Saoud or of suspending the *haj*. It has been suggested that a rival assembly of Muslims should be held this year in Teheran, instead of Mecca, and if this should indeed come about, it would be profoundly interesting to watch the developments of such a schism in Islam—for it would, of course, be a schism not merely of Sunnis and Shiahhs. Presumably there would be a considerable number of Sunnis supporting the Shiahhs.

The Rev. E. G. Parry, recently curate of Almondbury, Yorks, has gone to Cairo to take up work under the C.M.S. with Canon Gairdner.

Under the auspices of the Union of Democratic Control Mr. H. W. Nevinston spoke on "Syria and Palestine To-day" on February 23 at Denison House, 296, Vauxhall Bridge Road.

The German School at Athens last week resumed excavations near the site of the Dipylon Gate, at the beginning of the Sacred Way, discovered in the Mycenaean cemetery below the foundations of the Pompeion—the building where the Pan-Athenian processions were marshalled. Many funereal urns, pottery, and metal ornaments have been discovered.

Major-General Cyril N. Macmullen, C.B., C.M.G., C.I.E., D.S.O., who is Deputy Quartermaster-General in India, is to succeed Major-General Sir Louis Vaughan in command of the Rawalpindi District. He is an officer of the 15th Sikhs who has been 30 years in India and was one of Sir Percy Lake's general staff officers. He had a long succession of appointments with the Indian, Mediterranean, and British Expeditionary Forces, and was chief of staff to the 2nd Mounted Division, 15th and 19th Army Corps, as well as being on Lord Haig's staff. He commanded a brigade at Bareilly and served in the Afghan War of 1919.

The appointment of General Staff Officer First Grade in the Military Department at the India Office has been filled by the selection of Colonel John Cavendish Freeland, who is now an assistant adjutant-general for organisation at Army Headquarters, Delhi. Colonel Freeland will join the staff of Field-Marshal Sir Claud Jacob in Whitehall during April. The vacancy occurs owing to the return of Colonel W. E. Wilson-Johnson to Indian service in command of the 7th Indian Infantry Brigade, as already announced. Colonel Freeland has had 30 years' service since joining the unattached list for the Indian Staff Corps, and he was Adjutant of the 35th Sikhs, now the 10th Battalion of the 11th Sikh Regiment. He is a Staff College graduate of Quetta, where he qualified under Lieutenant-General Sir Walter Braithwaite. He came to France with the Dehra Dun Brigade, and was afterwards with Lord Haig's 1st Army Staff. He was for a time with the 8th Division and was also at General Headquarters in Mesopotamia.

The Index to Volume XXX of "THE NEAR EAST AND INDIA" (July 8—December 30, 1926) is now ready and copies will be sent to subscribers gratis on application to the Manager, "THE NEAR EAST AND INDIA," 170 Strand, W.C.2.



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THE TEMPORARY MARRIAGE.

By MORRIS HUGHES.

The Probate, Admiralty and Divorce Division has recently had a real thrill—if the condition be first laid down that the essence of a thrill lies in the unexpected. There the unravelling of knots injudiciously tied becomes wearisome in its monotonous familiarity.

The impossibility of existence with one particular man or woman is the lesson that the Courts have learned from over repetition. Judge then of the consternation, the almost paralysing shock when counsel suddenly stood up, addressed the learned judge, Lord Merivale, and calmly asked him to declare that two women—both present—were the lawful wives of one man. The case was naturally adjourned—once and yet again—and justice was saved by its being settled between the parties out of Court—and very proper, too.

It arose through a Shiah Muslim who had been living in this country and had married two English women. He had since died, and now his wives each claimed an equal share in the estate. The first disputed the claim of the second on the ground that her marriage was merely a *muta'*—a temporary marriage. The second declared that whereas her marriage was originally a *muta'* it was subsequently made permanent.

Just as the Doctrine of the Imamate separates the Shiah from the Sunni in matters of theology, so the existence of *muta'* forms an insuperable barrier between the sects in questions of social life. It is a curious custom, and so far as the writer is aware, exists in this particular form among no other people of the world.

Muta' is simply a temporary marriage. A document is drawn up and the terms of the marriage are clearly stated thereon. The man and woman agree to live together as man and wife for a certain period—a month, a year, or longer or shorter as the parties decide. A small sum, varying in amount in accordance with the length of the period and the attractiveness of the bride—the *muta'*—is handed to her as a dowry, promises are given before witnesses, and the bride repairs to her husband's house and is accepted by the neighbours as his true and lawful wife.

In this form of marriage no divorce is possible and for that reason the period named is usually fairly short. The man is, of course, temporarily responsible for the support of his "wife," but *permanently* responsible for the upbringing of any offspring accruing to the "marriage." At the end of the agreed period the woman returns to her house, and no obligation—save the question of children already noted—exists on either side. Should the parties decide to prolong the period, a new agreement must be made out and a further sum of money be paid to the woman.

A temporary marriage cannot automatically, by lapse of time or by any other circumstance, resolve itself into a permanency. The two are completely distinct phenomena, involving different obligations and requiring different ceremonial.

It will probably be recalled that Haji Baba of Ispahan was taken to a house where dwelt the *muta'i*, with the idea of choosing from among them one to his liking. It has become, therefore, a definite profession, and whereas no shame attaches to it, yet the women who choose it do not naturally shine as social stars.

The origin of *muta'* is obscure. That concubinage has existed in Islam almost from its inception is fairly well determined, and it is possible that *muta'* came into force with the idea of affording some sort of legal protection and social position to the concubine. Unfortunately the custom of concubinage still exists side by side with that of *muta'*, but whereas the former is naturally the monopoly of the rich, the latter is the refuge of the poor.

Islam has laid it down that it is a man's duty to marry and to produce a family. Barrenness is a sufficient ground of divorce. Islam has laid it down equally clearly that a

man must support his wife adequately, and he who neglects her is regarded as a social outcast.

A man may marry one, two, three, or four wives but only if he can support them all equally and without showing preference to one above the other. The regulations regarding the marriage law of Islam had originally two objects in view—to satisfy adequately the natural passions of a fierce martial race and to ensure the raising of families in such numbers as would fill the ranks of the armies depleted by years and years of constant warfare.

There are, then, four contributory causes to which we must probably look in order to account with the gradual development of *muta'* among the Shiah.

(a) The affording of some kind of legal status to the concubine.

(b) The obligation to marry and produce children.

(c) The rigid necessity of adequately supporting the wife.

(d) A large amount of very real poverty.

The existence of the later would make it almost impossible to fulfil the necessary obligations. *Muta'* provides a means of escape which not only assuages the conscience of the individual, but also affords him the opportunity of satisfying that overwhelming desire which is found throughout the Eastern peoples—that of raising up a man-child to his name, while it effectually eliminates, on the one hand, the onus of immorality, and, on the other, the stigma of illegitimacy.

NEWS IN BRIEF.

Sir W. Sefton Brancker, Director of Civil Aviation, made a return journey over the new Khartoum-Kisumu air route. He was scheduled to leave Khartoum on February 20 and to arrive at Kisumu on the 22nd inst.

The agreement for the compensation of expropriated British subjects, the draft of which was initialled on February 14, was formally completed in Athens on February 17 in the form of an exchange of Notes.

Five hundred and seventy United States professors and students from 42 different States, who are making a world tour, visited Naples on February 18. They have already visited Japan, China, India, Egypt, Palestine, Turkey, Greece, the Adriatic, and Malta.

The first sitting of the new Czecho-Slovak-Yugoslav Parliamentary Committees was held on February 14 at Prague. One committee will deal with educational methods of common interest, while the other will endeavour to devise a means for closer commercial relations between the two countries.

Colonel Vickers Dunfee, C.B.E., whose death occurred on February 17 in his 66th year, during the War commanded the 2/4th Battalion, The London Regiment, and served in Egypt, Gallipoli, the Senussi campaign, and France, and was twice mentioned in dispatches, being also made C.B.E. (Military Division).

Mr. Frederick Eden Pargiter, an Orientalist of distinction and a former Judge of the Calcutta High Court, died at his residence at Oxford on February 18, in his 75th year. He devoted much of his spare time to the work of the Bengal Asiatic Society, of which he was for some time Secretary and afterwards President. At home he became identified with the Royal Asiatic Society, serving as a member of the Council, and afterwards as Vice-President.

The Greek Government has come to an arrangement with the British Minister in Athens regarding British subjects' properties expropriated under the Rural Law of last October. The Government undertakes to pay compensation in cash during the next three years or restore the property. In the former case the prices are to be fixed by direct negotiation, but in the case of disagreement between the two parties, experts will be nominated by each party, with ultimate appeal to a judge. Four per cent. interest is payable since the expropriation.

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TOURISTS FOR GREECE.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—Being heartily in favour of "opening up Greece to tourist travel" and therefore one of the "cloudy-minded" individuals so courteously referred to in your number of January 27, I trust I may be permitted to ask your Athens Correspondent to turn the attention of his scintillating brain to the following:—

(1) The newspapers report that England is expecting 300,000 American tourists during the summer of 1927 and is preparing to separate them from the estimated sum of one hundred million American dollars. There seems to be no visible evidence that any Englishman is exactly what you might call "horrified" at this prospect.

(2) Mr. J. H. Cahill, of the British Embassy in Paris, in an address recently delivered before the Manchester Statistical Society, describes the tourist industry of France as "one of the most remunerative, if not the most remunerative, of all the national industries." Mr. Cahill avers that the National Touring Office created by law in 1919, has helped to make it an outstanding example of the increased capacity of France for wealth production, adding that it was probably not far wrong to estimate the "invisible exports" which it had created in the last year at 70 to 80 million pounds sterling, while some put the figure at 100 millions.

Greece having an unfavourable trade balance needs tourist money to help offset that unfavourable balance. Greece also needs the friendship and understanding usually engendered in the hearts of those who visit her shores. And the tourists themselves are entitled to the thrill they receive when gazing for the first time upon the remains of the Classic Age of Greece, to see the "violet light upon the hills," and to learn the charm and wonder of this land, which is so old and yet so young.

"Cloudy-minded" we may be, but croakers we are not, and we shall go ahead and do our best to advertise Greece, looking forward without fear, in spite of the dire disaster which is predicted by your lugubrious Correspondent.—I am, etc.,

BRAINERD P. SALMON.

Hotel Angleterre, Athens, February 14.

JEWISH LABOUR IN PALESTINE.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—In your article in your issue of February 17 upon "Snow in Jerusalem" you seem to suggest that the work of scavenging should be done by the Jews. May I be allowed to point out that this is not the kind of work for

which Zionists have gone to Palestine? It is not the intention of the Jews in Palestine to sink to the level of the Arab workers, and for the purpose of such work as you mention I do not think that the Jews should compete. In Palestine outside the towns the Arab fellah works for 9 piastres a day, and I can tell you that the Jew will never be content with that miserable wage. The Jew's average wage, as compared with the fellah's, is, in fact, 15 piastres a day (3s. 1d.). And the difference in the two amounts is a just one.

Such an attitude as you imply towards Jewish workers is all too common among officials in the Palestine Administration.—I am, etc.,

A. PETROWSKY.

[We confess that it never occurred to us that any Jews should resent its being suggested that they should do what British soldiers did in the country which our troops conquered from the Turks in the interests of the inhabitants and of the Jews to come. We believe, as a matter of fact, that the Jewish National Home will be really and solidly established, not on the attitude which our correspondent takes up, but precisely upon the work of the humble Jewish labourer, the man who is himself content to do the lowly jobs, not merely to employ the native inhabitants of the country to do them. The difference between the rates of payment for Arab and Jewish labour is, of course, one of the main preoccupations of the Jerusalem Administration, as any attempt to introduce into a backward Eastern country the more advanced notions of the West must necessarily be.—ED.]

NEAR AND MIDDLE EAST ASSOCIATION.

Sir Henry Penson, K.B.E., will lecture on March 4 to the Near and Middle East Association on "The Economic Background of World Politics." The meeting, which is to begin at 8.30 p.m., will take place by kind permission of Mrs. Geoffrey Mander at 53, Seymour Street, W.1. The Viscountess Dunedin will preside.

The agreement prolonging the existing provisional relations between America and Turkey for a period of one year was signed on February 18.

The wedding of Mlle. Didi Vlasto, the eminent lawn tennis player, and M. Jean Serpieri, a young Italian, took place on February 17 at the latter's country house, near Athens.

Mr. Sydney Arthur Thomas Ware, M.B., B.S., of Harley House, Manor Road, Wallington, Surrey, of the Sudan Medical Service, intestate (net personality £1,152), left £1,222.

Major-General Sir Cyril J. Deverell, K.B.E., C.B., takes up the appointment of Quartermaster-General in India this month in succession to Lieutenant-General the Hon. Sir A. Richard Montagu-Stuart-Wortley, K.C.B., K.C.M.G., D.S.O.

It is officially announced that the Hungarian Government has concluded a temporary commercial agreement with the Government of Egypt for the application of the most-favoured-nation clause on all exports, with the sole exception of tobacco.

Captain Malins and Mr. Charles Oliver, who are making a tour of the world on two motor-cycle combinations and who had not been heard of since they left Suez for Jerusalem, were reported on February 16 to have left Nakhil, in the Sinai Desert, for Beersheba. One machine was giving trouble.

Mr. G. B. Pradham, the member for Thana in the Bombay Legislative Council, will succeed Dr. Paranjpye (who has been appointed to the Council of India) as Minister of Excise. Mr. Pradham withdrew his candidature for the Presidency of the Bombay Legislative Council, and Mr. A. M. K. Dehlavi, a Muhammadan, and a former Minister of Excise, has been elected President. Another Muhammadan, Sir Ibrahim Rahimtulla, previously filled the post.

The Ministry of War in Athens has issued a summary of the progress made by Greek aviation during the last three years. The hours of flight were 2,369 in 1924, 5,475 in 1925, and 6,936 in 1926; the distances covered 177,656 miles in 1924, 409,275 miles in 1925, and 520,200 miles in 1926. The accidents consisted of one aviator killed and one slightly wounded in 1924, two killed and six wounded in 1926; there were no casualties in 1925.

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CRITICISM OF ZIONISM.

Under the auspices of the Anglo-Palestinian Club at Jews' College, Guilford Street, W.C., Colonel Josiah Wedgwood delivered an address, on February 17, on "Criticism of Zionism." Mr. Joseph Cowen, who took the Chair, referred to the services of distinguished Englishmen in the Zionist cause, which enjoyed, he said, the support of all the best Englishmen. His one criticism of the British Government in Palestine was that they might do a little more to bring about the establishment of the Jewish National Home as provided in the Mandate: the pace should be quickened. He referred to the recent utterance in the House of Commons of Mr. Amery, who, speaking on the question of African mandates, had said that Great Britain did not derive her authority for mandated territories from the League of Nations, which had no power to take them away from the Mandatary. For his part, he welcomed this announcement, for he wanted the Zionists permanently to have the protection of the British Empire.

Colonel Wedgwood confessed at the outset that he found it very difficult to criticise Zionism. But he would deal with the critics of Zionism. First, there were the critics among the Jews themselves. Of these the chief were the "Assimilationists," people who wished to be taken for anything, so long as it was not what they were—Jews. These could be won over by proving that the Gentiles no longer respected a man who did not take pride in his race, that, in fact, the Assimilationists would be more highly regarded if they became Zionists. Next, came the rich Jews, who did not like it to be thought that they were of the same race as the poor Jews. Their objection to Zionism was the result of pure snobbery. For instance, the German Jews who had emigrated to the United States after the "48" and had since become rich, were unwilling to throw their lot in wholeheartedly with the poor Russian Jew. Then there were the Jews who had devoted their whole lives to the welfare of their unfortunate fellows. These tended to look upon Zionism as a rival method of dispensing Jewish moneys. It was necessary to teach them that there was an even wider thing, in Palestine, than local relief. Of the objections raised by Englishmen to Zionism, the lecturer said that little was heard now of the statement that the Jew was essentially a middle-man, not a producer, one who had not the stamina to build up a modern State. The work of the "Haluzim" had effectually squashed this objection. Nor was there point in the objection that the Jew would not defend his land, for the Haluzim were now armed. As a matter of fact, the national hero of the Palestine Jews was, not Sir Herbert Samuel, but Trumpeldor. Colonel Wedgwood proceeded to chide the Jews for sitting down too easily under injustice. He instanced the work of the Keren Hayesod in providing funds for such things as education—things, which, he maintained, ought to be provided by the Jerusalem Government. He threw out the suggestion that American Jewesses might be taken to Palestine to teach Hebrew, of course at the expense of the Palestine State, and not of the Zionist funds. Continuing, he stated that the British Government had made a profound mistake in Palestine in the Municipal Franchise Ordinance, which provided for communal representation. This, as in India, was nothing but a plan to perpetuate the existing divisions of the peoples of Palestine into Muslim, Christian, and Jew. What ought to be done was to divide the people horizontally, along lines of economic interest. In conclusion, Colonel Wedgwood referred to the state of Palestine in thirty years' time, when "the Jews would be in a majority." Then it would have a parliament of its own, and could decide its own future. It might enter the League of Nations; on the other hand, it might opt for incorporation within the British Empire.

In the subsequent discussion, various points were emphasised by speakers. For instance, one Russian Jew stated plainly that Jews in Palestine should work for the benefit of no one but the Jews. In his view, the Balfour Declaration was a divine act, and it was now for the Jews to assert their rights without fear and without favour. Another Zionist stated his belief in the necessity of co-operating with the Arabs. But the boast of the Arabs that they were in a majority in Palestine was not true: the majority of the inhabitants of Palestine were malarial microbes, which the new colonists had done so much to destroy. A Jew recently in Palestine also asserted his belief in Arab-Jewish collaboration. He gave instances of official lack of enthusiasm for the Zionists on the part of members of the Administration. Another Jew asserted his conviction (which, as he had seen in one of his letters, was shared by Nordau) that the Jewish National Home must be built up on the foundation of the Torah. As for the lecturer's suggestion that teachers of Hebrew might be imported from America, that was not the sort of thing that the Zionist stood for: they wanted no pidgin Hebrew. Another comment on the lecturer's address was that, if voting in Palestine were not communal, quantity would dominate quality. There was a necessity for a bi-communal State in Palestine.

In reply to these comments Colonel Wedgwood said that in criticising the Keren Hayesod he was really criticising the British Government. Keren Hayesod wanted all the money it could find for objects other than those which ought to be taken in hand by the Palestine State. He stood by his suggestion of placing the education of Jews in the hands of the State: it would, he said, at least give Zionists the chance of learning English, the language of the world. Of the ultimate future of Palestine he hoped that it would vote for incorporation within the British League of Nations (like French Canada, Burma, Dutch South Africa, Ceylon, India).

Colonel Solomon, in moving a vote of thanks, explained that he knew little of Zionism until he went as a soldier to Palestine. Then he underwent such an experience as prompted him to tell the story of a Persian Ambassador who came to England about 150 years ago. An English lady came up to him and said: "Is it true, Your Excellency, that in your country men worship the Sun?" "It is true," he replied, "and, Madam, if you ever saw the sun in your country, you would worship it too." He had seen the sun when he saw what the colonists were doing in Palestine, and he had worshipped it ever since. It was inconceivable to him that any English Jew could fail to support the establishment of the Jewish National Home. But it was foolish to hope that the Home could be built in a day. It was the work of generations. Some Jews, in their haste for the completion of the Home in Palestine, reminded him of the story of the girl riding pillion on a motor bike. "This," she said to her companion on the saddle, "is a nice village, wasn't it?"

In seconding the vote of thanks, the speaker remarked that more men of the type of Colonel Wedgwood were wanted in Palestine. A man who could—as the lecturer had done—visit the Jewish Labour Party in Palestine and criticise them, was entitled to respect. At present there were too many Zionist farmers who could raise—nothing but their hats when a particularly generous contributor to the Zionist funds passed by!

The Moslem World

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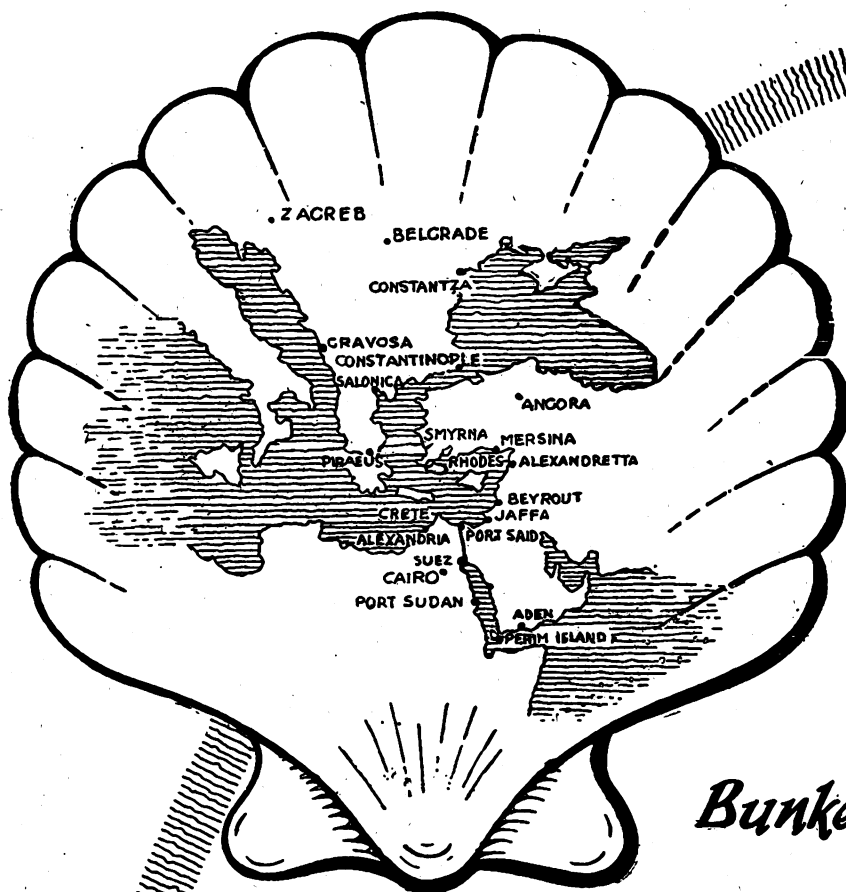
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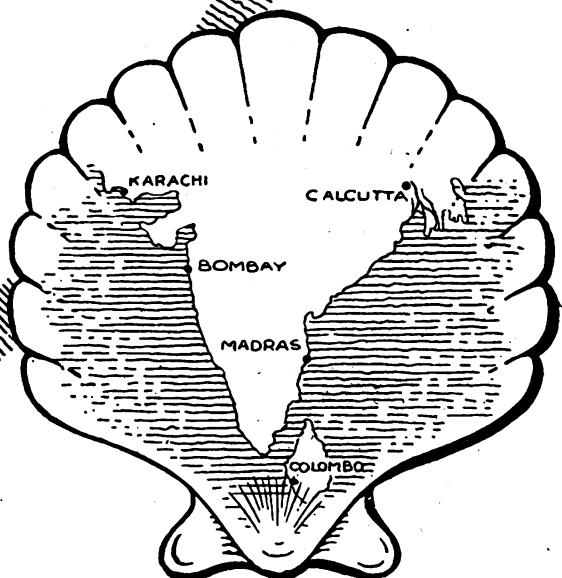
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SHELL



PERSONAL AND GENERAL

TO-DAY

February 24, 1927 (New Style).
February 11, 1927 (Old Style).
Shaaban 21, 1345, A.H., of the Muslim Calendar.
Adar I, 22, 5687, of the Jewish Calendar.

Lady (Geoffrey) Salmond left London on February 18 for Bombay.

Mrs. Wilfred Brownlow and Miss Frances Shirley left England on February 16 for Asia Minor.

A good Service Pension has been awarded to Lieutenant-General Sir Thomas E. Scott, Indian Army, retired.

Lord and Lady Airedale sailed from Marseilles on February 19 for Colombo by the Bibby M.V. Shropshire.

Major-General A. B. E. Carter has been appointed General Officer Commanding the Sing-Rajputana District, India.

Sir Edwin Lutyens has returned to 13, Mansfield Street from India. Lady Emily Lutyens will return from America about April.

The appointment of Prince Antoine Bibesco as Roumanian Minister to Spain was officially confirmed in Bucharest on February 18.

His Majesty invested the Lady Maud Hoare with the Insignia of a Dame Commander of the Most Excellent Order of the British Empire (Civil Division).

Sir John and Lady Shuckburgh were among the passengers travelling to Port Said for Palestine in the Bibby Line M.V. Shropshire, embarking at Marseilles on February 19.

The Secretary of State for Foreign Affairs was represented by Mr. J. B. Monck at Victoria Station on February 21, on the departure of Nejati Bey, Turkish Minister for Education.

By command of the King, Brigadier-General the Earl of Lucan, Lord in Waiting, received the Right Hon. Sir Samuel Hoare, Bart., M.P., Secretary of State for Air, upon his return to London from India on February 17.

Sir Robert Waley Cohen has left England in the Orient liner Osterley for Palestine. With him is Mr. Walter S. Cohen, Hon. Secretary of the Economic Board for Palestine.

The Right Hon. Sir Samuel Hoare, Bt., M.P. (Secretary of State for Air), and the Lady Maud Hoare had the honour of being invited to luncheon with the King and Queen at Buckingham Palace on February 19.

The English Zionist Federation (Central Keren Hayesod Committee) is holding a reception in honour of Mr. Nahum Sokolow to-night, Thursday, at 8.30 p.m., in the Suffolk Galleries, Suffolk Street, Haymarket. The Right Hon. Sir Herbert Samuel, G.B.E., will be in the Chair.

Lieutenant-General Sir Robert Whigham had the honour of being received by his Majesty at Buckingham Palace on February 18, upon relinquishing his appointment as Adjutant-General to the Forces, and upon his appointment as General Officer Commanding-in-Chief, Eastern Command.

His Excellency Abdol Ali Khan Sadri was received in audience by the King at Buckingham Palace on February 15, and presented his Letters of Credence as Envoy Extraordinary and Minister Plenipotentiary from the Shah of Persia. Sir William Tyrrell (Permanent Under-Secretary of State for Foreign Affairs) was present, and the Gentlemen of the Household in Waiting were in attendance.

M. and Mme. Ivan Stancioff, with Mr. James Mitchell, left London for Brazil on February 18 on the Arlanza. They intend to go to New York from Rio de Janeiro and to return to London next May.

Sir Frederick Nicholson, formerly a member of the Viceroy's Council, left for India by the Bibby M.V. Shropshire on February 19, accompanied by Lady Nicholson. Their address is Coonoor, South India.

Earl Winterton, Parliamentary Under-Secretary for India, and Countess Winterton reached London on February 19 on returning from their six weeks' private tour in India. Sir Victor and Lady Warrender, who accompanied them to India, will arrive in about a week's time.

Colonel George Grant Gordon, C.I.E., V.D., J.P., retired tea planter, of The Elms, Queen's Road, Richmond, Surrey, late a member of the Legislative Council of Bengal, who died on November 12, aged 63, left estate of the gross value of £17,500, with net personalty £16,781.

Major Denys Walter Reynolds, D.S.O., the York and Lancaster Regt., and Sudan Defence Force, has been appointed a Commander of the Military Division of the Order of the British Empire, in recognition of valuable and distinguished services rendered whilst in command of the force employed on the military operations in the Nuba Mountains Province of the Sudan between January 27 and March 7, 1926.

In Convocation at Oxford on February 15 a decree was passed accepting the endowment of a scholarship for the encouragement of the study of Armenian history and literature given by His Excellency Borghos Nubar Pasha, in memory of his late father, Nubar Pasha, three times Prime Minister and sometime Regent of Egypt, and expressing the gratitude of the University for his munificence.

The King has approved of the award of the Air Force Cross to Flight Lieutenant Richard Llewellyn Crofton, M.B.E., in recognition of valuable flying services rendered in the Sudan and in connexion with the operations in the Nuba Mountains Province of the Sudan, 1926.

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Book Review

ROE'S EMBASSY.

"THE EMBASSY OF SIR THOMAS ROE TO INDIA, 1615-1619."
 Edited by Sir William Foster. (Oxford University Press: H. Milford.
 18s. net, or on Indian paper 21s. net.)

All students of the Mogul Empire and of British beginnings in India will be grateful for this new and revised edition of what must be regarded as, on the whole, the most important single document available for the period in the English language. Roe's reputation as an observer has been established ever since his contemporary De Laet described him as *facile princeps* among the writers on Mogul India, but the first satisfactory edition of his journal was that which Mr. Foster, as he then was, prepared for the Hakluyt Society in 1899. That edition, limited as it was, met the needs of the small number of readers who were then interested in the subject, but of late years interest has increased rapidly, the Hakluyt volume has been sold at fabulous prices, and librarians have been hard put to it to keep their copies from being torn to pieces. Now students can get the book for themselves, and a better book too, better by the fruits of another quarter of a century's study of the period. The chief improvement consists of the inclusion of extracts from many additional letters, but the detailed revision of the notes and introduction gives results of almost equal importance in the aggregate, and the book may be regarded as definite, unless—what can scarcely be hoped for—the missing portion of Roe's journal should happily come to light. Of the story told by Roe it is unnecessary to say much. An Englishman, and a big Englishman, found himself plunged with no previous experience into the sea of intrigue and faction which constituted the Mogul Court, made inevitable mistakes, and eventually obtained a measure of success by dint of hard brain-work, and still more by the influence of his strong and fine character; and he recorded his experiences day by day, not for publication but for the information of the Company, in the terse and vigorous language of the early seventeenth century. He tells us all too little of the life of the ordinary people, but of the Court, and the huge administrative machine of which the Court was the centre, his description is full and convincing. We get a life-like picture of Jahangir, the Emperor, a man of many failings, but in essentials a gentleman, of the Prince, who was to succeed to the throne as Shahjahan, a much stronger man, but not a gentleman like his father, of Asaf Khan the Prime Minister, a prototype of the Eastern statesman-diplomatist, and, in the background pulling all the strings, the tireless, forceful, and ambitious Empress, in whose hands the Emperor was wax. It is not a very pleasant picture, but it is quite convincing, and a thorough study of it is indispensable for anyone who wishes to understand how India lived in the days when it had not come under the influence of Europe.

The negotiations between Admiral Bristol, the United States High Commissioner, and the Turkish Government have resulted in an agreement prolonging the existing provisional commercial relations for a period of one year. Diplomatic relations between Turkey and the United States will be resumed forthwith in virtue of a decision of President Coolidge to exercise his constitutional prerogative in favour of such a course. It is hoped that during the ensuing twelve months it will be possible to conclude conventions dealing with commerce, rights of residence, and consular relations.

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WAR GRAVES IN EGYPT AND PALESTINE.

A Pilgrimage Arranged.

A pilgrimage to the war graves and battlefields of Egypt and Palestine has been organised by the Rev. M. Mullineux, owing to the success of a similar pilgrimage last September to Gallipoli and Salonika. In deciding the date for the pilgrimage a suitable season for climate has been chosen, and it also coincides with the unveiling of the War Memorial in Jerusalem on May 7 by Field-Marshal Lord Allenby.

The party will leave London on April 27 for Marseilles, where they will embark on the *Stella d'Italia*. Two days will be spent at Alexandria, when visits to all cemeteries and battlefields near the port will be arranged. This will also give an opportunity for sight-seeing in Cairo and at the Pyramids. From Alexandria the course is east to Haifa, where four days will be spent ashore. At Haifa motor transport has been arranged to convey the pilgrims to Jerusalem, where three nights can be spent. Visits will also be arranged to the many scattered cemeteries in the battlefield areas. The stay in Jerusalem will allow time for pilgrims to view all places of Biblical interest in the neighbourhood. The pilgrimage will then proceed to Cyprus, where a stop of several hours will be made. Rhodes, Crete, Malta, and Naples will also be touched at, and time allowed for landing and sight-seeing. Marseilles will be reached on May 19. The Honorary Secretary, St. Barnabas, 7, Hobart Place, London, S.W., will give all information regarding the pilgrimage, and illustrated leaflets will be sent on request.

TURKISH MINISTERS' VISIT TO LONDON.

Nejati Bey, Turkish Minister for Public Instruction, Mehmed Emin Bey, President of the Board of Education, and Namuk Ismail Bey, Director-General of Fine Arts, arrived in London on February 16 and were greeted by Mr. J. B. Monck, who represented the Secretary of State for Foreign Affairs.

They have come here to study educational methods in Britain. They were entertained at luncheon the following day at the Turkish Embassy. Later the Government entertained them at their hotel, when Lord Eustace Percy presided.

The Government of India has issued orders prohibiting the further cultivation of the opium poppy in the province of Ajmer-Merwara.

Mr. H. I. Bell, O.B.E., addressed the Egypt Exploration Society on February 23 at the Royal Society rooms, Burlington House, on "Alexandria."

The Græco-Turkish Agreement for the regulation of abandoned properties in both countries passed its first reading in the Greek Chamber on February 16.

The Seismological Institute in Belgrade on February 16 issued an official warning predicting the recurrence during the next few months of earthquakes in Yugoslavia.

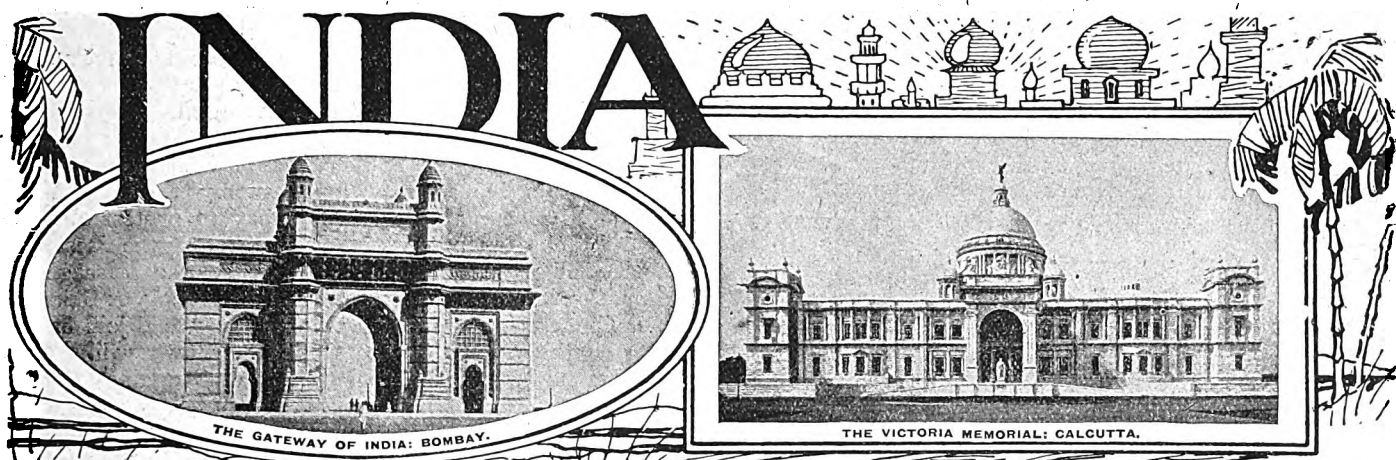
Under special authority from the Majlis, Mirza Mohamed Ali Khan Daver, Persian Minister of Justice, is dissolving all the jurisdictional departments, owing to their unsatisfactory organisation.

An epidemic of scarlet fever is said to have broken out at Samarkand, in Turkestan, and parents of children who have died of the disease have attacked the doctors.

The employees of the *Allahabad Pioneer*, who recently went on strike, returned to work unconditionally on February 17. Although its whole Press staff was locked out, the *Pioneer* appeared daily in an issue of 16 pages, except on one day, when it was reduced to eight pages. The newspaper was produced by the supervising staff with the help of volunteers.

Captain T. A. Gladstone, carrying the first air mail from Kisumu to Khartoum, left Kisumu at 2 p.m. on February 15 in a Fairey seaplane. In reply to congratulations from the acting Governor, Captain Gladstone said that Air Vice-Marshal Sir Sefton Branker, Director of Civil Aviation, would be a passenger on the next trip from Khartoum on February 20. He would reach Kisumu on February 22.

The Grand Zupan of Mostar has received official information from the provincial administrations of Herzegovina that the damage done by the earthquakes in the Ljubinye district amounts to 3,500,000 dinars (£12,700), that in the Stolatz district to 2,500,000 dinars, and in the Trebinye district to 1,000,000 dinars, and the Grand Zupan of Dubrovnik (Ragusa) reports damage in that district to the amount of 3,000,000 dinars, which forms a total amount of 10,000,000 dinars (£36,300), without counting the damage done to the railway bridge and railway station at Metkovich and that in Montenegro. The Yugoslav Government has granted 200,000 dinars (£720) for immediate relief.



LORD IRWIN ON THE REFORMS.

When the Viceroy addressed India's third Legislative Assembly on January 24, he devoted the major part of his speech to the future of the reformed constitution: reminding his hearers that, whatever the date finally determined for the appointment of the Statutory Commission, it would necessarily be one within the life-time of the present Assembly. At the risk of indulging in remarks that, as the *Pioneer* says, "may appear to some to be a mere reiteration of platitudes," Lord Irwin re-stated the British case with conspicuous moderation but unmistakable firmness. He said that he could understand the opinion, and could acknowledge the sincerity of some of those (a significant limitation) who hold it, which rejects the right of Parliament to be arbiter of the fashion or the time of India's political development. But, he added, he could suggest no means of reconciling such a position with facts. There was, he said, another section which, while admitting the right of the British Parliament to voice the decision, contended that the actual decision must not be its own, but that of India: that is to say, that of politically-minded Indians. Between these two schools of thought Lord Irwin was able to find little difference: as he said, it is scarcely possible to impugn Parliament's right to deliver a free verdict without challenging its title to sit in judgment. The fact is, of course, that Parliament is quite convinced that it not only has the right, but the duty, of making the decision itself: and as, beyond any possibility of contradiction, it also has the power, it is but beating the air to argue the matter. If politically-minded India desires that the verdict should be favourable to itself, it has, as Lord Irwin said, two methods of bringing this about: it must either coerce Parliament or convince it. He could not emphasise too strongly his belief that an attempt at coercion was not only unlikely to succeed, but would be resented, under whatever shape the attempt were made. Here, one may think, politically-minded India is wiser than its Press, which affects to make light of the Viceroy's words. A leading extremist newspaper, after mentioning the "precedents" of the United States, South Africa (when "the disastrous South African War made the graceful concession inevitable"), Ireland and Egypt, says "We shall put aside the alternative of coercion, for, when India decides to coerce, she will know how to carry out her decision."

As the best method of convincing Parliament, Lord Irwin recommended co-operation in the working of the existing constitution: and insisted that Parliament, in inviting such co-operation, had specifically declared that this did not include the demand that any Indian party should lay aside, for the time being, its claim to Swaraj. The British people had definitely pledged itself to fulfil the declaration made in August 1917, an undertaking from which "no British Party can or will withdraw: and, although the British race may lack many excellent qualities, they can afford to remain unmoved by charges of bad faith which their whole history denies." But what the British Parliament wanted to find out, and what they specially desired Indian politicians to show them,

was whether or not the ultimate structure, which Parliament was seeking to erect, was one suitable to Indian conditions and Indian needs. If it saw any large section of Indian opinion, however vocal in its desire to further the cause of Indian self-government, steadily adhering to the determination to do nothing but obstruct the machinery with which India had been entrusted, Parliament would be more likely to see, in this, evidence that the application of Western constitutional practice to India might be mistaken, than proof of the wisdom of immediate surrender to India of all its own responsibility. In no case would it surrender its charge before it was satisfied that it could safely be entrusted to other hands: and conviction on this point was not likely to be attained by "a refusal to play the game because the players do not like the rules." Indian politicians had to make their choice between the search for points of agreement in a policy on the fundamentals of which all were agreed, or following the way of conflict. Finally, Lord Irwin expressed the hope that his statement of what he believed to be the truth would be accepted, even if it were unpalatable. "It were better to be blamed for saying unpleasant things in time, if they are true, than to be condemned for saying them too late."

All this has been said before, though never more convincingly or with more obvious friendliness and good faith: and Lord Irwin's words certainly made a considerable impression, at any rate for the moment. Political courtesy is not to be expected from the extremist Press, and it has not disappointed expectation. The *Calcutta Forward* characterises the Viceroy's attitude as one of "impudent callousness"; while the *Bombay Chronicle* says that Lord Irwin "has accepted the humiliating position of head of a subordinate branch of the British Government, that is, a mere tool," and describes various passages in his speech as fatuous, intellectually dishonest, nauseating, and hypocritical cant. Pandit Motilal Nehru, the Swarajist leader, gave a much truer appreciation by saying that the speech, though it only repeated "the same old story," was delivered by "a thorough gentleman in a gentlemanly manner." For there is no question but that it is the same old story: and the Swarajists, wrong-headed though they may be, have reasonable arguments on their side, though these are obscured by the excesses of extremist speech and writing. The insistent denial of the right of Parliament to legislate for India, and the insistent assertion of Britain's bad faith, do no good to their cause: as Lord Irwin said, the former exists, in spite of words, and we can afford to disregard the latter. But the Swarajists argue, with some force, that they are called upon to play a game under rules in the making of which they had no hand: and that their methods are deliberately intended to show Parliament what it desires to learn—that the ultimate structure that it is seeking to erect is not one suitable to Indian conditions and Indian needs. It is their misfortune that they are not able to go a step further, and show one that is suitable; beyond the patently absurd suggestion that India should at once be granted full self-government and left to work out her own salvation by making what she can of the gift. The

bane of the Swaraj Party is their refusal to face facts, and to try to find a solution in consonance with them; and they cannot complain if, in the circumstances, Parliament is driven to find one for them itself. It may well be—one hopes it will be—a solution radically different from the first tentative and experimental one; but, whether or no, if it proves equally distasteful, Indian politicians will have no one but themselves to thank.

CURRENT TOPICS.

The Statutory Commission.

Information appears to have reached India that Lord Birkenhead, in fulfilment of a long-expressed desire, "is understood" to be contemplating a visit to India next cold weather—that is, some time from nine to twelve months hence. This statement has been taken in India to mean that the Statutory Commission will not, in any case, be appointed until after the visit is over, and will, therefore, not get to work before the autumn of 1928 at earliest. It is safe to prophesy that the announcement—or rather, the inference drawn from it—will be received with enthusiasm by politically-minded India, which was beginning to feel uneasy at what appeared to be a reasonable prospect of an early appointment of the Commission. The appointment may, in any case, be expected to be made about six months before actual arrival in India; but six months is none too long a time in which to decide whether to state a case before the Commission and, if so, what the case is to be and how it shall be presented. The lawyers who form so large a percentage of the politically-minded Indians will certainly welcome a long adjournment; though it is true that the interval will not be expended in preparing their case, but only in congratulating themselves that they need not begin on its consideration yet awhile. The number of leading lawyers in India who decline to read their briefs is considerable, and by no means confined to Indians; these are mostly men who have made their names as defending counsel and who rely on their ability to pick up their case as they go along. In the prevalence of this method may, perhaps, be found one of the reasons why Indian politicians, so many of whom are lawyers, are quite good at destructive criticism, but fail hopelessly when construction is wanted. It is, in any case, fairly certain that, when the Statutory Commission does materialise, they will not have mastered their brief; but, doubtless, they believe that they intend to do so, and will welcome the longest possible delay before they actually have to come into Court.

Perhaps, if politically-minded Indians accept the truth of Lord Birkenhead's rumoured visit, they may decide to find another explanation of it. There have been rather persistent stories of his intention to give up politics in the comparatively near future: and it might be suggested that he intends to do this by degrees—resign the Secretaryship of State for a seat on the Statutory Commission, as a member of which he might carry out his "long-expressed desire" to visit India. And, if so, as the rumour definitely refers to "next cold weather," such an interpretation should lead to serious searchings of heart.

Indian Troops for Shanghai.

The dispatch of Indian troops to Shanghai has led to a great expenditure of ink and hot air by the politicians of India. A resolution, put forward in the Legislative Assembly, questioning the right of the Government to send troops without previously consulting the Assembly, was disallowed by the Viceroy: and this has, of course, been hotly resented. Mr. Jinnah, who was, in the last Assembly, leader of the Independent Party but is, in this one, in the not singular position of a leader without a party, stated his opinion that "the control of military government as well as civil administration should be transferred to the Assembly"; but expressed approval of the arrangement that, when Indian troops are sent out by Indians for

Imperial purposes, the British exchequer bears the cost. The later fact, however, proves, somewhat to one's surprise, to be only a fresh grievance: as a leading extremist paper puts it, "it only increases the ignominy of India's position: it brings out in sharper relief the fact, so insulting to India, that the British Empire wants mercenaries and that its Dependency must supply them." At a "crowded meeting" held in Bombay to protest against the dispatch of troops, it was decided to ask the President of the Indian National Congress to send a message of sympathy from the Indian people to the people of China—their Chinese brethren with whom they would join hands if given the chance of exercising their own will. One speaker said that, in helping England against China, Indians would be selling the honour of their country for a few pieces of silver: another, that he was "at a loss to know why Indians should not prefer Bolshevism to the rule of the Britishers, and the red-handed yet clean-hearted Bolshevik to the white-handed but dark-hearted Englishman." A fact peculiarly exasperating to the extremists is that a number of Indian Princes have offered assistance if required—an "immoral and inhuman" action that is coupled with that of Indian merchants who accepted contracts to fit out the transports conveying the troops to China.

All this is, of course, quite irresponsible—but none the less pernicious—nonsense. It is nowhere necessary for a "popular" speaker to have any acquaintance with his subject; this is, indeed, rather a disqualification than the reverse. The familiar brand of demagogue whose own country is always in the wrong finds plenty of imitators in India; all the more so because the latter are in a position to vilify not only those of their countrymen whose views differ from their own, but an "alien Government" as well. Western democracy, if it has not made much impression on politically-minded India, can at least claim the credit of this.

CALCUTTA LETTER.

(From Our Own Correspondent.)

Calcutta, February 3.

Political Jealousies.

The appointment of Mr. A. K. Ghuznavi and Mr. Byomkesh Chakravarti as Ministers was quickly followed by the issue of statements to the Press by the three so-called Moslem leaders, one of whom is the new Minister. Since then, in addition to the usual crop of articles and leaders in the Press explaining everybody's point of view, we have had a series of demonstrations and student processions calling upon Mr. Ghuznavi to resign as a protest against the "insult to Muslims." It is clearer every day that we are no nearer to real unity amongst indigenous politicians, although they have for the moment patched up their differences sufficiently to enable a Ministry to be formed. Personal jealousies and rivalries have always been major obstacles to political progress in India, and matters go from bad to worse. The quarrels and discussions over the Ministerial appointments show the condition of affairs in regard to the Moderates and the Moslems, but the Extremist camp is no better, and the *Bengalee*, in commenting upon the subject, says that the sole function of the Congress now appears to be to furnish an arena for the display of spite and jealousy. So far from helping in political education, the effect of the Reforms has been to enlarge the field for intrigue and personal animosities.

Late Mails.

The Press continues to give prominence to the subject of the lateness of the mail. There were good grounds for the prevailing impression that the P. and O. were not doing all that was possible in the matter for, following upon Lord Inchcape's Press statement, the mail steamer arrived in Bombay last week in good time, and it is stated

that this will now be the standard practice. The fault appears to lie mostly with the G.I.P., now a State railway, and its Blue Train, which started a few weeks ago with such a flourish of trumpets is now being subjected to a blast of criticism. Three hours are lost in each run owing to the breakdown of a bridge, but this still makes the train substantially slower than its drab predecessor of pre-War days. Inspired statements show that the B.N. Railway, which is company-worked, is prepared to introduce a mail special doing the journey in 37 hours as against 44 hours of the Blue Train over the State line. The only difficulty appears to be the extra expense which is put down at Rs.2,000 per week or say, a lakh of rupees yearly. It will be ridiculous, if the Government which is responsible for New Delhi hesitates to spend such a negligible sum for the convenience of the whole of the commercial interests on this side of India.

Steel in the Assembly.

Sir Charles Innes, in introducing to the Assembly the Bill for giving effect to the recommendations of the Tariff Commission, was very complacent upon the effect of the protective policy of the last few years. He claimed that the assistance of tariffs and bounties had placed the Tata Company on its feet again and had enabled it to reduce the cost of production very substantially. It is clear that Tata's, and any other exploiters of the Indian field, will get their protection for another seven years, but Home manufacturing interests would do well to note carefully the attitude of certain members of the Assembly in regard to the differential duties between British and Continental steel. Remarkable and widespread hostility was shown to anything which might be construed to be a preference for British steel, and it must be recognised that the growth of Extremist influences in India is accompanied by bitter antipathy to British commerce.

The Chinese Situation.

Several regiments have embarked in Calcutta this week for China; but little is seen of them by the man in the street, as, with the development of the Port, troop trains now run straight through to the jetties. The tone of the comments in the Extremist Press shows no alteration for the better, and *Forward* exhausts the dictionary to find sufficiently scathing adjectives to describe the insincerity of Great Britain. It is by far the most influential Indian newspaper here, and it is at the moment in Court on a prosecution for sedition following its comments on the Pabna riots last year; this does not temper its present outbursts, which are obviously calculated to inflame the public mind with equal irresponsibility and mischief. One would have thought that the military record of the Bengali would have made the Extremist Leaders more cautious in commenting upon matters which are so far outside their understanding, but it is hopeless to expect the glimmerings of a sane outlook from such quarters; as an antidote the action of a number of the Indian Ruling Princes in offering the services of their State troops, if they are required, may be noted as a factor of equal importance in the Indian political outlook.

Men and Things.

The Corporation has made partial amendment for some of its recent futilities in regard to addresses of welcome by presenting one to Sir Ronald Ross, who is visiting the city in which he made his great discovery in regard to the transmission of malaria. It was somewhat brave of the Corporation to do this after it had abolished its Anti-Malaria Brigade and left matters entirely to the god of chance.

Sir Samuel Hoare and his party have left Delhi for Home, and, although their start was delayed some three hours by mist, Karachi was reached in good time the same evening. The news at present is that the new Air Service is receiving very little patronage, largely owing to the difficulty of obtaining steamer connexions at Port Said.

Calcutta had a jewel robbery sensation this week—£70,000 worth of jewels, the property of a ruling prince,

having suddenly disappeared with the agent who had brought them here for disposal. They were recovered almost as quickly as they were lost; an Anglo-Indian youth saw a newspaper account and realised that a bag containing "business papers" had been left with him two or three days previously when he had put it under his bed for safety. He took the bag to the police and the whole of the spoils were found intact.

On February 1, 1827, the first meeting of the Bengal Club was held, followed by a dinner; on Tuesday of this week 150 members sat down to dine and celebrate the centenary. Mr. Oswald Martin, President, was in the Chair and, as was the case a hundred years ago, his health was proposed by the Chief Justice of Bengal. This interesting and dignified occasion was followed yesterday by a feminine invasion of the Club precincts, and it is said that it will take some of the older members another hundred years to recover from the shock.

Considerable interest is being taken in the amalgamation of the firms of Martin and Co., and Burn and Co., the shareholders of the latter having been bought out by the great organisation of which Sir Rajendra Nath Mukherjee is the head; speculation is rife as to what is behind this, as the combination means the amalgamation of the principal Indian iron interest outside of Tata's.

The Trivial Round.

Saturday was the first day of the Spring Meeting and the weather was certainly unseasonably hot, an all too frequent experience this year. The racing was interesting on the whole, although once again favourites failed to materialise; the appearance of the rings seemed to indicate that money is getting shorter.

The paperchase this week attracted one of the biggest attendances of the season, and G. S. Johnstone once again led the field home, followed by Ian Maitland-Heriot, owing to Captain Leetham having run out just before the finish.

The Tennis Tournament concluded before some of the largest crowds ever seen upon the Calcutta ground. The Men's Doubles were won by Ueda and Kitagawa; E. V. Bobb, the All-India Champion, won the Men's Opens, while the Mixed Doubles were carried off by Meyer and Mrs. Graham, the latter having already won the Ladies' Championship. The majority of the competitors are now at Allahabad playing in the All-India Meeting.

Although the M.C.C. did not succeed in winning their matches in Colombo, they held a considerable advantage in each of the draws against the Europeans and the Ceylonese. In the latter match Wyatt proved his quality by scoring a century and doing the hat-trick. In local cricket the annual match between McLeod's and Turner Morrison's took place on Sunday last, the former winning with not a great deal to spare.

The Olympic Teams have arrived from all over India and are hard at work on the Eden Gardens track. The meeting should see some fast timings.

The Saturday Club has regained its position in the dancing world, the introduction of the dinner dance having created a new form of entertainment, which has quite ousted the old type of Friday evening event. Nowadays you cannot get a look in, unless you take a partner or a party.

Monday saw the annual Kalimpong Dance at the Club, the success of which was heightened by a particularly amusing cabaret, which included a wonderful boxing match, as well as the violent but futile efforts of a well-known broker to sing the Prologue from Pagliacci; the Tosh sisters repeated their Pantomime successes with a delightful and original dance, and rounded off a particularly cheery evening which should show very good returns.

Markets.

The tone both in the jute and gunny markets has been quieter and prices have tended easier in both cases; a certain amount of speculation in Hessians for forward deliveries has been done, but export business has been

negligible. As a result of a more general demand, the piece-goods market has again shown an improvement this week; prices are firmer all round, and inquiry from up-country centres has been greater than for some time. The tea sale here reflected the tone of the London market and displayed an easier tendency for all but the best qualities. Later reports from London indicate a weaker and irregular market for the balance of the sale there, but this is, no doubt, due to the troubles in China.

On the Stock Exchange, Government Securities, especially the longer dated ones, have been made in demand than for some weeks; this is attributable chiefly to a good inquiry from Bombay. Debentures have been steady, and amongst Preferences a number of Jutes have changed hands, although on the whole the shares were not as readily absorbed as would have been the case a few months ago. In spite of a number of transactions jute shares are rather easier on balance, mainly as a result of the decline in the commodity market. On the other hand, two more satisfactory dividends were paid by the Kamarhatty and Kankinara Companies, and so long as holders obtain such excellent returns there is little possibility of any material reaction in share prices. Coals have been dull but steady, and business in teas once again has been on a small scale. Rubber shares have been the source of a fair turnover, but the tendency at the close is slightly quieter. In the miscellaneous market, sugar and flour shares continued to be sought after, and there have again been a large number of dealings in this market.

In the Exchange Market, as a result of a scarcity of bills and a demand for remittance, the rate for Ready T.T. has weakened to 1s. 5 15-16d. Money has been in less demand and at the close rates are $4\frac{1}{2}$ per cent. and $4\frac{3}{4}$ per cent. for Call and Short Notice and 5 per cent. for One to Three months deposits.

THE ARABIC HISTORY OF GUJARAT.*

The Story of a Lost Manuscript.

By SIR E. DENISON ROSS, C.I.E., Ph.D.

I.—Author and Manuscript.

Habent sua fata libelli, and few books can have had a fate stranger than that of the Arabic History of Gujarat, which forms the subject of my lecture. The story, in brief, is as follows:—A young Moslem of Indo-Persian descent named 'Abdullah ibn Muhammad ibn 'Umar, having been brought up in Mecca, arrives in India with his father in the last year of Humayun's reign. Like his father before him, he takes service under the Nobles of Gujarat and during the whole period of Akbar's reign, that is from 1556-1605, he is employed in various official capacities and is in close touch with the chief protagonists of the drama which culminated in the absorption of Gujarat into the Mogul Empire. During part of this time he found leisure to compile a history of Muhammadan rule in India. Although he records no events later than 1605, in which year Akbar died, he was certainly engaged in revising and adding to his History as late as 1611, as we know from the sources he quotes, and at that date he himself was in active service in the Deccan: what happened to him after that we shall probably never know. He may quite possibly have returned to Mecca and died there. However this may be, his History in the form of a rough draft somehow found its way to Northern India, and presumably at the end of the 18th century came into the Library of the Calcutta Madrasa, an institution founded by Warren Hastings in 1781.

As far as we know, no fair copy was ever made of this draft, nor were its contents ever examined by any other historian. During the 19th century there were among the

Principals of the Calcutta Madrasa two very eminent scholars, whose names are familiar to all Orientalists to-day, namely, Sprenger, best known for his *Life of the Prophet*, and Blochman, who made so many valuable contributions to the History of Moslem India. It seems quite certain that the Arabic History of Gujarat must have fallen under the eye of both these scholars, for it is inconceivable that they should have left unexamined the MSS. temporarily under their charge. The fact, however, remains that neither of them ever made any allusion in print to this work, and how it escaped notice must always be a mystery. By great good fortune I happened to light upon this MS. during my first inspection of the Library, the day after I had arrived in Calcutta in 1901; and the work was thus rescued from oblivion 300 years after its completion.

In order to dispose at once of my share in bringing this lost History to the notice of scholars, I may mention that after a brief examination of its contents I at once drew the attention of the Government of India to its importance; and suggested that the text should be printed at the expense of the Government. Thanks in a large measure to the encouragement of the then Viceroy, Lord Curzon, that great patron of Indian history and archæology, it was decided that the text should be printed, and that it should form part of the recently established *Indian Record Series*. In 1910 the first volume appeared; in 1921, the second, and in the present year (1927) I hope the third and concluding volume will be issued.

II.—The Title and Contents of the History.

The title of the whole work, to which the author refers on two occasions, is "*Zafar ul-Wāliḥ bi Muzaḥḥar wa Aliḥ*," a title by no means easy to translate, but the late Monsiuer René Basset suggested, "*La Défaite du Craintif par un Victorieux et sa Famille*." (The subjection of the timorous by a conqueror and his family.) The word for "victorious" is a play on the name of Muzaffar, the founder of the Gujarat dynasty.

This History is divided into two parts or *Daftars*. *Daftar I*, which occupies nearly three-quarters of the whole work, is intended to give a detailed history of the Moslem Kings of Gujarat, who ruled from 1396-1572. Incidentally, it deals with a number of other topics, including the history of Southern Arabia, Jaunpore, the Deccan and Mandu, and includes several long biographies. Unfortunately, the reigns of the first two Kings of Gujarat, namely, Muzaffar and Ahmad, are missing. This is the more to be regretted in that other historians of Gujarat have dealt less fully with these two reigns than with the later ones.

Daftar II deals with the history of Muhammadan rule in other parts of India, and is naturally not so valuable as an original source as *Daftar I*, but even here we may find many additional facts, and quotations from works of which no trace exists to-day. Moreover, it constitutes the best short account of Moslem India down to the reign of Akbar to be found in an Oriental language. The time at my disposal will not permit me to discuss its various merits, but I would like to remark in passing (1) that the author has drawn at first hand upon a history called the *Ta'rikh-i Bahādurshahi*, which, though quoted as a source by many Indian historians, has never been identified until now and never quoted at such length: (2) that there are several indications that the author had before him a recession of the *Akbar-Nāma*, differing from, and presumably earlier than any known to us to-day.

III.—Other Sources of Information.

The best known source for the history of the Muhammadan Kings of Gujarat is the well-known *Mir'āt-i Sikandari*, which was probably completed in A.D. 1611. This work has not only been lithographed *in extenso*, but has been twice translated. Bailey's translation, published in 1886, is incomplete, but there is a complete translation by Fazullah Lutfullah Faridi, published in Bombay without a date at the end of the 19th century. Down to the

* The Sir George Birdwood Memorial Lecture read before the Royal Society of Arts (Indian Section) on February 11; Sir William Foster, C.I.E., in the Chair.

reign of the Sultan Bahádúr the same sources were, no doubt, used by Sikandar and by the author of our History, but whereas Sikandar's narrative constantly shows a bias towards the Sayyids of Bokhara who played a very important part in the country for upwards of a century-and-a-half, and in whose service he and his father were, the author of this work writes an unbiased narrative and displays a critical spirit rare among the Moslem historians, and even goes so far as to call into question the accuracy of the famous *Akbar-náma*. It is hardly conceivable that Hajji Dabír (the name by which our author was commonly known), and the author of the *Mir'át-i Sikandari* should not often have met, seeing that they held similar positions in the same country and at times in the same town over a period of many years, and yet Hajji Dabír never alludes to such an acquaintance in the course of his frequent allusions to the *Mir'át-i Sikandari*.

The second source I would refer to is a little book written by Abú Turab, who took an active part in the negotiations between Delhi and Gujarat under both the Emperors Humayun and Akbar. This work I found in a unique manuscript in the British Museum about twenty years ago, and in 1909 I published the text in the *Bibliotheca Indica*. Part I deals with the hostilities between Humayun and Bahádúr; and Part II with the first entry of Akbar into Gujarat and the subsequent settlements of the country and the disputes between the nobles. It is rather a journal than a history, but being a personal narrative it is full of interesting details.

The Bodleian Library possesses a history of the Sultans of Gujarat*, which, as far as I am aware, has never been examined by any student of Indian history, beyond being briefly described by Ethé in his *Catalogue of the Persian Manuscripts*. Although the narrative does not extend beyond the year A.D. 1553, this little work was obviously written after the entry of the Emperor Akbar into Ahmadabad in A.D. 1572, since this event is referred to. It is presumably older in composition than the *Akbar-náma*, the *Mir'át-i Sikandari* and the History of Gujarat by Abú Turáb Vallí, and may, therefore, be regarded as an original source for the history of the Sultans of Gujarat. The most valuable features are (1) the account of Bahádúr's death, which differs from other known versions, and (2) the close agreement with Abú Turáb's History in connexion with the defeat of Bahadur by Humayun at Mandesur in A.D. 1535.

Finally, I must mention the *Mir'át-i Ahmadi*, which was begun in A.D. 1748 towards the close of the reign of Muhammad Shah by a certain Ali Muhammad Khan, who had been appointed Diwan of Gujarat. He originally intended to compile an extensive return of the revenues of that province. Subsequently, however, he decided to expand the historical matter and finally completed his work in the reign of Alamgir II. This work contains much interesting matter regarding the early history of Gujarat and the history of the province under the Mughal Emperors, but for the account of the Kings of Ahmadabad is mainly an abridgement of the *Mir'át-i Sikandari*. An incomplete translation of this work was published by Dr. Bird in 1835.

IV.—Moslem History in Gujarat.

The province of Gujarat comprises roughly the western part of India, which is bounded on the north by Sind and Rajputana, on the south-east by the Deccan, on the west and south by the Arabian Sea.

The principal towns are:—Ahmadabad, Baroda, Broach, Surat and Diu.

Up till the end of the 13th century this country was governed by various Hindu dynasties, to which I do not propose to refer. In 1295 the province was first conquered by a Muhammadan ruler in the person of Ala-uddin-Khilji, Emperor of Delhi, and it remained a

Muhammadan province until 1758, when the Marathas took possession of the country. Thus Muhammadan ascendancy lasted a little more than four-and-a-half centuries. This period may be divided into three:—

(1) The 13th century; rule of the early Delhi Kings.

(2) From the beginning of the 14th century to nearly the end of the 16th century; about a century and three-quarters under the local dynasty of Ahmadabad Kings.

(3) Nearly two hundred years under the Viceroy appointed by the Mughal Emperors.

The period to which I wish to refer specially is of the last twenty years of the second period, culminating in the entry of the Emperor Akbar into Ahmadabad in 1573.

In 1297, Ala-uddin-Khilji sent his general Ulugh Khan into Gujarat, the result of which expedition was the appointment of a local governor. Ulugh Khan made several further expeditions into Gujarat, by which the domination of the Delhi kings was consolidated, and for upwards of twenty years he was practically Governor-General of Gujarat. At the end of this period he was recalled, and succeeded to a certain Ain Ulmulk, who was in turn succeeded by the father-in-law of the Delhi Sultan, namely, Qutb-uddin-Mubarakshah, with the title of Zafar Khan, and it was this Zafar Khan who, appointed in 1391 as Viceroy of Gujarat, eventually founded the local dynasty of the Muhammadan independent rulers of Ahmadabad which endured for a century and three quarters. It is not known precisely when Zafar Khan openly threw off his allegiance to the Delhi Sultans, but this probably occurred about A.D. 1396.

Zafar Khan was the son of a Rajput convert to Islam. He found himself surrounded by enemies, and in possession of a territory confined on one side by the hills and on the other by the sea, but including a long strip of the coast extending at least as far as Surat.

In 1411 Zafar Khan died and was succeeded by his grandson Ahmad, who was the real founder of the Gujarat dynasty. It was he who built the famous Ahmadabad, which became the capital of the dynasty, a beautiful town, the delight of all travellers and famous for its monkeys. There were fourteen kings of this dynasty in all: I do not propose here to enter into details of the various reigns, but the names that stand out most prominently are those of Mahmud Shah Begarha, who reigned from 1458-1511 and added the important strongholds of Junagarh and Champanir to his dominions and built a large fleet; and Bahadur Shah, who conquered Malwa and ceded the factory at Diu to the Portuguese, at whose hands he met his death in 1536. The three rulers who succeeded Bahadur Shah were mere puppets in the hands of the local nobles, and it was under the last of this dynasty, Muzaffar Shah III., who came to the throne in 1561, that Akbar invaded Gujarat in 1573 and made himself master of the whole country.

During these 20 years of Gujarat history prior to the advent of Akbar, the nominal Sultan was carried about as if he were nothing more than the royal crown or seal and was constantly changing hands as one or the other feudal chiefs got the upper hand and commanded the largest following.

We have seen that the first Sultan was himself a Rajput by descent. As for the leading nobles who served or made use of this convert dynasty, they represented the most various origins. In fact, the only thing they had in common was their adherence to Islam, for it seems that most of the permanent officials and commanders were Muhammadan in name, though, no doubt, in a country whose inhabitants had practised the Hindu religion and, except for an occasional Muhammadan invasion had, up to the end of the 14th century, had very little to do with followers of the Prophet, it may be supposed that a large mass of the population remained faithful to their Indian religion. The chiefs were in the main Hindu converts, but

* The M.S. is numbered Caps. or C.10: See Ethé's *Catalogue*, p. 271.

they also included a very large number of Abyssinians. A contemporary author tells us that in 1511, on the death of Mahmud Bégarha, the Sultan's army in the field reached 100,000, but that when in 1572 Akbar arrived in Gujarat, there were no more than 12,000 armed horsemen. There were 700 Habshis or Abyssinians, 300 Turks, 400 Bahlims, 600 Ghuris, 500 Mughals, 500 Bokhara Sayyids, 4,000 Afghans and 5,000 others. From this it is evident that Gujarat attracted adventurers from every quarter and that the armies were composed entirely of mercenaries, with little or no attachment to the soil, but merely devoted to their leaders who were usually of the same race as themselves. The most powerful noble was the one who commanded the largest number of mercenary leaders.

(To be concluded.)

INDIAN MAIL.

Mr. Saklatvala.

The triumphal progress of "Comrade Sak" continues. It is announced that, in Bombay, a deputation of "young Chinese residing in this city" pressed him to visit China as soon as possible: in the "evident"—but perhaps somewhat sanguine—expectation that such a visit "will give a great impetus to the nationalist movement in that country." The Calcutta Corporation, which refused to present an address to Lord Irwin, has decided, by a majority of 29 to 12, to present one to Mr. Saklatvala. There is, of course, no real political significance in this: it is merely that the Swarajist majority on the Corporation have chosen the most striking—indeed, preposterous—contrast in order to rub in the studied discourtesy of their previous refusal: an action worthy of an undisciplined gang of naughty school children.

It is stated that "the main anxiety of the Comrade's heart" is to see and talk with the man whom he has now canonised as "Comrade Gandhi"—he has, incidentally, also conferred, in a letter to the Press, the same title of honour on a number of other Indian "leaders"—Comrades Nehru, Sarojine Naidu, Mahomed Ali, Shaikat Ali and others. In the letter mentioned, he expounds his scheme for the regeneration of India: one which, he says, in a moment of inspired insight, cannot be carried out "by thumping oratory of a travelling agitator." When Comrade Gandhi called out the students from Government schools and colleges, what they should have done then is what they must do now—"enter villages, factories, mines, dockyards, railway yards, not as external and superior preachers, welfare workers or advisers, but taking their places with our oppressed classes as one of them on terms of equality, doing the same hard and unpleasant work, eking out the same precarious existence, and suffering the same indignities and degradations of human life and human rights." India, he says, has 600,000 villages and 20,000 centres of industrial organisation: and a band of 70,000 young educated men and 30,000 women could, at Comrade Gandhi's inspiring call, be mobilised to work under the guidance of a central All-India organisation, and to "lead the ignorant peasants and workers on a path of self-assertion, of defence against the might of the privileged classes, and then of demands for the ultimate rights of their own class." He explained that he hoped himself to put into working shape this "gigantic programme of an Indian revival," which should produce great results within twelve months. He refused to give lip-service to the creed of non-violence, declaring that even Comrade Gandhi's *khaddar* campaign could not be called non-violent, since, if it succeeded, it would "inflict distress, starvation and misery upon thousands of innocent children of the workers of Lancashire." The emblems of equality and service should be "little red flags to be worn as buttonholes," bearing differences to suit the various groups in his army of workers—the Spin-

ning Wheel, the Hindu trident, the Moslem crescent, even the Crown for Liberals and Moderates: and, wearing these, all ranks would join "in a march with the world that is seeking for justice, equality, liberty and national and international unity, or, all put in one word, Bolshevism."

The Bengal Ministry.

Sir Abdur Rahim, the Moslem leader who was unable to find a Hindu colleague in the Bengal Ministry, and, therefore, had to resign, has issued a statement in which he claims that there was a general Hindu conspiracy against him, and that he was unduly rushed into resignation. He expresses the opinion that the "Responsivist-cum-Liberal" group is of little significance in the Council, and that the Governor had not grasped this fact. "If Lord Lytton had not been so misled, and had given me reasonably sufficient time, I say with confidence that I would have secured a stable Ministry for him and, at the end of his career, he would have been compensated for the failure of his previous attempts in the same direction." This seems to suggest that Sir Abdur Rahim does not expect the present Ministry, constituted after his resignation, to prove a stable one; though it seems probable that its stability will largely depend on his own attitude towards it. It is not so long ago that Hindu publicists were writing about a "conspiracy" to set up a Muhammadan Ministry, under Sir Abdur Rahim, in Bengal. Assuming the accuracy of the word, this, at any rate, was still-born, and their own counter-conspiracy has been more successful; and Lord Lytton is now so near the end of his career that perhaps, after all, he will be allowed to finish it in peace, in spite of the implied threat that seems to underlie Sir Abdur Rahim's words.

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NOTES AND NEWS.

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The Fair.

The general arrangement of the White City section of the British Industries Fair strikes me as being much superior to that of previous years. Gradually we seem to be learning the art of making industrial exhibitions attractive. Speaking generally, moreover, the improvement has extended to the stands. There are many which stand out pre-eminently, and on the whole the level reached seemed to me most praiseworthy. Much can be done with even a small stand no matter what the type of exhibit. As an example of what can be achieved in this direction I recall in a previous year a stand devoted to a well-known commodity. It depicted a vineyard with masses of purple and green grapes, and as a simple but extremely effective advertisement of the product in question, I consider that it merits a very high place. A good deal can be accomplished on similar lines. For instance, a bower of roses may well serve as the surroundings for exhibits of perfumes. A visit on the opening day affords no guide to the extent to which foreign buyers are visiting the Fair, and I shall hope to have something to say on this subject next week.

Developments in Palestine.

While economic depression has had Palestine in its grip in the past year there has been no standing still as regards planning projects for the future development of the country, and it suggests very plainly that there is no failure to realise the facts as they are that the plans in train concern the proved resources of the country. The continually increasing demand for the Jaffa orange has naturally led to the gradual extension of the area devoted to this fruit, but it is now proposed to form a company for the purpose of purchasing land and planting it with orange trees and selling it in small lots to would-be settlers. This scheme has been adopted with, I believe, considerable success in South Africa, and as inquiries are often made with regard to the purchase of orange plantations in that country it seems very probable that it might prove extremely valuable in promoting the rapid extension of orange production in Palestine. The one thing that the country has to guard against, of course, is a surplus production of the fruit, but the market is extending year by year (though competition is also on the increase), and given adequate and continuous publicity this danger should be avoided. The orange it must be remembered is the staple product of Palestine's export trade—without it indeed in past years the country would have been in a poor way—and while it is essential for the country to exploit every possible new avenue of economic development it is only natural that the fullest possible utilisation should be made of a product which has proved itself so fully as the Jaffa orange. Another interesting development in project is the organisation of an export society for the development of a market abroad for Palestine products. That is the natural corollary to the widespread extension of enterprises in the country in recent years.

Palestine itself cannot provide the necessary outlet for the various manufactures, and it must be found abroad if the undertakings are to be established on a firm foundation. How far the country will be able to compete abroad is a large question and one which only the future can answer.

Progress in Iraq.

In comparison with Palestine it would probably be true to say that Iraq has suffered to some extent from the lack of publicity so that the excellent work which has been accomplished there in the past few years has perhaps failed to meet with adequate appreciation. Actually the past five years have seen excellent and steady progress in every direction. What has been accomplished in that period is the subject of a most able and lucid exposition in a paper by the Prime Minister, Jaafar Pasha, published in the *Journal of the Central Asian Society*—a paper which he was to have read before that body but was prevented from so doing owing to being called home to form his Ministry. Some of the points he makes may be briefly summarised. Before the War Iraq had only one railway—a section of the Berlin-Baghdad line—of 76 miles, whereas to-day the approximate mileage open to traffic is 816, and half a million passengers and 400,000 tons of merchandise are carried every year. But, of course, the extensive construction of railways is a very expensive undertaking, and it is fortunate for Iraq as it is for all similar countries that the motor car exists. By the construction of numerous bridges Jaafar Pasha pointed out that practically the whole country has been opened up to motor traffic, and there are now some 2,627 miles of earth roads and 124 miles of metalled roads which can be traversed by motor cars. The Government has built about 300 bridges of more than six feet span, seventeen of these being floating bridges, while there are ten flying ferries on steel cables. Further, the conditions of life generally have been greatly improved. In addition to Baghdad and Basrah, eight towns are now served with electric light, while eight of the provincial towns have a

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water installation. "In all these things," Jaafar Pasha justly stated, "there is reason for solid satisfaction. Admittedly our railways and roads will undergo great extension. We are at the beginning of their development, not the end.

Iraq's Agricultural Possibilities.

What Jaafar Pasha had to say on the subject of agriculture in Iraq was of the greatest interest. He rightly regards agriculture as the bedrock on which Iraq's future depends, and he believes the country to be one of the richest portions of the earth's surface awaiting scientific cultivation. At present Iraq is in much the same position as Palestine, as a fruit crop is one of its most valuable assets, and it is interesting to note in this connexion that Jaafar Pasha looks for a considerable extension of date palm cultivation. Iraq's prospects as a grain growing country would seem undoubted, but it is pointed out that improved seed and improved methods of cultivation are necessary. The fullest attention is being paid to this matter, and it may be instanced that in 1925 twenty-two new strains of wheats were tested, while the uses of agricultural machinery are being demonstrated to the cultivators. Jaafar Pasha naturally devoted considerable attention to the question of cotton, and on this subject he is very optimistic, pointing out that the soil and climate are suitable and that there is plenty of water, and that when the irrigation system has been developed the country can be one day one of the great cotton growing areas. He admits that slow progress must be expected, and that so far the advance that has been made has not been as great as they would have wished, but, of course, apart from the irrigation difficulties it is never an easy matter to introduce a new crop in a country where the people are conservative in their habits. Cotton growing is emphatically a case for the application of the proverb that nothing succeeds like success. When the landowners realise that in cotton they will have a really profitable crop progress will be rapid, but here again that depends on the price of the commodity in the world markets.

India's Cotton Problems.

We have heard much in recent years of Egypt's cotton difficulties and of the American crop varieties and other cognate matters, but very little of India as a cotton producer though the country is second to the United States as a producer of cotton—a poor second admittedly in the case of an American crop of the dimensions of last year's. It is very welcome, therefore, to have the address on India's cotton problems which the Indian Trade Commissioner, Mr. H. A. F. Lindsay, delivered last week at a meeting of the East India Association at which Sir Frank Nelson, M.P., presided. After pointing out that cotton is the biggest single item in the long list of commodities in which India is interested both as a producer and a

consumer, Mr. Lindsay went on to deal with the effect of the changes and vicissitudes of production and price during and since the War on the Indian crop. He pointed out that one of the great difficulties in India has arisen from the fact that the American crop has always so dominated the world's markets that the Indian crop even in India has been affected. India was using a considerable amount of American cotton, and the problem was the improvement of the Indian varieties of cotton and particularly to secure local supplies of long staple. In 1921 came the appointment of the Indian Central Cotton Committee, and in succeeding years various regulations were passed having the effect of putting a premium on the cultivator who undertakes to grow long staple and to market it in good condition. As to the future Mr. Lindsay declared that it is certain that the Indian mills will wish to advance still further in the production of the finer counts of yarn and the finer grades of cloth, absorbing increasing quantities of the long staple cotton. That means, of course, ever increasing competition for Lancashire, whose trade is mainly in the higher grade fabrics.

The Late Mr. A. S. Bull.

His many friends will learn with deep regret of the death in London of Mr. Arthur Seymour Bull at the age of sixty years. Mr. Bull, who was hon. secretary of the Royal Colonial Institute, was associated for many years with the Publicity Department of the Sudan Government. The excellent work he accomplished in both offices is so well known as to need only a passing reference here. He was a man of infinite tact and charm, and brought to his work a painstaking efficiency and an enthusiasm that was bound to conduce to success. His death leaves a gap that it will be hard to fill.

The Manchester Ship Canal.

Despite the extremely adverse conditions obtaining during the past year the report of the Manchester Ship Canal Company shows a further and marked advance on the results obtained in 1925. The cessation of coal exports for a period was a factor which might have been expected to have a vital effect on the year, but imports of coal were forthcoming which offset the loss in this direction to a considerable extent. The total traffic amounted to 6,830,879 tons as compared with 5,881,691 tons for 1925 and 5,435,508 tons for 1924, and the astonishing way in which the traffic has developed may be gathered from the fact that for 1921 the figures were only 3,293,670 tons. The gross receipts for 1926 amounted to £2,215,000 as against £2,103,000, while the expenditure at £1,237,000 was little above the level of the previous year, the net receipts being £962,000 as compared with £889,000. It is proposed to maintain the Ordinary dividend at 5 per cent. as before, to place £80,000 to reserve as against £51,000 last year and £10,000 for 1924, leaving to be carried forward £31,436.

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It is the ambition of Manchester to become a great port, and the figures of the Ship Canal over the last few years show that this hope is well on the way to being realised. The vast cotton industries of the regions, to say nothing of the other activities in the neighbourhood give grounds for viewing the future of the Canal with the greatest confidence. Of course, its growing prosperity means an increasing loss of trade for the railways, but that cannot be helped, and it is obvious that commerce must tend to flow in the cheapest channel.

Roumania To-day.

It will doubtless not have escaped notice that in recent weeks there has been a significant appreciation in the Roumanian exchange which may be taken to reflect the improvement in the economic position of the country generally and, in particular, the progress made by the oil industry. There has been a tendency to underestimate the difficulties which have stood in the way of Roumania's progress since the War, and because her recovery has not been so obvious as that of some of her neighbours the steady work that has been going on has not been fully appreciated. Unfortunately as we know countries dependent on agriculture experience fluctuations from time to time, and Roumania suffered from bad harvests in 1921 and 1924 which has prevented the progress made from being so marked as it would otherwise have been. Thus in 1924 the production of grain fell to 7,296,404 metric tons as compared with 9,104,029 for the previous year, and the exports of cereals for 1925 were correspondingly affected, totalling only 815,152 metric tons as against 1,374,215 metric tons. The harvest of 1925, however, like those of 1922 and 1923 was very good with the result that last year's exports again made a good showing, and as the harvest of 1926 was again good, presaging a further expansion of exports it is not difficult to understand the strength of the exchange. There has been no real set back in the production of oil, and the rapid ex-

pansion of this great national industry is a most hopeful feature for Roumania's future. Roumania had a substantial trade balance in her favour last year, and for four years out of five this has been the case, and the general improvement in the situation suggests that the time is now not far distant when it will be possible for her to follow the example of other countries and place the currency on a permanent basis.

The Rubber Position.

With February almost at an end it cannot be maintained that the Rubber situation has lost anything of the interest which attached to it when January ended with the average price well under rs. 9d. per lb., thus bringing about a reduction in the exportable percentage to 70 per cent. Another cut of 10 per cent. would have such pronounced consequences that it is not surprising that the course of the quotations of the raw commodity should be watched with extreme interest. Until the last few days, rubber has stayed at or just below rs. 7d. per lb., but now what appears to be a buying movement of some significance has set in, and the quotation has risen considerably. The position now is that the price must average roughly rs. 10d. per lb. for the remainder of the quarter if a further reduction is to be avoided. If it is to do so American manufacturers must make purchases on a much more extensive scale than in recent months, and it can scarcely be thought that they will not, for the alternative would be very high prices by the autumn. Still there may not be much in it one way or the other on May 1, and a mere fraction will probably decide this important issue.

COMMENTATOR.

The traffic receipts of the South Indian Railway Company for the week ended January 22 amounted to Rs.4,70,396, making the total from April 1 Rs.4,22,03,658. For the corresponding periods of the previous year the totals were Rs.9,19,146 and Rs.4,23,52,985.

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M. MOLLOFF ON BULGARIA'S POSITION.

*(From Our Own Correspondent.)**Sofia, February 15.*

The Sobranie commenced the discussion on the Budget of 1927-28 last week. As usual it was preceded by a detailed explanation by the Minister of Finance of the financial and economic situation of the country. The statement consisted of an analysis of the Budget, the total of which has been slightly increased compared to that of last year—the total being 6,993,000,000 leva—in particular because of the increase of Bulgaria's engagements abroad resulting from the rising payments for the service of Reparations and the consolidated loans, including the loan recently raised for the establishment of the refugees. The Government, which has already effected great economies in the course of the year of the present Budget, will continue in future its policy of economy and it is certain that the expenditure will be really balanced by the anticipated receipts. It will continue also to take every requisite measure for the encouragement of the foreign trade of Bulgaria, in the first rank of these measures being a new reduction of the export taxes and a probable alteration of the import taxes, so as to attain a complete equilibrium and to bring about a favourable balance of trade which remained adverse in 1926, though less so than in 1925.

The financial policy of the Government, as M. Molloff elaborated it, is essentially characterised by the tendency to free systematically the Banque Nationale, to which the Treasury owes more than four and a half milliards of leva, by the progressive repayment of this floating debt. For this purpose it allocated in the Budget of 1926-27 a sum of 150 millions, which it has maintained in the Budget of 1927-28. The Banque Nationale has played a rôle of the first importance in the economic life of the country. After its reorganisation, following the conclusion of the Refugees Loan, that rôle will be shared by other banking establishments, such as the Banque Internationale, already existing, which will be enlarged to take over the functions of commercial credits, and the Banque Hypothécaire, which will be constituted very shortly to take over the operations of land credits. The Government's policy, especially after the conclusion of the Refugees Loan which procured for the Bulgarian State the foreign exchange which it needed, has had the result of assuring stabilisation—the first step towards the legal stabilisation of the national currency. Here M. Molloff referred to the transition to the gold standard, adding that he could not indicate when or how the change would be introduced, contenting himself with emphasising the need for seeking long term credits, in other words, loans which Europe ought to grant to Bulgaria as she has done to Austria, Hungary, and Belgium. He urged that Bulgaria deserved this not only because Budget equilibrium had been reached, not only

because she had re-established a state of tranquillity and was concentrating on work, had consolidated her democratic institutions and assured her economic and political recovery, but also and particularly because she followed a wise and firm policy which deserved the confidence of the world, for it was not the policy of a Government or of a party but of the entire nation, so that no one could any longer suspect the country's pacific sentiments and her loyalty in the execution of her international obligations.

TENDERS INVITED.

Tenders are invited for the following contracts, and must be made by the dates mentioned.

(Particulars of tenders marked D.O.T. are to be obtained from the Department of Overseas Trade, 55, Old Queen Street, S.W.)

EGYPT.

Photographic Material.—The Egyptian Ministry of the Interior invites tenders for the supply of photographic material, including apparatus and accessories, chemicals, plates and papers, and identification films required during the year ended March 31, 1928. March 16. (D.O.T.)

Tents, Etc.—The Surveyor-General of Egypt, Giza (Mudiriya), invites tenders for the supply of tents and shamsias for same. April 9; aluminium and zinc lithographic printing plates, April 27; and document and map printing paper. May 3.

Paper, Printing, and Bookbinding Material.—The Egyptian Government Press invites tenders for paper, boards, printing ink, cloth, etc. March 17. (D.O.T.)

ROUMANIA.

Naval Stores.—Tenders are invited for the supply of various goods required by the Naval Dockyard at Turnu-Severin, Roumania. (D.O.T.)

Yellow and Red Ochre and Iron Minium.—The Braila Docks Service invite tenders for the supply of yellow and red ochre and iron minium. March 1. (D.O.T.)

Ropes, Etc.—Tenders are invited by the Roumanian River Navigation Service, Galatz, for the supply and delivery of the following goods:—Thin ropes for lashing, thick tarred rope, thin canvas (sail-cloth) for awnings, thick sail-cloth, woollen bunting, etc. March 2. (D.O.T.)

Paraffin Wax.—The Roumanian State Monopoly Regie invites tenders for the supply of 200,000 kg. of refined white opaque paraffin wax. March 12. (D.O.T.)

FORTHCOMING SAILINGS.

The following are the sailings for the Near East and India, the ports of departure and closing dates for cargo being given in parentheses:—

Anchor Line.—S.s. Britannia for Bombay (Birkenhead, March 10). (For passenger sailing and dates see advertisement.)

Anchor Brocklebank Line.—S.s. Anchoria for Port Said, Colombo, and Calcutta (Birkenhead, March 5).

Bibby Line.—S.s. Gloucestershire for Port Said, Colombo, and Rangoon (Birkenhead, March 8).

British India Line.—S.s. Margha for Bombay and Karachi (London, February 26); s.s. Matiana for Colombo, Madras, and Calcutta (London, February 26).

Cunard Line.—S.s. Cypria for Gibraltar, Malta, Patras, Calamata, Piræus, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza, also Algiers and Volo if inducement offers (Liverpool, Glasgow, and Swansea, March 5); s.s. Tyria for Gibraltar, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Gruz, Venice, Trieste, and Fiume, also at Corfu and Ancona if inducement (Liverpool March 10, Swansea March 22).

Johnston Line.—S.s. Kenmore for Piræus, Volo, Salonika, Smyrna, Constantinople, Bourgas, Varna, Constantza, Sulina, Galatz, and Braila (Liverpool, March 12).

P. and O. Line.—S.s. Ranchi for Bombay (London, March 4); s.s. Nankin for Colombo, Madras, and Calcutta (London, April 2).

Prince Line.—S.s. Syrian Prince for Tunis, Malta, Alexandria, Jaffa, Haifa, Beyrout, and Cyprus (Manchester, March 4); s.s. Lancastrian Prince for Tunis, Malta, Alexandria, Jaffa, Haifa, Beyrout, and Cyprus (London, March 30).

Ellerman and Papayanni Lines.—S.s. Egyptian for Gibraltar, Malta, Alexandria, Jaffa*, and Haifa* (Liverpool, March 2); s.s. Manchurian for Gibraltar, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Gravosa, Ancona*, Venice, Trieste, and Fiume (Liverpool March 5, Swansea March 8); s.s. Algerian for Gibraltar, Malta, Patras, Volo*, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza (Liverpool, March 19); A steamer for Gibraltar, Malta, Alexandria, Jaffa*, and Haifa* (Glasgow, March 21); s.s. Roumelian for Algiers*, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza (Liverpool, April 2). * Subject to sufficient inducement.

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THE WEEK'S FINANCE.

(By Our Financial Expert.)

London, February 22.

The Stock Exchange has had a rather disappointing week. The bullish spirit which was so much in evidence earlier in the month has been damped by a variety of influences, among which fresh anxiety over the crisis in China is the most serious. But even if the China trouble were out of the way, other malign influences would remain. Company reports now appearing are showing the public day by day how much the coal dispute cost the country, and how much leeway has to be made up. This influence is likely to become intensified, because we are only at the beginning of the period during which company reports for 1926 appear. Then, again, every week brings us nearer to the date of a new Budget, which is awaited with considerable uneasiness. On the whole, therefore, although the public are showing a good appetite for new issues of an attractive type and some degree of spasmodic speculative activity, general conditions are not very favourable to a renewal of heavy Stock Exchange buying. This week, moreover, the monetary position has not developed in a way favourable to investors, and there is some disappointment over the postponement of a reduction in Bank rate, which prophets had expected to take place before now. Still, neither the volume of business nor the course of quotations in general gives either investor or broker any cause for serious complaint at the moment.

The Activity in Oil Shares.

The past week has seen a slight reaction from the boom conditions recently prevailing in the oil share market. But prices are still high enough to justify a warning against incautious speculation. The rise in prices has been very substantial. Its main causes were the publication of excellent earnings and dividends by certain leading companies, and it found further justification in the fact that in 1926 for the first time for eight years America avoided over-production, and American oil stocks declined. So far so good. But experts are not satisfied that consumption in 1927 will exceed production, and a fall in the price of the commodity is in some expert quarters regarded as more likely than a rise. It would, therefore, be rash to count upon a further substantial increase in oil companies' profits

or dividends in the current year. Yet the present quotations in many cases seem to be based on the expectation of unchecked increase of prosperity. All these considerations combine to suggest that considerable discrimination should be used by investors who are contemplating taking a hand in the oil market at this juncture.

London's Traffic.

The results disclosed by the accounts of the Underground group of railways of London come as a pleasing contrast to the unfortunate position shown by the main lines. The group includes the London General Omnibus Company. In spite of the dislocation of the General Strike, total traffic receipts fell by only £46,000, and as expenditure was reduced by £81,400 and miscellaneous net receipts brought in £93,000 more, net income was £128,400 higher at £3,117,900, that of the four underground railways being £91,600 higher and that of the omnibus company £36,800 higher. Reserve appropriations and dividends were all maintained at the previous year's level, the dividend of the London General Omnibus Company being 6 per cent. paid free of income tax. The amounts paid in dividends by the four railways and the omnibus company represent an average of 4.09 per cent. The parent concern, the Underground Electric Railways Company of London, whose report has not yet been issued, pays the full 6 per cent. on its income bonds, free of tax, and a maiden dividend of 1½ per cent. on its new ordinary shares. The income bonds now stand at 104, at which the yield is not unattractive, though the cover is not yet very substantial.

Some interesting points are brought to light in the statistics published with the reports. The number of railway passengers carried was 310 millions, or 9 millions less than in 1925, while the bus company carried no less than 1,249 millions, or 13 millions more than in 1925, an average of nearly 3¼ millions a day. The fleet of buses numbers 4,700.

Chilean Securities.

Conditions in Chile are by no means satisfactory. The immediate causes of the depression are the crisis in the nitrate industry, increased taxation, delay in agreement on the National Budget, and uncertain political conditions. As for the national finances, for 1925 there was a deficit of approximately £1,727,000. In some quarters it is urged that Chile, having regard to its size, ought to devote rather less money to military expenditure. The public debt, however, is not regarded as excessive, for the figure works out at about £15 per capita.

Despite the unfavourable factors in Chile's outlook, it has to be remembered that few foreign countries have given the external bondholder less ground for concern. However unsettled internal conditions may have been, the service of the debt has been maintained. In these circumstances, those investors who are seeking a generous return on foreign investments and are prepared to take some degree of risk might find a short list of Chilean securities useful. The 5 per cent. loan of 1911—redeemable 1948—gives a return of £7 6s. per cent., and the 5 per cent. loan of 1911—redeemable 1947—gives an equal yield. A return of £7 8s. per cent. is obtainable on the 5 per cent. bonds of 1909, which are redeemable 1957. The 5 per cent. or 1896—redeemable 1944—gives a yield of £6 14s. per cent.

The Mysore Gold Mining Company recommends a balance dividend for the year 1926 of 1s. 9d. per share.

Messrs. Vickers, Ltd., announce that they have received an order from the Admiralty for a Fleet Repair Ship.

A new terminal station for the Bombay, Baroda, and Central India Railway is to be built in the Byculla district of Bombay.

It is reported that the Bulgarian Government is to enlarge the port at Vassiliko on the Black Sea at a cost of 30,000,000 leva in connexion with the forest concession that has recently been granted.

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BEIRA—Beira Shipping Agency.
DELAGOA BAY—John T. Rennie & Sons.
DURBAN—Andrew Weir & Co.
EAST LONDON—Messrs. Dunn & Co.
PT. ELIZABETH—Mackie, Dunn & Co.

MOSSEL BAY—Messrs. E. Searle & Co.
CAPE TOWN—Thomson, Watson & Co.
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BANGKOK—Siam Forest Co., Ltd.
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LONDON—ANDREW WEIR & CO., 21, Bury Street, E.C.3.

Near East Markets

BULGARIAN TOBACCO STOCKS.

An Important Deal.

(From Our Own Correspondent.)

Sofia, February 15.

According to the official reports the area planted with tobacco in 1926 amounted to 30,337 hectares as compared with 52,670 hectares in 1925. The crop of 1926, which totalled 26 million kilos (that of 1925 being estimated at more than 30 millions) is better than that of 1925 and a great improvement on the 1924 yield. The tendency is now not to plant tobacco except on lands specially suitable for its cultivation. The weather conditions of last summer, and notably the long period of dryness which preceded the harvest, developed in the leaf to the desired extent the qualities of aroma and colour which lovers of Eastern tobacco seek. Of this crop 3,500,000 kilos have been sold already at about 20 per cent. higher prices than ruled for the 1925 tobacco. Thus the superior quality of the last crop is demonstrated.

The stocks of old crops that now exist in Bulgaria total about thirty million kilos. On account of the poor crop of this year in Turkey and Greece, it is hoped that purchasers will be found for the Bulgarian stocks. In 1925 Turkey produced 52 million kilos and Greece 55 millions. Their crops of 1926 were respectively 37 and 40 million kilos. Thus the Turkish, Greek, and Bulgarian crops of 1926 totalled about 103 million kilos. The total consumption of these three countries is estimated at about 27 millions (Bulgaria 6, Turkey 14, Greece 7), so that the exportable surplus amounts to a maximum of 76 million kilos (a weight which drying and manipulation will decrease by about 10 per cent.). The world consumption of Eastern tobaccos is estimated at about 110 million kilos a year, so it follows that there is a shortage on the 1926 season of about 35 million kilos. As it does not appear that Turkey and Greece have large stocks of old crops, it is anticipated that the deficit will be met by the Bulgarian reserves.

Since the purchase by the Hungarian Régie of two million kilos in October no other foreign Régie has concluded business in Bulgaria. The conclusion is looked for shortly of contracts with the Polish, Czecho-Slovakian, and Italian Régies. German traders have bought since October from 1,500,000 to 1,700,000 kilos. It is becoming evident that the German market will offer this year a larger outlet than last owing to the reduction of the tax on raw material; in 1925 this tax affected imported tobaccos to such an extent that German cigarette manufacturers were compelled to exist on their stocks. Since May, 1926,

the tax on raw material has been greatly reduced, and the German houses are replenishing their stocks.

An important transaction has been concluded between the peasant co-operative producers of tobacco and a company of Lugano "Tioutioun"; the co-operatives are negotiating through the medium of the Banque Agricole de Bulgaria, the Tioutioun Company having the guarantee of the Banque Commerciale Italienne of Milan. The company will agree to an advance to the co-operatives of an amount of six million florins on the security of the tobacco of 1926 and the following harvests; it undertakes to place these tobaccos abroad. The agreement is for three years, and can be extended by mutual agreement for two further years. It is anticipated that advances of an amount of three million florins will be granted by the company on the same conditions on the harvest of 1925 and earlier which the company will also undertake to place.

EXTENSION OF ROSE GROWING IN BULGARIA.

(By Our Sofia Correspondent.)

According to information gathered by some distillers the production of attar of roses amounted for 1926 to 1,600 kilos. Of that quantity a little more than 1,000 kilos has been produced by the works; the balance represents peasant production. The yield of the year 1925 was a little better than that of 1926. Despite the continual rise in the net price due to the increased price of the flower nearly all the production has been sold, and it is estimated that there are hardly any disposable stocks. It would seem therefore that a crisis arising from over-production need not be feared, and this impression finds support in the fact that plans are in train for the creation of new rose gardens. The area planted with roses, which was unceasingly increased before the War, amounted in 1917 to nearly 9,000 hectares, and since it has not ceased to diminish, and it is estimated to have been in recent years about 3,500 hectares. The new plantations will commence to flower at the 1928 harvest. From this extension a marked fall in the price of the flower is to be looked for and consequently in the net price of attar of roses, and it is hoped that Bulgarian producers will be able more advantageously to meet the competition on the French market of the distillers of Grasse.

Before the war the Bulgarian production of attar of roses varied between 3,000 and 4,000 kilos. They are making at present in the Valley of Roses experiments to acclimatise jasmine.

FOREIGN EXCHANGES.

Country.	Method of Quoting.	Parity of Exchange.	Latest Quotations.
Alexandria.....	Piastre to £	97½	97½
Athens	Drachmæ to £	25.22½	376½
Belgrade.....	Dinars to £	25.22½	276
Berlin	Marks to £	20.43	20.46½
Berne	Francs to £	25.22½	25.22
Bombay	Sterling to Rupee	24d.	17 59/64—61/64
Brussels	Belga to £	35	34.87½
Bucharest	Lei to £	25.22½	805—810
Budapest	Pen to £	27.82	27.74
Calcutta	Sterling to Rupee	24d.	17 59/64—61/64
Constantinople	Piastres to £	110	945—955
New York	Dollars to £	4.86 2-3	4.85 1/16
Paris	Francs to £	25.22½	123.90 —.95
Prague	Kronen to £	24.02	163 11/16
Rome	Lire to £	25.22½	109 11/16
Sofia	Leva to £	25.22½	667—680
Teheran	Krans to £	52	49½
Vienna	Sch to £	34.58½	34.40—34.43
WARSAW	Zloty to £	25.22½	42—45

COMPANY NOTES AND REPORTS.

SOUTHERN PUNJAB RAILWAY.

The report of the Southern Punjab Railway for the year to September 30 last shows a net revenue of £262,006, after deducting £177,483 due to the Government, and after allowing for administrative expenses, taxation and debenture interest. With £77,788 brought forward the available total is £339,794. The directors recommend a final dividend on the ordinary stock of 6 per cent. actual, together with a bonus of 2 per cent., making, with the interim of 6 per cent. already paid, a total distribution of 14 per cent. for the year, less English income-tax at 2s. 0½d. in the £. From the balance of £107,794 remaining, £50,000 is transferred to contingencies account and £57,794 is carried forward.

The India Office, after a trial in India of the new Wolseley 16-45 h.p. Light Six, have placed an order with Mr. W. R. Morris for 28 of these cars.

Orders have been placed by the Metropolitan-Vickers Electrical Company, Manchester, with the Westinghouse Brake and Saxby Signal Company, London, for 82 electrically-driven air compressors for brake equipments on locomotives for the Great Indian Peninsula Railway.

British Trade Reports

I.—PALESTINE.

(Continued.)

New Industries.

Early in 1925 industrial conditions were favourable and a number of important factories were established. A silk-weaving factory, cotton-spinning and a steam tannery commenced operations at Tel-Aviv.

The most important stimulant to local industry has been the establishment of electrical power stations at Tel-Aviv, Haifa and Tiberias (the latter two in 1925) by the Palestine Electrical Company, Ltd. So great has been the demand for electricity at Tel-Aviv and Jaffa that the two engines, each of 500 h.p., which were first installed in the power station there had to be supplemented by a third one of 250 h.p., and later by a fourth of 1,000 h.p. Electricity is now also supplied from the Tel-Aviv station to Petah Tikvah, the largest Jewish colony in the neighbourhood. It is expected shortly to start work on the establishment of hydro-electric power from the Jordan. The first hydro-electric station will produce 24,000 h.p. for 24 hours a day; others can be added as conditions may demand, up to a total output of 300,000 h.p.

The soap-making industry, the most important of the pre-war industries with the exception of wine manufacture, is progressing, and new methods and machinery are being introduced by manufacturers. The production is increasing, and during 1925 5,855 tons of laundry soap, valued at £E.247,725, were exported, showing an increase over the previous year of 1,046 tons, valued at £E.43,834. Toilet soap of an improved quality is now manufactured. The "Shemen" Oil Company at Haifa, a modern factory established with a capital of approximately £E.250,000, commenced manufacturing laundry and toilet soap on a limited scale. A number of small soap factories have been established during the year in Tel-Aviv and Jaffa.

The Portland Cement Company "Nesher" of Haifa commenced operations in October. The cement produced by this factory compares favourably with foreign brands. The capital invested is approximately £E.300,000, and the factory can produce 60,000 tons a year.

Flour milling is progressing. The Grands Moulins de Palestine erected an additional factory for the manufacture of Matzot (Passover bread). Prospects for this new enterprise are good.

Seven tobacco and cigarette factories and seven tobac factories were working regularly in 1925. Over 300 tons of cigarettes were manufactured. The industry is progressing steadily, but a certain amount of tobacco is still smuggled into the country, with a resulting loss to manufacturers and to the revenue.

The sale of salt is a Government monopoly. A company is producing salt at Athlit by the evaporation of sea water in artificial basins. The output of this company was 5,500 tons of salt in 1925, as compared with 2,600 tons in 1924. Sales of salt by the Government amounted to 4,794 tons in 1925, as compared with 3,457 tons in 1924.

Three factories are producing alcohol in the country; these have formed a syndicate in order to reduce the cost of production and eliminate competition. The production

was 52,456 kilos. of alcohol in 1924 and 261,894 kilos. in 1925.

The Bethlehem mother-of-pearl industry progressed during the year owing to the success it obtained at the British Empire Exhibition, where important sales of curios and articles of piety were effected. There are two match factories in Palestine, one at Acre and the other at Tel-Aviv. The industry is hampered by the high cost of production.

Over 700 small industrial concerns are at work manufacturing all sorts of goods. There are brass and iron foundries, printing presses, and factories manufacturing confectionery, pottery, and furniture, and many persons are employed in other trades. Industry in Palestine is still in an embryonic stage and is handicapped by the lack of raw materials, the relatively high cost of production, and transport. Long-term industrial credits are lacking. The more important industries were not seriously affected by the financial depression of the latter part of the year, and prospects for the future are promising for those industries which can obtain their raw materials in the country.

Most of the new industries find their development retarded by the high cost of living, with its corollary of a high cost of production, and many of them ask for measures of protection. The Government policy in these matters has been to grant customs exception in respect of raw materials, and to assist the development of the export trade. Olive oil for industrial purposes, caustic soda, various seeds for the extraction of oils, hides and skins, dyes, cotton, woollen and silk yarns, mother-of-pearl shells, sulphur, printers' types, tools and implements, bottles, etc., were exempted from customs import duty during the year in order to encourage local industries. The export duty on all articles, with the exception of antiquities, was abolished early in 1926. With a view to encouraging agriculture, the land tax on tobacco and cotton has been abolished for a certain period, and the agricultural tithe has been reduced from 12½ to 10 per cent.

Palestine Railways.

Steady development and progress were recorded in all branches; the tonnage handled, passengers carried, kilometrage of line operated, and work performed were substantially in excess of the figures for 1924. The traffic consequent on increased immigration and building activities was handled without incident. The gross earnings of all sections were £E604,569, and working expenses £E438,504.

The railway administration operates the following sections (the figures representing kilometres):—Palestine railways: open line 374.223, sidings 98.491, 472.714; Sinai military railway: open line 201.885, sidings 41.235, 243.120; Hejaz railway (Palestine): open line 212.040, sidings 30.546, 242.586; Hejaz railway (Trans-Jordan): open line 436.343, sidings 10.945, 447.288; total, 1,405,708. Of these, 715.834 kilometres are standard gauge and 689.874 kilometres are 105-cm. gauge track.

The main line standard gauge is in good condition throughout, and the 105-cm. gauge also, except from Amman to Ma'an, where damage was caused by floods. From Ma'an to Qal'at el Mudawwara, bridges have still to be repaired over several wadis. The Jaffa-Jerusalem line is being widened to a maximum of 1½ ins. over normal to lessen the tractive effort of trains on the 150-metre radius curves and 2 per cent. grades. The standard gauge was extended from Haifa for 7 kilometres eastwards over the 105-cm. gauge of the Hejaz Railway to connect up the "Nesher" cement factory, to which a private siding was laid. Some 21,000 cubic metres of ballast were placed during the year, and the main line from Zichron Jacob to Athlit was relaid with B.S.S. rails on wooden sleepers, replacing Krupp rails. There no longer remains other than B.S.S. permanent-way material on the standard gauge.

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The derelict line which ran from Asluj (30 kilometres south of Beersheba) to the Palestine-Egypt frontier at Kossaima was salvaged, and all the railway material is now in depots. Staff instruments were installed on the Raf-Beersheba branch and working appliances fitted at various sections and sidings. The Western Electric Telephone control has been centralized at Haifa, and six emergency telephone outfits have been provided. Standard crossing signs, whistle boards, speed restriction boards, etc., are in use.

The line from Haifa to Kantara was recharged and zero transferred from Kantara to Haifa. Hectometre stones have been set up throughout the line. Special installations were constructed at Lydda, Sarafand, Artuf and Jerusalem to supply Jerusalem with water during the drought, and from 75,000 to 120,000 gallons were transported daily by as many as six trains between Lydda and Jerusalem.

Motor Transport.

Motor transport, which was unknown in Palestine before the war, has developed considerably since the British occupation. There are 1,169 touring cars, 295 motor 'buses, 111 lorries and ton trucks, and 146 motorcycles now registered with the Department of Police and Prisons. Motor-car services link up the whole of Palestine, services between the less important towns being of an irregular nature. Motor 'buses are operating in the main towns of Jerusalem, Tel-Aviv, Jaffa and Haifa. There were 805 motor cars imported during 1925, as compared with 205 imported during 1924; of these, 738 came from the United States of America, 24 from France, 23 from Italy, 11 from Canada, 4 from the United Kingdom, 4 from Germany, and 1 from Austria.

The length of metalled roads in the country is approximately 600 kilometres, and, in addition, many hundreds of kilometres of tracks are passable for wheeled traffic of all kinds during dry weather. Resurfacing and repair to many roads was in progress and new roads were constructed.

Minerals.

The minerals of Palestine and Trans-Jordan may be divided into the following classes:—(a) Minerals in solution; (b) earthy or non-metallic minerals; (c) metallic minerals; (d) petroleum and natural gas. Up to the present time the country has only been partially surveyed; the increasing knowledge of the geological formations indicate greater possibilities than have hitherto been suspected. The following résumé gives an indication of the mining possibilities.

(a) Minerals in solution.—The Dead Sea contains 1.0 to 1.5 per cent. potassium chloride, according to the depth at which the sample is taken; 0.5 to 0.7 per cent.

magnesium bromide; 11 to 17 per cent. magnesium chloride, and 7 to 9 per cent. sodium chloride.

(b) Earthy minerals at present known are rock phosphate rock salt, gypsum, sulphur, bituminous limestone and bitumen. With development of the country and cheap transport it is probable that much of the phosphate beds will be worked.

Bituminous limestone.—These are also very widespread in the formation named, sometimes occurring in very thick beds associated with the chalk or overlying the phosphate deposits at Nebo Musa. The low price of fuel oil in Palestine and the presence of a high percentage of sulphur in the crude oil is somewhat against their present development, but applications to work them have been received, and it is possible that the light oils might be marketed locally.

Bitumen occurs rather widely distributed, but it is not usually in a form that can be readily used without purification. Thin seams of coal are found associated with Nubian sandstone around the Dead Sea, but do not appear to exist in beds of any commercial value. Rock salt occurs in domes, such as that of Jabel Usdom, where it intrudes into the gypseous marls and sands of Miopliocene age; much of the salt is extremely pure. Sulphur and gypsum are widely distributed in the deluvial deposits of the old Jordan lake area, but only in a few places have they been profitably extracted.

Iron ores, mostly of a poor quality or very limited extent are found associated with the Jurassic rocks and the upper Senonian series in many parts of Palestine and Trans-Jordan. No detailed survey or examination exists, and it remains for the future to determine whether they possess any commercial value. The area of crystalline rocks of Archean and Paleozoic age of Trans-Jordan are known to carry metallic minerals such as the copper ore at Fenan, and in their extension into Arabia gold was worked by the ancients. There appear, therefore, possibilities in this region of the discovery of metallic minerals—whether of commercial value will probably be determined by a survey that is shortly to be undertaken.

The main indications of petroleum are where the Cretaceous or Eocene rocks are covered with beds of later, probably Miopliocene, age. The area around the Dead Sea, particularly the southern end, has been known as long as history carries us back as a region of bitumen and oil. The main indications are oily bitumen in rocks which may be of Nubian, Turonian or Senonian age. The Miopliocene also contain indications of oil. It is expected that in the near future the area will be tested by the drill and settle the long-debated question of oil in commercial quantities in Southern Palestine.

Messrs. Beyer, Peacock and Co., Ltd., of the Gorton Foundry, Manchester, have received a contract for nine 4-6-0 superheated locomotives for the broad-gauge lines of the Ceylon Government Railways.

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THE BRITISH INDUSTRIES FAIR.

Great White City Display.

(From Our Own Correspondent.)

The British Industries Fair—in two sections as usual, light goods being displayed at the White City and heavy goods at Birmingham—commenced on Monday in a more hopeful trade atmosphere than on any occasion since the event was instituted. China apart, the commercial horizon is remarkably clear, fluctuations of currencies are no longer the obstacle to trade that they were, many markets are bare of stocks owing to the long period when purchases were curtailed, and orders are now beginning to come to this country from almost all over the world. Small wonder then that there should be a feeling of hope about the Fair, and that it is generally expected that the improvement in world conditions will mean a flood of orders which will keep our manufacturers busy for many months.

The White City section is something more than a business Fair this time. It has all the elements to make it a very considerable public attraction, and it will be surprising if the public as a whole do not take full advantage of the opportunity afforded them of seeing the exhibits at certain hours. The vision which meets the eye on passing Wood Lane entrance is abundant evidence of the care the authorities have taken to make the Fair not only picturesque but imposing as befits an undertaking of this national character. There facing the visitor in the old Court of Honour is an impressive statue of St. George in bronze by Sir George Frampton, who, incidentally, was putting the finishing touches to the work as I passed. In the galleries on either side of the statue are the Empire stands, and a very attractive show they make. Here it is possible to take a bird's eye view of many of the products of the Empire. India, of course, is represented, but there are a number of absentees who it may be hoped will be represented on a subsequent occasion—the Sudan, for instance, and Cyprus, to say nothing of Palestine. The last two countries are engaged at the present time in finding outlets for their products, and the Fair would have given them an opportunity of introducing their wares to new markets in a way that the British Empire Exhibition could hardly do, for the Fair is for trade buyers only.

The exhibits in all the multifarious branches of industry shown at the White City are, needless to say, all that can be desired. A walk round the serried rows of stands is, indeed, an absolute revelation as to the industrial potentialities of this country. *Semper aliquid novi* might well be the motto of the Fair, for go where one will one can always find fresh evidence of the initiative and ingenuity of the British manufacturer. There are many—very many—lines of goods at the Fair in regard to which it was formerly held that it was impossible for this country to compete with its foreign rivals, but our manufacturers have shown that it can be done, and so effectively too that it is even said that some goods are purchased for abroad and are re-exported to this country. If that be possible it is a very consoling thought, and, be it added, a complete answer to the pessimists who would have it that this country has entered a stage of industrial decline. It is not only the novelties which are of interest, but the undoubted stamp of quality that is in evidence at every stand in the Fair, making it abundantly clear that the British hall mark is as true to-day as ever it was. Colour, of course, there is at the Fair and in full measure. Indeed many of the rows of stands are a perfect feast for the artistic eye with their delicate tints tastefully blending one with the other. Those who say there is no romance in business should go to the White City, and if they have the slightest artistic appreciation they cannot but be charmed. Of the wealth of delightful stands one in particular stands out, as I have no doubt all who see it will agree, and that is Courtaulds, where artificial silk products are displayed in the form of flowing draperies in luscious green and lilacs and other delightful colours. It

is a stand at which it is possible to remain a long time.

As usual, the pottery and glassware section makes a wonderful display; indeed, I always think it one of the most attractive features of the Fair. It has to be remembered, however, that it is easier to stage a fascinating show when the articles to be dealt with are such works of art as cut glass ware and wonderful pottery in glorious colouring than it is when humdrum commodities are in question. Messrs. W. Moorcroft have an especially interesting stand where are to be seen a wide range of pleasing examples of their famous pottery. The range of colour at this and so many other stands in this section is a sheer delight. The section devoted to musical instruments is of a most comprehensive character, and reveals very clearly the importance of this industry to the country. Particularly extensive are the exhibits of pianofortes and player-pianos, the exhibits of the former numbering 35 while those of the latter number 25. Gramophones are also well to the fore, as indeed, they should be for this is one of the branches of the musical industry in which there is particular scope for the development of the export trade, particularly in the Near East markets.

Rainbow tints from black tar, sweet perfumes from evil-smelling pitch, fertilisers from the air, explosives, leather, enamel and laquers from cotton waste, are but a few of the contributions of modern science to the welfare of mankind, and all this modern magic is strikingly illustrated in the chemical section. The central and predominating stand of the section is that of Imperial Chemical Industries Ltd. This occasion is, as it were, the combine's first appearance in public, and its novel exhibit, bold and attractive in design, not only catches the eye but fittingly symbolises the world-wide scope and enormous interests of the new merger.

The products of each of the four companies in the merger, Brunner Mond, Nobel Industries, United Alkali, and British Dyestuffs Corporation, are allotted separate sections on the stand, while perhaps the most striking and informative of all is the section which demonstrates the co-relationship and inter-linking of the various products and processes of all four constituent firms. This is done by an ingenious arrangement of models and raw materials, with lines of coloured wire directing the eye through a range of processes and intermediate products down to the last and final product of all. By this clever device even the layman can glean an idea of how the various manufactures of the combine are linked up and of how the explosives and dyestuffs draw their materials from the heavy chemicals section, which in turn takes us back to the raw materials found in nature. On the top shelf of the stand are five raw materials, air, pyrites or sulphur, coal, brine and limestone. From these, the coloured wires run down through different intermediate products to the manufactured explosive or the finished dyestuff on the bottom shelf. To even the casual observer this gives a simple picture of the highly complicated processes involved, and gives also a fairly adequate idea of how closely the work of the modern chemist enters into the daily needs and doings of each individual.

Another section of the stand contains the exhibits of the British Dyestuffs Corporation, Ltd. Here the on-looker may actually watch the dyestuffs being made, and may also follow the process of dyeing fabric. In the first instance he will see before him two vessels containing pure, colourless liquids. These two liquids are run together in a larger vessel, and the result is the formation of a brilliant dye of red or yellow or any other colour, according to the constituents of the liquids. This dye is then subjected to treatment with brine, and is then perfectly ready for use. The actual process of dyeing is illustrated by a miniature working model of a proper dyeing machine. This machine consists of a trough containing the previously prepared dyestuff, and several rollers over which the fabric passes on entering the solution and after immersion in it. The fabric is passed through the dye continuously by electricity, and emerges at the other end of the trough dyed to the required shade, when it is gathered up on a spool. There may also be seen various fabrics and yarns which have been dyed all

manner of colours and shades, and which will delight the eye of all lady visitors to the Fair.

In the explosives section—represented by Nobel Industries—there are not only explosives but a wide variety of miscellaneous products displayed, such as artificial leather vanity bags, enamelled door-plates and vases, motor enamels and incandescent mantles. Farmer visitors may not at once grasp the kinship of chemicals and the plough, but associated with Imperial Chemical Industries is Nitram Limited, the newly-formed company who are acting as sole agents not only for the British Sulphate of Ammonia Federation, but also, it is understood, for other fertilisers, etc. for I.C.I. The Nitram section of the stand also shows how chemicals enter into daily life.

The interior of the stand is not only arranged with the greatest taste, but also has a definite object of its own, only I.C.I. products having been used in its furnishing and decoration. The pegamoid-covered luxurious arm-chairs, the aluminium-like wall-paint, the lino on the floor and the various fittings are all either I.C.I. products, or have called on I.C.I. products in the process of their manufacture. In one corner is a miniature coal seam illustrating the use of Nobel's blasting explosives, and in another corner is a miniature farm showing the use of fertilisers for grass land.

Cotton and Cotton Goods.

THE LIVERPOOL COTTON MARKET.

Messrs. Reynolds and Gibson report as follows for the week ended February 16:—

Egyptian Futures.—Sakel contract.—Only minor fluctuations have taken place in this contract during the past week, but on the whole we should say that the tone shows some slight improvement as fairly heavy selling, especially of near positions, has revealed more underlying resistance than generally anticipated. We attribute this latter to the firmer tendency recently noticeable in the Alexandria market, and also to the continued strength which has recently been a feature of the American departments. Trade reports have passed what might be termed the improving stage, as, from all accounts, a good and consistent offtake is being experienced in Manchester for yarns. We are afraid, however, that Sakel counts as hitherto are not participating to their full extent in the present movement, and this coupled with the fact that stocks are accumulating and another large crop of Sudan Sakel is just about to be marketed, is likely to exercise a restraining influence on values for the time being.

The chief interest locally has been concentrated on the March position. Earlier in the week, some rather aggressive selling of this month forced it to a discount of 12 points under May and 17 points under July. In view of the fact that it is quite impossible to purchase any tenderable cotton in Alexandria and bring it over, here

without showing a substantial loss, the weakness appeared exaggerated, and during the past two days moderate trade purchases against "on call" cotton and some short covering have revealed a decided scarcity of contracts, with the result that the month in question has regained its previous premium over the spring and summer options.

We cannot say that we yet perceive any pronounced factors likely to cause a material alteration in the existing level. On the one hand, there appears little justification in the situation to warrant pronounced activities on the "short" side owing to the local trade revival and also to the stabilising influence of the Egyptian Government's declaration to purchase at 23½ dollars. On the other hand, the fact that takings of Sakel have so far this season not been on a sufficient scale to counterbalance the plentiful supplies will curb any decided upward movement for the time being. We, therefore, think that the best policy at the moment is to watch events, but should any material set-back from the present range be witnessed, we would certainly advise purchases.

Upper Contract.—Values in this contract have appreciated sharply during the past week, this being due to the strength of the Alexandria market and also in a lesser degree to the continued firmness of American values. It rather appears that the movement has been too rapid for the trade, as support from this quarter has been generally withheld during the past few days, and whereas up to a short time ago our cotton appeared basically reasonable in comparison to other varieties, we now consider that it has switched round to the dear side. Whilst in the long run we still remain "bullish" in this variety, we consider that those with good profits might be advised to liquidate as opportunities to repurchase at a lower level may easily be experienced.

Egyptian Spot.—Whilst a fairly good inquiry has persisted from day to day, the amount of actual spot business put through has again proved disappointing. Interest has been centred chiefly on Uppers, from barely Fair to Strictly Fully Good Fair, and prices for this cotton have hardened considerably, in spite of the fact that the competition of outsiders is being increasingly felt. The better grades continue to hang fire. Sakellaridis cotton has been very difficult to move, and the opinion continues to gain ground that the price of this commodity is much too high as compared with other growths. A range of 10.00d. to 13.50d. would probably cover the bulk of the small business which has been reported. Pilon has been in moderate request only at from about 10.00d. to 11.00d. Low cotton has not formed such a prominent feature of the inquiry as was the case during the previous two or three weeks. Sudan cotton (Sakel) has been comparatively quiet, but a fairly good demand for the White variety at from 75 to 175 points on has been in evidence.

C.i.f. business, according to most accounts, has ruled very quiet, but forwardings to spinners for the week ending 11th inst. reached the large total of 12,000 bales Egyptian and 1,066 bales Sudan. The official reports from Manchester have been couched in the most encouraging terms, but it is understood that it is the American

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section of the trade (which includes "outsiders," of course) which has been benefiting rather than the Egyptian. Estimated sales 1,400 Egyptians and 300 bales Sudan. Quotations of Sakel have been advanced 15 points (Fine exceptionally 25 points) and those of Upper and Brown 50 points on the week. Fully Good Fair Sakel to-day 13.80d. Fully Good Fair Upper to-day 10.80d.

NEW COMPANY.

The Anglo-Egean Bank of Commerce has been registered as a public company with a nominal capital of £20,000 in £1 shares. The objects are to acquire the business of bankers carried on in Salonika and elsewhere by the Banque de Commerce et de Depots.

The production of the Anglo-Egyptian Oilfields for the week ending February 11 amounted to 2,975 tons.

Messrs. Ransomes and Rapier, Ltd., have received orders to proceed with the manufacture of 165 canal head regulator gates with the necessary built-in parts and regulating machinery, for the 55 openings of the seven main irrigation canals which will take off from the River Indus immediately above the Lloyd Barrage at Sukkur.

NEWS FROM ALL SOURCES.

Major Cyril Wilson, whose death was recently announced, served in Egypt on special Intelligence Service and became Chief Military Censor at Alexandria.

The new air station at Gaza, built recently by the Jewish Labour Co-operative Solel Boneh, has been formally taken over from them by the Palestine Government.

With a view to planting a garden to the memory of Alexander Marmorek in the Workers' City in Palestine bearing his name, the Society of Friends of Max Nordan and Alex. Marmorek in Paris has started a fund for this purpose.

The Bishop of Egypt and the Sudan has appointed the Rev. J. E. Cheese to Addis Ababa, in Abyssinia, where he will minister to the British community. Mr. Cheese has worked in Palestine, and is at present in Aden, but will temporarily resign his work there. The appointment has been made possible by the assistance of the S.P.G.

The Secretary of State for India has offered a seat on the Council of India to Dr. Raghunath Purushottam Paranjpye, D.Sc.—who is at present a Minister in the Bombay Government—in succession to the late Mr. Narayan Radhar Samarth. Dr. Paranjpye is expected to join the Council in April next.

At an "at home" given by Mr. and Mrs. Harold Kisch at 15, Wimpole Street to the Medical Section of the Friends of the Hebrew University on February 12, speeches were delivered by Mr. H. W. Nevinston, who has recently returned from Palestine, and Mr. Leon Simons.

Stock and Share Markets.

LONDON EXCHANGE		Prices on Feb. 21	Railways.		Prices on Feb. 21	Coal.		Prices on Feb. 2
Government Stocks.								
Egyptian 4 p.c. Unified Debt ..	...	82½	Assam-Bengal ..	...	80½	Baraboni ..	...	31/16
Do. Pref. 3½ p.c. 1890 ..	...	72½	Bengal Nagpur ..	...	96	Bengal ..	...	480
Do. Turk 4 p.c. 1891 ..	...	85½	Egypt Delta Light Rly. ..	...	15/16	Burrakur ..	...	19
Do. 3½ p.c. Eg. Trib. Bonds '94 ..	...	78½	Southern Punjab ..	...	195½	East Indian ..	...	25
Greek 5 p.c., 1881 ..	...	55½	Rubber.			Equitable ..	...	19/16
Do. 5 p.c., 1884 ..	...	55½	Ceylon Para Rubber Ord. ..	...	15/3	Pench Valley ..	...	25
Do. 4 p.c. Rentes, 1889 ..	...	46	Doolgalla (Ceylon) Rub. Est.	...	20½	Raneengunge ..	...	31½
Do. 5 p.c. 1890 ..	...	56	Grand Cent. (Ceylon) Rubber....	...	44/3	Standard ..	...	32½
Do. 5 p.c. Funding Loan, 1893 ..	...	56	Hewagum Rubber Co. ..	...	25½	Cotton.		
Do. 4 p.c. Rents, 1902 ..	...	52	Kepitigalla Rubber Estates ..	...	3	Bengal Nagpur ..	...	24½
Do. 4 p.c. Loan, 1910 ..	...	53½	Malayalam Rub. and Produce ..	...	39/10½	Bombay Dyeing, etc.	...	903½
Do. 5 p.c. Loan, 1914 (Lon. issue) ..	...	67	Shipping.			Bowreah ..	...	350
Do. 7 p.c., 1924 ..	...	96½	Anchor 5½ p.c. Prf.	...	89/32	Buckingham and Carnatic ..	...	190
Persia 5 p.c., 1911 ..	...	81	Cunard ..	...	19/3	Cawnpore Textiles ..	...	34
Roumania 4 p.c. Ext.	...	72	Furness Withy ..	...	37/6	Century ..	...	408½
Do. 4 p.c. Consolidation ..	...	46½	Khedivial Mail Ord.	...	1	Central India ..	...	505
Sudan 5½ p.c. Guar. Bds.	...	108½	P. and O. Deferred ..	...	265	Elgin ..	...	92
India 3½ p.c.	...	59 7/16	Tea.			Khatau Makanji ..	...	100
Do. 3 p.c.	...	49 11/16	Assam Co.	...	40/6	Muir ..	...	292
Do. 2½ p.c.	...	101½	Bengal United Tea Ord.	...	221/32	New Ring ..	...	210½
Do. 5½ p.c.	...	91½	Bramapootra ..	...	34½	Phoenix ..	...	392½
Do. 4½ p.c.	...	23½	British Indian Tea Ord.	...	24	Svadeshi ..	...	506½
Turkish 4 p.c. Unified ..	...	23½	Cachar and Dooars Tea Ord.	...	34	Jute.		
Banks.			Ceylon Tea Plantations Ord.	...	6½	Alliance ..	...	590
Agri. Bank of Egypt....	...	7½	Consolidated Estates ..	...	43/16	Barnagore ..	...	232½
Bank of British West Africa ..	...	4½	Darjeeling Co.	...	23/16	Budge Budge ..	...	53½
Bank of Roumania ..	...	80½	Dimbula Valley (Ceylon) Ord.	...	317/32	Clive ..	...	39½
Barclays Dom. Col. Pf.	...	29/9	Dooars Tea Ord.	...	34	Dalhousie ..	...	477
Lloyds ..	...	61/6xd	Dooloogram Tea ..	...	111/16	Delta ..	...	605
P. and O. Banking ..	...	10	Doom Dooma ..	...	331/32	Fort Gloster ..	...	985
Eastern ..	...	6½	East Assam ..	...	31/32	Gourepore ..	...	765
Chartered Bank of India ..	...	19½	Empire of Ind.	...	211/32	Howrah ..	...	46½
Ottoman Bank ..	...	1011/16	Halem Tea ..	...	21	Kamarhaty ..	...	696
Imperial Bank of Persia ..	...	94	Jhanzie Tea Association ..	...	331/32	Kankannarah ..	...	543
Land Bank of Egypt Ord.	...	13½	Jokai (Assam) Tea Ord.	...	41	Khardah ..	...	503
Westminster ..	...	18½	Lanka Plantations Ord.	...	21	Kinnison ..	...	1,050
National Bank of Egypt ..	...	36½	Lungla (Sylhet) Tea Ord.	...	17/32	National ..	...	33½
National Bank of India ..	...	48	Nuwara Eliya Tea Estates Ord.	...	51	Standard ..	...	484½
Land.			Pabhojan ..	...	625/32	Union ..	...	623
Kassala Cotton ..	...	8½	Scottish Assam ..	...	125/32	Miscellaneous		
Sudan Plantations ..	...	4½	Upper Assam ..	...	215/32	British India Corporation ..	...	41
Mines.			Insurance.			Bengal Paper Mills ..	...	34
Balaghat Gold Mining ..	...	3/3	General Accident Fire and Life (£5, £1½ paid) ..	...	8½	Bengal Timber Trading ..	...	38½
Burma Corp.	...	14½	London & Lancs (£5, £1 paid) ..	...	21½	Burn and Co.	...	129
Champion Reef Gold ..	...	11/9	Royal Exchange (£1½) ..	...	75/16	Cawnpore Sugar ..	...	240
Mysore ..	...	15/3	Sun Fire £10 (£2 paid) ..	...	21½	Champaran Sugar ..	...	214
Nundydroog ..	...	9/6	Trade Indemnity (£10) ..	...	14½	Howrah Oil Mills ..	...	13½
Ooregum Gold Mining Ord.	...	15½	Miscellaneous.			ALEXANDRIA		
Oil.			Alexandria Water Co.	...	14	Prices on Feb. 4, supplied by G. L. Mortera, Alexandria & Cairo.		
Anglo-Egyptian B ..	...	15/16	Associated Cotton Ginners ..	...	74	Agricultural Bank of Egypt ..	...	£715 32
Anglo-Persian Ord.	...	54	Egyptian Hotels ..	...	25/6	Alexandria Water Co. " Fond.	...	£651
Do. 8 p.c. Cum. 1st Pt.	...	25/4½	Do. Markets Ord.	...	21/	Assoc. Cotton Ginners ..	...	£143/16
Do. 9 p.c. Cum. 2nd Pt.	...	28½	Do. Salt and Soda ..	...	8½	Bethra Ord.	...	£1513/16
Do. 5 p.c. Debs.	...	95½	Mortgage Co. of Egypt 5 p.c. Pref.	...	77½	Ciments d'Egypte ..	...	Frs. 132
Brit. Burmah ..	...	9/9	INDIAN EXCHANGES.			Div.	...	192
Burmah Oil Co. Ord.	...	71/16	Government Loans.			Comptoir Fin. & Com. d'Egypte ..	...	£5/16
Do. 8% Cum. Pref.	...	27½	3½ Government Paper ..	...	77½	Credit Foncier Egyptien ..	...	Frs. 1,001
Phoenix Oil and Transport ..	...	26/9	Banks			Crown Brewery Priv.	...	2,120
Steaua Romana ..	...	15/6	Imperial Bank of India ..	...	1,613	Filature Nationale d'Egypte ..	...	Frs. 99
			Bank of India ..	...	75	Frigorifique d'Egypte ..	...	£5½
			Central Bank of India ..	...	29½	Immeubles d'Egypte Soc. An. des.	...	£15½
						Land Bank of Egypt Actions ..	...	£13½
						Parts de Fond ..	...	£151
						Menzaleh Canal Navigation ..	...	Pt. 340

THE IMPERIAL BANK OF PERSIA

(Incorporated by Royal Charter, 1889.)

CAPITAL (fully paid) - £650,000 | RESERVE - - - £470,000
Reserve Liability of Shareholders, £1,000,000.

Branches in Persia:— Chief Office in Persia—TEHERAN.
Abbadan Bushire Kermanshah Pehlevi
Ahwaz Duzdab Masjed-Saleiman Reest
Barfash Hamadan Meshed Shiraz
Birjand Isfahan Mohammerah Sultanabad
Bander Abbas Kazvin Nasratabad Yazd
Burajird Kerman (Seistan)

Branches in Iraq (Mesopotamia):—Bagdad, Basra, Kirkuk.
Branch in India:—Bombay.
The Bank is prepared to transact Banking business of every description in and connected with Persia and Mesopotamia; and in London grants Drafts, Telegraphic Transfers and Letters of Credit, and negotiates or collects Bills on Persia and the Near East.

Head Office: 33-36, KING WILLIAM ST., E.C.4; Chief Office in Persia, TEHERAN

IONIAN BANK, Ltd.

Established 1839.

Capital Authorised - - £1,000,000
Capital Paid up - - - £600,000
Reserve Fund - - - £235,000
Total Assets - - - £5,663,445

HEAD OFFICE:

Basildon House, Moorgate, LONDON.

GREECE.

EGYPT.

Central Office:

Central Office:

ATHENS.

ALEXANDRIA.

25 Branches and Agencies.

10 Branches and Agencies.

CYPRUS.

TURKEY.

NICOSIA, Larnaca and Limassol.

CONSTANTINOPLE (Stamboul, with Sub Branch at Galata.)

Complete Banking Facilities for the Near East.

The Only British Bank in Greece.

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Address.....

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RATES 14s. 6d. for 6 months.
Post Free ABROAD, £1 10s. per annum; 15s. 6d. for 6 months.

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Incorporated and constituted in India under the Imperial Bank of India Act, 1920, for the purpose of taking over the undertakings and business the Bank of Bengal, the Bank of Bombay and Bank of Madras.

Local Head Offices:—

CALCUTTA, BOMBAY, MADRAS

Managing Governors in India:—

Sir Norcot Warren, K.C.I.E.

Sir N. M. Murray.

Manager in London:—

Sir S. A. H. SITWELL.

Authorised Capital Rs. 11.25.00.000

Paid-up Capital - Rs. 5.62.50.000

Reserve - - - Rs. 5.00.00.000

BANKERS in INDIA to the GOVERNMENT INDIA.

Branches in all Principal Towns in India.

London Branch - - - 22 Old Broad Street, E.C.2.

NATIONAL BANK OF INDIA, LIMITED.

Registered in London under the Companies Act of 1862, on the 23rd March, 1866

Established in Calcutta, 29th September, 1863.

BANKERS TO THE GOVERNMENT IN KENYA COLONY AND UGANDA.

AUTHORISED CAPITAL	£4,000,000	Paid-up Capital	£2,000,000
Subscribed Capital	£4,000,000	Reserve Fund	£2,850,000

HEAD OFFICE: 26, BISHOPSGATE, LONDON, E.C.2.

BRANCHES.

Aden	Calcutta	Colombo	Lahore	Rangoon	Eldoret	Kenya Colony (Brit. E. Africa)	Entebbe	Uganda
Aden, Steamer Point	Cawnpore	Delhi	Madras	Tuticorin	Kisumu		Jinja	
Amritsar	Chittagong	Kandy	Mandalay	Zanzibar	Mombasa		Kampala	
Bombay	Cochin (S. India)	Karachi	Newera Eliya		Nairobi, Nakuru			

TANGANYIKA TERRITORY—Dar-es-Salaam, Tanga.

The Bank purchases grants, advances against or collects Bills payable in India, Burma, Ceylon, Aden, Zanzibar, British East Africa, Uganda, etc., on current terms.
The Bank issues Drafts on its Branches, as well as on its Agents in the principal towns of India and Burma, Africa and elsewhere, and also sells Telegraphic Transfer on all its Branches, at the exchange of the day.

The Bank, on behalf of its Constituents, undertakes the collection of Furlough Pay and Pension from the India and Colonial Offices, the Custody of Government and other Securities, and the receipt of interest and Dividends thereon.

Powers of Attorney or other forms and any information required may be had on application to the Bank in London or any of its Branches.

The Bank receive Deposits for fixed periods not exceeding one year at rates to be obtained on application.

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of the

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Regular Services between

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and between

Constantza, Constantinople, Halfa, Jaffa.

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Capital 24 millions Leva.

Reserves 1,705,000 Leva.

Branches:

Varna and Bourgas

Telegraphic Address:

"Bulcomit."

COMMERCIAL BANK OF GREECE

(A Limited Liability Company Registered in Athens.)

CAPITAL PAID UP - Drs. 47,107,000
RESERVE FUNDS - Drs. 57,091,594.50

The Assets include securities worth £1,000,000, which are valued at Drs. 25,000,000: that is at the rate of Drs. 25 per £1 only.

Head Office: ATHENS,

Branches: Piraeus, Argos, Pyrgos, Patras, Corfu, Cephalonia, Nauplia, Vostizza (Aegion), Calamata, Syra, Chio, Candia, Volo, Salonica, Larissa, Triccala, Mitylene, Canea, Zante, Plomari, Tripolitza Rethymo.

Associated Bank in London:

The Commercial Bank of the Near East, Ltd., with branches at Alexandria and Constantinople.

AGENTS IN ALL PARTS OF GREECE, THE LEVANT, AND ABROAD.

The Bank conducts every kind of Banking and Stock Exchange business, and extends special facilities to merchants and traders interested in business with Greece. It acts as Agent for many Foreign Banks. It is especially organised for Exchange transactions, the execution of mail and cable transfers throughout Greece, and for the collection of clean and documentary Drafts and Bills.

MERCHANDISE DEPARTMENT.

The Bank undertakes the warehousing and sale of goods consigned.

BANK OF ATHENS**Head Office: ATHENS.**

ESTABLISHED 1893.

BRANCHES IN GREECE, EGYPT, CYPRUS, AND ALBANIA,**Also LONDON, NEW YORK AND BOSTON.**

Telegraphic Address: BANCATHEN

CHARTERED BANK OF INDIA AUSTRALIA & CHINA.

38, BISHOPSGATE, LONDON, E.C.2

INCORPORATED BY ROYAL CHARTER

CAPITAL £3,000,000. RESERVE FUND, £4,000,000.**Court of Directors.**

SIR MONTAGU CORNISH TURNER, *Chairman*
 HENRY BATESON, Esq.
 COLIN FREDERICK CAMPBELL, Esq.
 SIR WILLIAM HENRY NEVILLE GOSCHEN, K.B.E.
 ARCHIBALD AULDJO JAMIESON, Esq.
 EDWARD FAIRBAIRN MACKAY, Esq.
 WILLIAM FOOT MITCHELL, Esq., M.P.
 ARCHIBALD ROSE, Esq., C.I.E.
 LEWIS ALEXANDER WALLACE, Esq.
 JASPER BERTRAM YOUNG, Esq.

Chief Manager—W. E. PRESTON**Managers—J. S. BRUCE and G. MILLER.****Agencies and Branches.**

ALOR STAR (Malay States)	HAMBURG	KUCHING (Sarawak)	SEREMBAN
AMRITSAR	HANKOW	MADRAS	SHANGHAI
BANGKOK	HONGKONG	MANILA	SINGAPORE
BATAVIA	ILOILO	MEDAN	SOURABAYA
BOMBAY	IPOH	NEW YORK	TAIPING (F.M.S.)
CALCUTTA	KARACHI	PEKING	TAVOY
CANTON	KLANG	PENANG	(Lower Burma)
CAWNPORE	KOBE	PESHAWAR	TIENTSIN
CEBU	KUALA	PUKET	TOKYO
COLOMBO	KANGSAR	RANGOON	TSINGTAU
DELHI	(Perak)	SAIGON	YOKOHAMA
HAIPHONG	KUALA	SEMARANG (Java)	ZAMBOANGA
	LUMPUR		(Philippine Islands)

Bankers.

THE BANK OF ENGLAND.
 MIDLAND BANK, LIMITED.
 WESTMINSTER BANK, LIMITED.
 NATIONAL PROVINCIAL BANK, LIMITED.
 THE NATIONAL BANK OF SCOTLAND, LIMITED.

The Corporation buy and receive for collection Bills of Exchange grant Drafts and transact general business connected with the East.

DEPOSITS OF MONEY are received for fixed periods on terms which may be ascertained on application. Interest payable half-yearly, 30th June and 31st December.

The Bank is prepared to undertake Trusteeships and Executorships.

THE EASTERN BANK, LIMITED**Head Office: 2 & 3, CROSBY SQUARE, LONDON, E.C.**

Authorised Capital (200,000 Shares of £10 each) - £2,000,000
Reserve Liability of Shareholders - £1,000,000

Paid up Capital - £1,000,000
Reserve Fund - £380,000

Branches: BOMBAY, CALCUTTA, KARACHI, MADRAS, COLOMBO, BAGDAD, BA:RA, AMARA, MOSUL, BAHREIN, KIRKUK.

Board of Directors:

J. S. HASKELL, Esq. (*Chairman*).
 SIR JAMES LEIGH-WOOD, K.B.E., C.B., C.M.G. (*Deputy*
 G. BROMLEY-MARTIN, Esq. *Chairman*).
 J. H. BATTY, Esq. EMILE FRANCOU, Esq.
 SIR PERCY WILSON NEWSON, Bt.
 Captain R. E. SASSOON, M.C.

The Bank issues Drafts, Telegraphic Transfers and Letters of Credit, purchases, grants advances against or collects Bills of Exchange, and transacts Banking and Agency Business in connection with the East.

Deposits are received for one year and for shorter periods at rates which can be ascertained on application, and Current Accounts are opened by the Bank in London and at its Branches.

F. H. SUTTON, *Manager*.**BARCLAYS BANK (Dominion, Colonial & Overseas)****Head Office: 54, Lombard Street, LONDON, E.C.3**formerly the **Colonial Bank**

with which are Amalgamated

The National Bank of South Africa Limited and the Anglo-Egyptian Bank Limited.

Branches in the East: EGYPT—Alexandria, Cairo, Port Said, Suez, Tintah, Zagazig, Mansourah, Musky (Cairo), Assiut, Beni-Suef, Minieh Sohag. SUDAN—Makwar, Omdurman, Khartoum, Port Sudan, Wad Medani. PALESTINE—Haifa, Jaffa, Jerusalem, Nazareth Tel-Aviv. MEDITERRANEAN—Gibraltar, and Malta.

This Bank has also over 400 Branches in the British West Indies, British Guiana, Transvaal, Rhodesia, Cape Province, Natal, Orange Free State, British West Africa, Swaziland, Portuguese East Africa, South West Africa, Tanganyika, Nyasaland, Kenya Colony.

The Bank acts as Correspondent for Home, Colonial and Foreign Banks.

NATIONAL BANK OF EGYPT**HEAD OFFICE: CAIRO.**

FULLY PAID CAPITAL	-	-	-	-	-	-	-	-	£3,000,000
RESERVE FUND	-	-	-	-	-	-	-	-	£2,550,000

London Agency:**6 and 7 KING WILLIAM STREET, E.C.4.**

Branches in all the Principal Towns in

EGYPT and the SUDAN.

BIBBY LINE

EGYPT, SUDAN, CEYLON & BURMA

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MALTA, ALEXANDRIA PALESTINE
SYRIA, ASIA MINOR and CYPRUS.

Manchester to

TUNIS, MALTA, ALEXANDRIA, PALES-
TINE, SYRIA, ASIA MINOR and CYPRUS.

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For further information apply to the
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MENZALEH CANAL AND NAVIGATION CO.,
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TELEPHONE—626

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MAIL PASSENGER AND CARGO SERVICES.

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Zealand Shipping Companies. All sailings subject to change with or
without notice.

MEDITERRANEAN, EGYPT, INDIA, PERSIAN GULF,
BURMA, CEYLON, STRAITS, CHINA, JAPAN, MAURITIUS,
EAST AND SOUTH AFRICA, AUSTRALASIA,
PENINSULAR AND ORIENTAL SAILINGS.
(Under Contract with His Majesty's Government).

Steamer.	Tons.	London.	M'se's.	Destination.
Kaisar-i-Hind	11,500	Feb. 25	Feb. 25	Bombay and Karachi
*COMORIN	15,000	Feb. 25	Mar. 4	Colombo and Australia
*MALWA	11,000	Feb. 25	Mar. 4	Straits, China, Japan
RANCHI	16,000	Mar. 4	Mar. 11	Bombay and Karachi
*KHOJA	9,000	Mar. 10	Mar. 11	Straits, China, Japan
MALOA	21,000	Mar. 11	Mar. 18	Australia via Bombay
RAJPUTANA	16,000	Mar. 18	Mar. 25	Bombay and Karachi
*MOLDAVIA	16,500	Mar. 25	Mar. 25	Colombo and Australia

* Taking passengers for Bombay via Aden. † Calling Malta. ‡ Taking
passengers for Port Sudan. † Taking passengers for Algiers. ‡ Calling
Southampton.

BRITISH INDIA SAILINGS.

(Under Contract with the Govts. of India and Queensland.)

Steamer.	Tons.	M'boro.	London.	Destination.
*MARGHA	8,258	Feb. 26	Feb. 26	Bombay and Karachi
*MATIANA	8,000	Mar. 5	Mar. 12	Madras and Calcutta
*MORVADA	8,103	Mar. 5	Mar. 12	Madras and Calcutta
*QUERIMBA	7,696	Mar. 5	Mar. 12	Bombay and Karachi
*MODASA	9,070	Mar. 9	Mar. 18	East African Ports
*DOMALA	8,441	Mar. 19	Mar. 26	Bombay and Karachi
*GANDARA	5,281	Mar. 19	Mar. 26	Madras and Calcutta
MALDA	8,000	Apr. 2	Apr. 9	Madras and Calcutta

† Calls Malta. † Calls Port Sudan. * Cargo steamer.

ADDRESS: For Passage, P. & O. HOUSE, 14 COCKSPUR
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P. & O. or B.I. COMPANIES, 122 LEADENHALL STREET, E.C.3;
B.I. Agents: GRAY, DAWES & CO., 122 LEADENHALL
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London, E.C.3.

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CITY HALL BUCKNALL

EGYPT, SUDAN, CEYLON, INDIA
STRAITS, CHINA, JAPAN, AUSTRALIA.

Steamer.	Tons.	Sailing.	Destination.
City of York	7,844	Mar. 12	Colombo & Calcutta
City of Hong Kong	9,678	Mar. 16	Bombay & Karachi
City of Benares	6,984	Mar. 24	Bombay & Karachi
City of Canterbury	8,421	Apr. 2	Bombay & Karachi
City of Poona	7,485	Apr. 13	Bombay & Karachi

LONDON TO SOUTH AFRICA.

City of Valencia	7,329	March 4	Cape Town, Algoa
City of Manchester	5,556	April 1	Bay, East London, and Natal.

MEDITERRANEAN and LEVANT.

Serbino	4,080	Feb. 25	Malta & Alexandria
Roumelian	4,740	April 4	Smyrna & Constantinople

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Or Local Agents Everywhere.

MAR 23 1927

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EGYPT

SUDAN

INDIA

PALESTINE

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Jerusalem back to Jerusalem.

8 Days. Fare £E.31.

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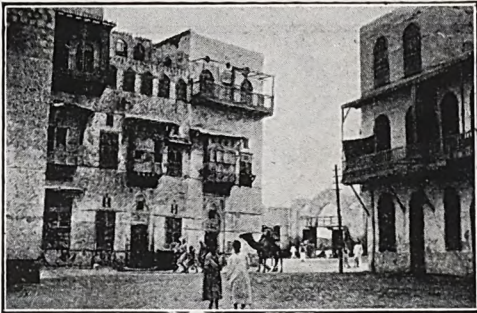
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Telephone:
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SUDAN: Messrs. Gellatly, Hankey & Co. (Sudan) Ltd.
MALTA: Messrs. Mamo Bros. Ltd.
ATHENS: Messrs. Courtelly & Douma.
SALONICA: A. N. Papasoglou.
CONSTANTINOPLE: Messrs. Clifton & Courtelly.
BASRA: Fowler & Co., Ltd.

BRANCH OFFICES:
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3 Council House Street, Calcutta.
DELHI: Thos. Cook & Son, Ltd.
KARACHI: Lokamal & Co.
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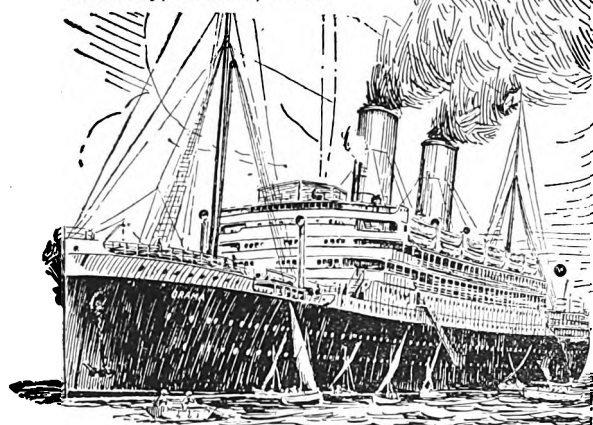
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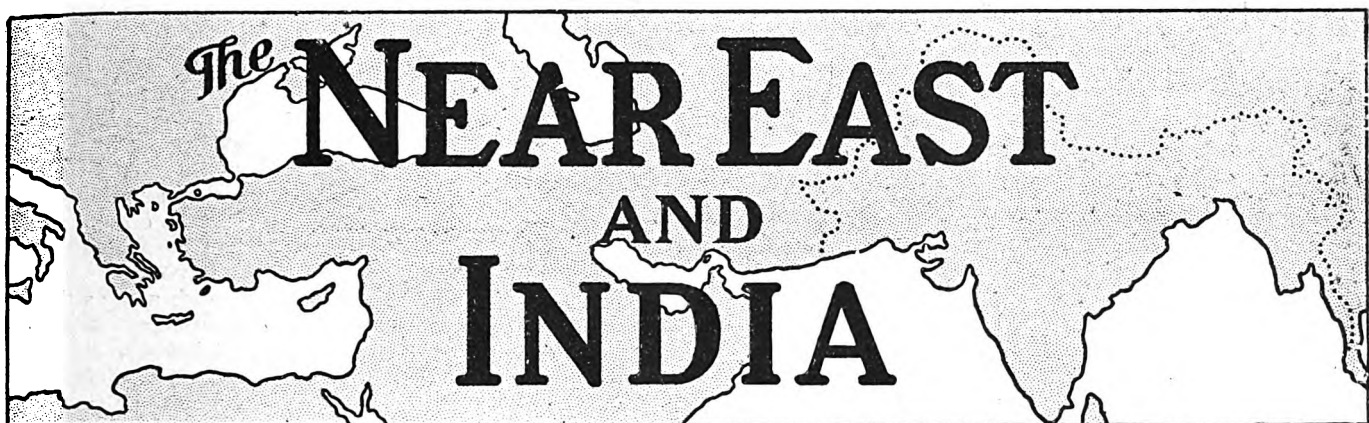
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THURSDAY, MARCH 3, 1927.

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The Solution of Syria.

The pacification and the solution of Syria have been publicly announced so many times that the expectant observer has come almost to suspect the ability of the Mandatory Power so to balance its domestic and foreign policies as to hit, and to keep hitting, the right nail. At last, however, the French appear to be contemplating a stroke which has the genuine ring about it. A report was recently published in Beyrout to the effect that M. Ponsot, the High Commissioner, who is now consulting his Government in Paris, is recommending for Syria the proclamation of Syrian unity on the basis of a general federation (to include the Lebanon as an autonomous province) and the subsequent establishment of a constitutional monarchy for United Syria.

If this report be true, we heartily congratulate the French High Commissioner upon his timely wisdom. Syria must be administered as a unity; it was the erection of independent and artificial States within the State of Syria which was always the main political objection to its development. If the Mandatory now contemplates the establishment of a monarchy in Syria, on the model, presumably of Iraq, doubtless it will find many men in the East to support its move. After all, Turkey, which is virtually a dictatorship, is the only country in the Middle East which is not ruled over by a King or by some direct form of government. It is said that certain Egyptian Princes have been named as candidates for the Syrian Throne, but from that matter comment may profitably be withheld until the particular names are given. The bond between Egypt and Syria is, of course, a very close one; we should have thought, however, that some man could have been found in Asia to fill the post.

Actual news from Syria is scanty, but what there is certainly points in the direction of a sincere and fresh effort on the part of the French in what has been, and would have been for any conceivable Mandatory, a most difficult task. Their military problems being almost, though not quite, over, they are already working through

the increased security to secure political ends. For instance, an order has just been published providing for the amalgamation of the two gendarmerie services in Syria and the Lebanon: this was due to take place on March 1. It has been hailed as a new step towards the attainment of political unity; and if Syria can follow Palestine in one particular, there seems to be little reason why she should not follow Iraq in another.

Whether the French Government will show sufficient elasticity to approve the recommendations that the High Commissioner for Syria is said to have made to it, we have no means of knowing. It may not be easy for so essential a republican nation to recommend the establishment of a monarchy in a country under its charge; certainly it would not be easy, even if Beyrout were preserved as the capital of an autonomous Lebanon, to transfer the capital from a place so much under French influence to Damascus, which still keeps memories of a two years' independence under an Arab chief. It may even be that France will choose to take the Lebanon under her wing (as Great Britain might, had weaker counsels prevailed, conceivably have taken merely the Basrah district under hers) and let the rest of Syria go. But that easy path we hope she will steadfastly avoid. France has her duty to the whole of the area placed under her mandatory charge, and we refuse to believe that she will shirk it. Her experience has been bitter, her cup of disappointment full. But she has loyally stuck to her task, and if, by a stroke of belated but very welcome political sanity, she sets about destroying the foolish jealousies and economic difficulties that have been allowed to grow among the peoples of Syria, none will applaud her action so heartily as her mandatory neighbours to the South and East. If the first great political step of securing a United Syria be taken, then the equally important economic step of reforming the currency will assuredly follow. And in pocketing her pride, France may well fill herself with other and more delectable things.

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THURSDAY, MARCH 3, 1927.

THE RUSSIAN THRUST TO THE SOUTH.

Imperialist or Bolshevik, Russia seems unable to throw off that restlessness which has always made her an uncomfortable factor in the world's history. With the substitution of the Soviet for the Tsarist system, the country promised for a period to go back upon its destiny. The imperialist ambitions of the old régime were formally denounced, anything savouring of "capitalistic oppression" was repudiated; Soviet Russia walked out of Persia, and Turkey was overwhelmed with protestations of friendliness and bidden to fear no longer the territorial designs which had been her nightmare in the past. The immediate neighbours of the Russian Giant hastened to avail themselves of the advantages of this new spirit. Turkey had reason to be grateful for Russian assistance in the days that led up to the formation of the Republic; Afghanistan concluded a treaty of amity and mutual recognition with the Moscow Government. Persia, unfortunately, for her own peace of mind, could not, in the circumstances of the case, be left long in ignorance of the fact that she is economically dependent on Russia in the present state of Persian communications; and in her disputes with Moscow over the fisheries and navigation of the Caspian Sea, as well as in the various forms of pressure exercised by Soviet representatives in Teheran, she has found a change only in degree in respect of the interference with Persian affairs practised by pre-War and post-War Russia. Her experience in one way or another is likely to be shared by all Asiatic peoples. Imperialism in its sinister meaning implies nothing more than the negation of the spirit of "Live and Let Live," interference, that is to say, with the affairs of other peoples. From the point of view of the victims it may be immaterial how that interference is exercised, whether by the imposition of order from above or by the inculcation of disorder from below; the interference is there, in either case, and occasion for resentment remains. In regard to the Soviet authorities it is charitable to conclude either that this aspect of their activities has been overlooked by them, or that, as with Imperialist Russia, they find themselves in the grip of destiny, or whatever name be given to a movement from which Russians under any political system have, so far, been unable to escape. On their own showing they are so convinced that Russian communism spells salvation for the world that they refuse to be deterred, whether by formal undertaking or out of respect for international comity, from trying to enforce their views in any country, whatever degree of interference with that country's affairs the process may entail.

The predicament of any Government which tries to cope with this state of affairs is obvious. In Imperialist Russia an appeal could be made with some effect to the letter of actual agreements, however often Imperialist motives tended to override their spirit. Soviet Russia, on the other hand, recognizes no limitations on its liberty of action. In regard to Great Britain it has undertaken "not to support, with funds or in any other form, persons or bodies or agencies or institutions whose aim is to spread discontent or to foment rebellion in any part of

the British Empire . . . and to impress upon its officers and officials, the full and continuous observance of these conditions." When the attention of the Soviet Government is called to manifest violations of the letter and the spirit of this agreement, its reply is to the effect that it would be ridiculous to expect it to stifle the active demonstrations of individual citizens of their sympathies for their own class abroad; and in accordance with this theory it encourages the active interference of its agents in the affairs of all countries where an opportunity offers of prejudicing British interests. In the face of continued provocation the British Government has been obliged to address a further Note of protest to the Soviet authorities, warning them that the continuation of such acts as those set out in the Note must sooner or later render inevitable the abrogation of the Trade Agreement between the two countries and the severance of ordinary diplomatic relations. It is not very likely that the Note or even the execution of the threat will cause the Soviets to mend their ways, if only for the reason that, while their manners and their methods are their own—the product of their upbringing, character and environment—the motive force is the natural instinct of the Russian until a change of heart has taken place. Great Britain is not called upon to change the Russian nature. Her carefully documented protest, however, prevents the rulers of present-day Russia from supposing that British toleration is based on ignorance of Soviet actions or designs and clears British prestige in regard to what might otherwise be regarded as weak acquiescence in "the unprecedented relationship between the two countries."

For the countries of the Near and Middle East the point to bear in mind would seem to be the obvious inability of Soviet Russia to refrain from the aggressiveness that was once regarded as essentially the product of an Imperialist régime. For the time being Bolshevism is concentrating its attention on the British Empire, and seeks to disarm suspicion among its immediate neighbours by protestations of friendliness and ostentatious offers of help. Is it to be supposed that the impelling force of communism, which drives Russia to devote her strength and treasure to an attempt to undermine the British Empire, will allow, if it can be helped, any other social system to flourish indefinitely across the Russian frontier? Turkey and Afghanistan are supposed to have been sufficiently inoculated for the present with anti-British serum, and the treatment is in process of being vigorously applied to China. If Persia alone is apt to be treated harshly, it is because she has not reacted favourably enough to the inoculation. As part of her treatment the Soviet Government has been reduced to attributing to THE NEAR EAST AND INDIA some vague threat that trouble would be fomented by Great Britain in the country, if Persia did not show herself amenable to British desires. The British Note is on safe ground in protesting against "the malevolent bias which makes pure inventions the basis or support of its (the Soviet Government's) policy." All these countries are presumably marked down for infiltration of Bolshevik doctrines as soon as Russia has disposed of the British Empire or has to be content with smaller victims for the extension of the "world revolution" that she professes her determination to promote. The Turkish Government must be well aware that it has earned Moscow's resentment for displaying unexpected strength of character in resisting Bolshevik penetration in Asia Minor, after accepting Soviet help against the Greeks; Afghanistan too caught sight of the old-fashioned knout, before it was hastily concealed behind the Treaty of Pagan. It is natural and right that no country in Asia should wish to incur the active hostility of Soviet Russia; but it behoves all to beware of the danger of facilitating the spread of Bolshevik doctrines when their turn comes for a deadlier form of inoculation. As far as the hapless Russians are concerned, the Bolshevik edifice has been built up and maintained on the assertion that the whole world is turning communist. When this monster deception has been finally refuted, there will be some chance of Russia's reverting to a saner conception of international relationships.

Notes of the Week.

M. Chicherin and a Threat.

In the abbreviated form in which the speech made by M. Chicherin, Soviet Foreign Commissar, in Berlin on December 6, 1926, reached this country he was reported to have alleged that a British periodical had threatened Persia with trouble, if she did not carry out the behests of England. The reference seemed to be intended to apply to *THE NEAR EAST AND INDIA*, but, as it was quite impossible that M. Chicherin should have found such a statement in these pages, the vague allusion did not appear to call for refutation on our part. In the Note presented last week to the Soviet Chargé d'Affaires in London the Secretary of State for Foreign Affairs discloses the fact that M. Chicherin referred to this paper by name, and rightly states that an examination of *THE NEAR EAST AND INDIA* would have shown that no such threat had appeared in it. Almost simultaneously we find in the *European Economic and Political Survey*, published by the American Library in Paris, a full report of M. Chicherin's speech, in the course of which he said:

It is extraordinary with what brutal sincerity the British Review *Near East*, which is in close contact with the Colonial Secretary, has recently exposed, in its leading article, the relations of the British Empire with awakening Persia. This article states plainly: Should the Persian Government not obey England, it might be possible to arouse wild tribes and similar forces against Persia. I must add here that, if such an insurrection takes place, the entire English Press, together with English agents, will endeavour to cover us with calumnies and to persuade the Persian Government that the Soviet Union was the instigator of the revolts.

In a footnote the *Economic and Political Survey* states that "the article in question appears in *THE NEAR EAST AND INDIA* for November 4, 1926," and quotes the last seventeen lines of the leading article of the issue of that date. Neither in that passage nor in any other part of the article is there any sentence that by the wildest flight of imagination can be made to support M. Chicherin's allegation. On the contrary it was suggested that Persia's salvation rested with her young men, who are free to make their choice, in regard to outside help, between Russia and Great Britain. The article concluded: "If she (Persia) favours a Russian orientation, she cannot expect British help; if she shows a predilection for British methods, she must cut herself adrift from all coquetting with Soviet doctrines. The sooner her young men make up their minds on the point the better."

The Bear and the Mouse-trap.

In the course of the same speech M. Chicherin described the League of Nations as a mouse-trap, into which Russia did not intend to be lured, and he declared that friendly political relations and ever-growing economic connexions are the road on which the country is advancing. Soviet Russia speaks with many voices, and the constant dissensions among its leaders suggest that it finds itself confronted with the necessity of adjusting its policy or politics to the course of events. Without doubt, considerable stress is now being laid on economic penetration, as if it had been realised in some quarters that political propaganda, in spite of some conspicuous successes, is not achieving all that was expected of it. To this end a Central Asiatic Economic Council was established in the latter part of 1926 for the purpose of furthering economic relations between various Central Asian republics and their connexions with the Union of Soviet Socialist Republics in general. Since 1921 there has been in existence an All-Union Scientific Association, attached to the Central Executive Committee of the U.S.S.R. in connexion with the People's Commissariat for Nation-

alities, of which an economic section deals exclusively with questions affecting the East and aims at creating a staff of specialists on Eastern questions. The Association publishes a magazine known as *Novyi Vostok* ("Near East"). Again, the Russian-Eastern Chamber of Commerce at Tashkent pays attention both to economic and political matters. Further East the same policy is being adopted in regard to China; railways are being built and air routes opened, with the result that, in the words of the *Economic Survey*, already quoted, "Mongolia, politically speaking, is now about as nearly a republic in the Soviet Union as it is a part of China."

Roumanian Political Parties.

The fusion of the National Party of Transylvania under M. Julius Maniu with the Peasants' Party (Tsaranists), whose leaders were Dr. Lupu and M. Mihalashe, that brought into being the National Peasant Party last autumn, has soon been followed by the breaking up of the coalition into its component parts. Dr. Lupu, who was understood at the time to be only a lukewarm supporter of the fusion, has now withdrawn some of his followers on the ground of his dissatisfaction with the step taken, against his advice, by the party executive in adopting a motion in favour of the revision of Prince Carol's renunciation of his right to the Throne. Even if this action is not followed by accessions to the People's Party, which forms the Government under General Averescu, it will entail a further weakening of the Opposition. The failure of the Transylvanians, of whom such great things were expected after the creation of Greater Roumania, to make their mark in Roumanian politics has been one of the disappointments of post-War Roumania. They seem destined to remain at cross purposes with the Crown; for their first mistake was to absent themselves from King Ferdinand's Coronation as a political protest, not realising apparently that their action must be a grave affront to the Sovereign. Now they have attempted to interfere in the question of the succession to the Throne, after they had, as a party, accepted the King's decision to make Prince Carol's son Heir Apparent.

Contracts in Greece.

A statement issued by the Greek Legation in London points out that the convention with the Anglo-Hellenic Group for power, light and traction services in Athens and the immediate neighbourhood, although concluded under the dictatorship of General Pangalos, has been ratified as being in agreement with a law regularly passed in 1925, authorizing the Government to conclude a convention for the electric lighting of Athens. "Transactions or agreements," the statement continues, "of the dictatorial régime which were either concluded in contravention of pre-existent laws or are devoid of legal basis, cannot be recognized by the Greek Government. A Bill has been introduced to that effect, reserving to the different Departments the right to abolish completely or to revise such conventions on a legal basis." Such a declaration is, no doubt, necessitated by the desire to liquidate formally the Pangalist régime. As it is liable, however, to create misgivings in regard to the Greek attitude in general towards the sanctity of contracts, if on second thoughts they are held to be inconvenient, it is to be hoped that none of the Pangalist conventions will be found to be "illegal." The effect of any wholesale repudiation of these conventions would be to throw upon foreign capital the onus of deciding whether any given Cabinet in Greece was wholly constitutional or otherwise—a risk that few interests would care to undertake. In their dealings with any civilised country foreigners are entitled to conclude that the Government responsible for the administration over a period of time long enough to conclude contracts speaks on behalf of the nation and binds it by its pledges. Foreign interests were not responsible for General Pangalos, or for the attitude of

the Greek people that allowed him to assume without civil war or the firing of a single shot, the dictatorship, and if anyone is to suffer for acts, *ultra vires* or otherwise, under his régime, it should be the Greek nation and not foreign interests. So far the crude repudiation of official contracts on the ground that the régime which made them is no longer recognised has been left to Soviet Russia.

Yugoslav-Bulgarian Relations.

The letter from Sofia in last week's issue was devoted to a consideration, from the Bulgarian point of view, of the relations between Yugoslavia and Bulgaria. Although it ended on a doubtful note—"a heavy and enigmatical silence"—as a result of the transfer from Sofia of the Yugoslav Minister, M. Rakitch, who had worked hard for six years in the cause of a Yugoslav-Bulgarian *rapprochement*, there are many indications that the cause of a Balkan understanding makes steady progress, in spite of an occasional spectacular setback. Quite recently a report from Athens attributed to Yugoslavia a desire to revise the idea of a Balkan Pact. On this point the wish may be father to the thought; for it is certain that there must be a considerable amount of preliminary adjustment. There is no reason, however, why an exchange of views should not be begun between any two or more of the Balkan States. We should be more hopeful of early success if the Press of the different countries would refrain from setting forth what it regards as the irreducible minimum of the national demands, as soon as there is any talk of a friendly discussion between the Governments. As our Sofia Correspondent has pointed out, the present "silence" between Sofia and Belgrade follows upon the attempt of a Bulgarian newspaper to specify the "concessions" that Yugoslavia would be expected to make, and the inevitable retort of a Yugoslav journal. Until the Press of each country can develop greater discretion and a higher sense of responsibility the friends of the Balkans may well despair of any early inauguration of even preliminary discussions.

The Jew as Universalist.

It is the claim of the Jew that he is a universalist. We will not probe the claim, but content ourselves with remarking that where that claim is patently justified there will a Jewish success be generally palatable. In Palestine, particularly, is the tendency visible both to neglect that claim and to realise it. We need only recall the tendency on the part of some Jews to be, in Colonel Wedgwood's

recent words, "a community instead of a people." But on the other side it is pleasing to notice, for instance, the attitude of Mr. Nathan Straus, the American Jewish philanthropist, who arrived in Palestine last month. At Haifa, Mr. Straus declared that he was going to establish in Jerusalem a health and welfare centre "to help people regardless of race or creed." That is the spirit in which the rebuilding of Palestine ought to be undertaken, as it is, for example, the spirit which impels Christian medical missions all over the globe. It is, moreover, the spirit in which the British Government in Palestine is, despite the criticism often levelled against it, striving to administer the country. If all Jews were possessed of the same sentiments as Mr. Straus the regeneration of Palestine would eternally redound to the credit of the people who seek therein not only to build up a National Home, or spiritual centre for themselves, but also to realise their world mission as universalists. If the development of Palestine be broad based upon such equity as is here suggested, it may well rank as one of the finest achievements of modern civilisation. But the Jews alone can ensure an increase in the number of men like Mr. Nathan Straus.

Palestine's Currency.

Although the reform was not nearly so urgent for Palestine as it is for Syria, it is the southern half of the ancient Holy Land which is to enjoy a change in the currency which it has employed since the end of the War. In the House of Commons on February 21, Mr. Amery stated that a new currency would be ready for Palestine probably by the autumn. As everyone knows, Egyptian money has been the only legal tender in Palestine since the British occupation. This fact, though it has implied security in the currency of Palestine, has involved a high cost of living. And, too, the change from Turkish to Egyptian currency caused inconvenience to a certain number of people in Palestine. For instance, the small trader who before the Great War thought in terms of the *metallik* (halfpenny) and the *beshtik* (fivepence) has since been thinking in terms of piastres and shillings. This class of inhabitant at least should welcome the new coinage, which is to be the mil (one-thousandth of a Palestine pound) and multiples of the mil. In any case, the whole problem has been thrashed out by a Committee of Experts, and the step just announced for honouring Palestine with a new currency appears to be a satisfactory emblem of her slow but steady march to self-supportingness and self-government. It is to be hoped that her northern neighbour will not hesitate much longer in remedying the defects of her present system of currency.

Persian Railways.

If verbal support were all that was needed to construct railways in Persia, that country would long ago have removed the reproach that the few miles of railroad which do run through the land were constructed by Russians. In these latter days, however, and particularly since the Americans assumed a certain control over Persian finances, the project for railway construction has never been allowed to lapse. It has just been reported from Teheran that the Majliss has approved the Bill authorising the Government to proceed with the construction of a line from Muhammarah, on the Gulf, to Bandar Gaz, on the Caspian. This trans-Persian line would presumably run through Hamadan and Khurramabad, but for a large section it would pass through an area thinly populated. Whether it could ever be made to pay is a question on which experts differ; it is to be presumed that the American advisers have sufficiently considered this aspect of the matter and have duly balanced it with other factors in the problem. It would be the height of optimism on the part of Persian and other observers, however, to suppose that the merchants of Iraq need immediately fear the construction of a rail-road from North Persia to the South.

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The Near and Middle East*

From Our Own Correspondents.



Jerusalem, January 29.

The Municipal Elections.

For more than a month past (and it will probably be so for another two or three months to come) all good Palestinians have had hardly a single thought beyond Municipal Elections. A keenness and alertness and rivalry are being shown far in excess of the interest ever called up in the past by, say, the abortive elections to the Legislative Council, or even the meeting of an "Arab Congress." Jews and Arabs are alike bitten. Naturally the interest in the contest is greater in Jerusalem. There is the old Husseini-Nashashibi rivalry within the Arab camp; while on the Jewish side there are grave searchings of heart whether or not to boycott the elections; since there is a danger that the Jews may poll only a minority of the votes in spite of being by far the majority of the population in Jerusalem. As cross currents of interest, the two Arab parties are (so it is widely reported in both Jewish and Arab circles) bidding for the support of the Jews—the Husseini party even going to the length of promising, as an extreme concession, that should their candidate be made Mayor as a result of Jewish help, he would do nothing in his municipal capacity without consulting his colleagues on the Town Council! The Jews protest against the undemocratic nature of the municipal franchise—the vote being virtually confined to property-owners who are also Palestinian citizens. This hits the Jews hard; since, on the one hand, they still show a marked reluctance to take the plunge and part with their particular variety of East European nationality; and, on the other hand, as compared with the Arabs there are relatively few individual Jews who own property.

Arab Feelings.

Owing, probably, to this obsession with municipal politics, the visit of M. Ponsot, French High Commissioner for Syria, has been allowed to pass without any excitement, in spite of certain elements in the Arab Press which called for a "general strike," and appeared with black borders on their front pages the day of M. Ponsot's arrival, in order to mark the solidity of Syrian and Palestinian Arab feelings against French Syrian policy. The utter indifference on the part of the general public to this and like matters of higher politics, is the standard theme for denunciations from the deserted political leaders of the past. They even accuse the Government of a sort of super-subtlety (of which it is certainly quite incapable) in producing one bauble after another "to distract a down-trodden and oppressed race, to divert their tortured minds from dwelling on the high-handed deprivation of their rights of self-determination"—and so forth.

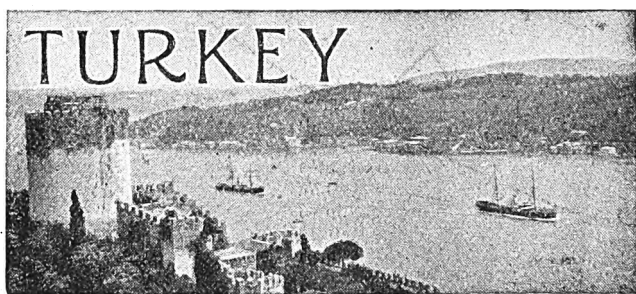
The Tithe.

Far more important than either municipal election

*Under this heading appear weekly or at regular intervals, communications from correspondents in Egypt, the Sudan, Roumania, Yugoslavia, Greece, Bulgaria, Albania, Turkey, Cyprus, Palestine, Iraq, and Persia.

tactics or high Arab politics, from the point of view of the future well-being of the country, is the report just issued of the Commission appointed to consider the question of "Tithe." The manner of collecting the annual tithe of crops is one of the evil things inherited from the Turkish régime. It is clumsy, expensive, oppressive and arbitrary. According to the system as now conducted, no farmer may sell his crop till a Government assessor has estimated its quantity and its market value and collected the prescribed dues. This process must be repeated in every detail every year with every kind of crop. It involves a large staff of inspectors; any delay in assessment means that the crop may be spoiling and the owner losing the best of the market; the owner is always uncertain what the actual assessment will amount to; and he is at the mercy of officials who may or may not be infallible in their estimates of quantities and values. It has long been clear that the *Ushr* must be abolished. The trouble is, however, that any form of "land-tax" which might replace it cannot be applied immediately owing to the existing confusion and uncertainty on the precise ownership of any plot of land as a result of the complicated land laws, the various forms of land tenure, further complicated by the Muhammadan laws of inheritance. It is understood that there is some ten years' work in front of Sir Ernest Dowson as "Lands Commissioner," before the tangle can be straightened out.

The Tithe Commission was instructed to recommend measures by which present hardships in the incidence of the tax could be mitigated during the intervening ten years. The Commission has not been able to devise any startling reform, and confines itself to the fairly obvious and safe recommendations that the Tithe be fixed both in quantity and value—the quantity to be based on the average of the preceding six years' estimate, and the value or "redemption price" to be fixed according to the average estimate of the past four years.



Constantinople, February 23.

Germany and Turkey.

Further proof of the far-seeing commercial policy of Germany in regard to Turkey is instanced by the recent proposition by a group of German manufacturers that a certain number of Turkish boys be sent to their factories and workshops to learn skilled trades. In addition to this facility for the boys to serve their apprenticeship in useful trades the Germans guarantee that these apprentices shall

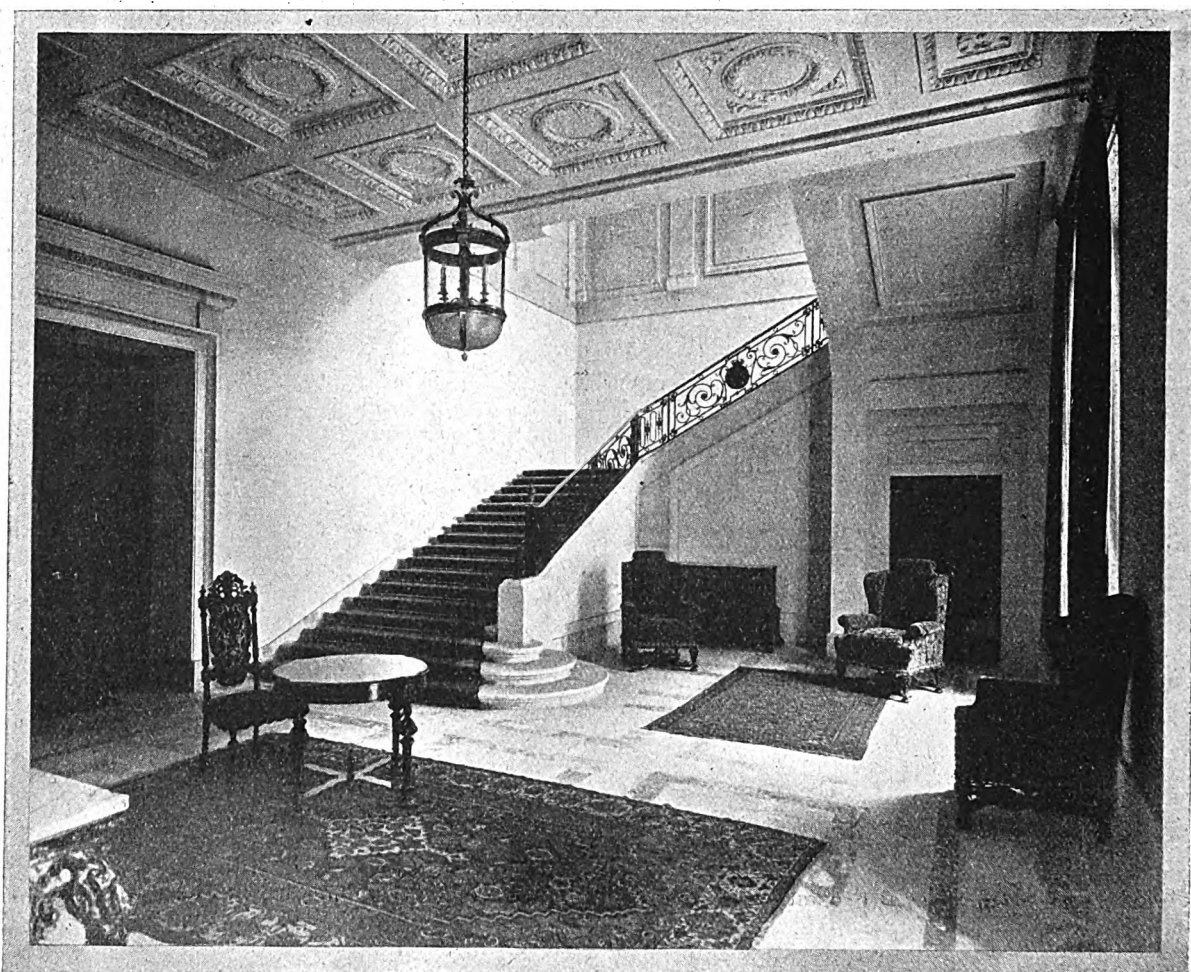
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be made self-supporting. The proposition, therefore, is open not only to the sons of rich families but also to those who are forced to depend for their living on remunerative employment. Naturally the Turkish Government has accepted this offer, which will have an important effect on future orders. It stands to reason that the factories proffering these facilities will receive favourable consideration in any subsequent calls for tenders from Turkey. On the other hand, the desire expressed by the Director of the Commercial Department at the Ministry of Commerce that some arrangement be made whereby lectures in English could be given to students in the Commercial School has had no other effect than to produce the expression in certain British circles here that "this desire to learn English should be encouraged." Furthermore, the Turkish Chamber of Commerce has asked for prospectuses and particulars of technical courses in the industrial and commercial centres of the United Kingdom where students could follow the various industries, as it is intended to send a number of youths abroad for commercial and industrial studies.

As other countries are seizing every opportunity by which they—either immediately or at some future date—are likely to profit, it appears extremely regrettable that British enterprises should be so remiss as to disregard the same opportunities out of which their foreign competitors gain so much.

The English High School.

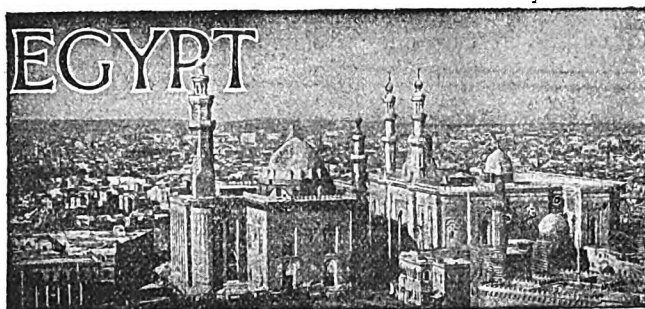
In his address at the annual meeting of the British Chamber of Commerce here on Thursday last Sir George Clerk referred to the English High School for Boys. The precarious situation (owing to the British Government's refusal of financial assistance) of this school, whose high educational standard is amply demonstrated by the excellent successes annually obtained by its scholars in examinations in England, is a question of never-ending anxiety to the British community here. The Ambassador, while appreciating "the wise generosity of other countries in this respect" and admitting the necessity for the British Government to help in the maintenance and enlarging of the facilities for learning English made it clear, however, that once a full education for British children in Turkey is safeguarded, money—obtained either from H.M. Treasury or from the pockets of Englishmen here—would be well spent in facilitating the teaching to Turkish citizens of English and English commercial methods on the same lines as those employed in the pre-War German *Real Schule* in Constantinople.

British Lack of Enterprise.

Speaking on the trade situation now obtaining in Turkey, Sir George Clerk confirmed the oft-expressed views that as far as business with Great Britain is concerned some criticism appears justified at the lack of enterprise and adaptability displayed by British manufacturers at the present time. Various orders have recently been placed with German firms solely as a result of their having successfully persuaded certain official departments of the absolute necessity of their wares for the perfect running of their administrations, and in a country as new as is Turkey there must be articles of British manufacture which could likewise be introduced if their makers would take the trouble of demonstrating their indispensability.

Metropolitan of Kadikuey.

Monseigneur Nicholas, ex-Metropolitan of Kaiseria, was yesterday elected by the Holy Synod to the post of Metropolitan of Kadikuey left vacant by the death of Monseigneur Joachim.



Cairo, February 19.

National Defence.

One of the most interesting debates during recent weeks in the Chamber of Deputies took place on Wednesday evening, when the Nationalist Deputy, Fikry Abaza Effendi, asked the Minister of War for information regarding the Government's policy in regard to national defence. Abaza Effendi took the opportunity to restate the well-known point of view of the Nationalist Party on the subject. As on the last occasion when this matter was debated, during the discussions last summer of the Budget of the Ministry of War, Abaza Effendi and the other Nationalist deputies urged the necessity of Egypt's putting herself in a position to defend herself, unaided, against all-comers. Three years' compulsory military service for all adult males, with no exemptions whatever, was the burden of the Nationalist demand, together with a powerful Egyptian Navy. There was nothing very novel about this kind of nonsense, for we have grown accustomed to it in recent years. What was more significant was the reply from the Zaghloulite benches. Ibrahim Helbawi Bey, one of the Chamber's veterans, declared that the Nationalist proposals were preposterous, for they could not be realized even if the whole of the State's present revenue were devoted to military and naval expenditure. Abdel Rahman Azzam Effendi who, in point of age, is at the opposite end of the political ladder from Helbawi Bey, but who is one of the most level-headed of the younger deputies and almost certainly destined for a notable political career, also scouted Abaza Bey's proposals, though for a different reason. There was no occasion, said Azzam Effendi, for Egypt to burden herself with expenditure on a larger army and on creating a navy, because there was already in the country an army (the British) which amply protected Egypt. Nothing that Egypt could achieve in the way of armaments could possibly provide protection so secure as that afforded by the British navy and army. It would, therefore, be absurd for Egypt to endeavour, at great expense, to create forces which could not give so effective a guarantee of security as the present arrangement, which cost Egypt nothing.

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A Murder.

Cairo last Sunday was horrified to hear of an abominable murder, in the principal shopping street of the city, Sharef Fuad el Awal, at the busiest hour of the day, just after noon. An Egyptian entered a jeweller's shop, shot the proprietor and his son and made off with some £E5,000 worth of jewellery and £E120 in cash. He might have got clear away had not a secret policeman who happened to be in the neighbourhood tackled the murderer and engaged him in a pistol fight in which the policeman came off worse, but not before he had succeeded in disabling the bandit sufficiently for him to be secured. This brutal crime has not unnaturally alarmed the jewellers of the capital, who have petitioned the Commandant of Police for additional protection, which has been arranged. Cairo jewellers' shops at this time of year contain very large quantities of valuable jewellery and as most of these establishments are situated in one quarter, and many in one street, it is fortunately not impossible to arrange for extra police patrols.

British Chamber of Commerce.

The decline in Britain's share in Egyptian imports during 1926, as compared with 1925, was the principal subject of discussion at the British Chamber of Commerce dinner to Lord Lloyd on Monday evening. The Chairman of the Chamber, Mr. H. E. Barker, was frankly pessimistic, but Lord Lloyd declined to take a gloomy view of prospects and pointed out that, although there had certainly been a falling-off on total trade, this had been inevitable, in view of the long continued coal strike, while in certain sections there had been notable increases. Hard work and keener trading were the cure put forward for the present unsatisfactory state of affairs, but while there is no doubt that hard work and keenness are indispensable to success in any form of business, there are not a few people here who believe that a radical change of system is needed in many branches of British business in this country. Recent years have seen a multiplication of small agencies in many different branches, and although many of these agents have worked very hard and some of them have achieved a certain measure of success, it does appear that better results could often be achieved if there were a pooling of resources. The Associated British Manufacturers, a sales organisation representing a number of British makers of machinery, has been in operation for some years here and has shown what can be achieved when a sufficient number of interests combine to make it possible to occupy extensive premises and showrooms and to incur the expenditure necessary to secure business and to drive home advantages, when secured. An extension of this method of handling British goods here seems to be indicated as necessary if British manufacturers are to continue to enjoy their fair share of Egyptian business.

Banking and the Fellaheen.

An interesting paper on "Banking and the Fellaheen," by Mr. G. H. Malcolm, was read to the British Union on Tuesday evening. Mr. Malcolm, who is a brother of Sir Ian Malcolm and an authority on rural banking, was most interesting in his discussion of the famous five-

feddan law. In his opinion this law, the passing of which is often quoted as one of the outstanding achievements of the late Lord Kitchener, had been disastrous for the fellah. Making illegal the seizure for debt of properties of less than five feddans in extent, the law, said Mr. Malcolm, had cut off the fellah small farmer from the possibility of obtaining credit from the only disinterested source available to him, namely the Agricultural Bank of Egypt, without in the least diminishing his need for credit. At the same time, it was credibly reported that the law was being constantly evaded by unscrupulous money-lenders, with the result that the fellah now obtained necessary advances at extortionate rates of interest, instead of, as formerly, at legitimate rates. The only reason Mr. Malcolm could assign for the fact that the law had not, at the time it was being considered, aroused more opposition, was that the Agricultural Bank had found lending money to small cultivators to be an expensive and unsatisfactory form of business and therefore was not strongly opposed to the ordinance which would make such loans practically impossible.

"Turandot."

"Turandot," Puccini's posthumous opera, has been produced in Cairo with the scenery of the original production at the Scala in Milan. The performance of "Turandot" has been long advertised as the outstanding event of the season, and it must be admitted that the Royal Opera House management put on a very spectacular and brilliant display. But "Turandot" hardly comes up to expectations musically, while it certainly imposes a very severe strain on any normally sized orchestra. Some of the climaxes are terrific and can be adequately rendered only by a band of a hundred musicians or so. In their absence, and with the normal orchestra of sixty, or thereabouts, the local production seemed, at times, rather thin.

GREECE.

Athens, February 16.

Proposed Economies.

The Committee of Experts which has been studying the question of economies to be effected in the various services has published its report. The proposed reductions in drachmæ are: Ministry of War, 788,280,000; Marine, 129,003,000; Communications, 96,000,000; Agriculture, 10,000,000; Finance, 4,256,000; Education, 4,930,000; Foreign Affairs, 18,300,000; Interior, 80,000,000; Welfare, 149,000,000; Special Services, 19,000,000; total, 1,298,769,000. Thus the total reductions in the estimated expenditure for 1926-1927 amount at the present rate of exchange to nearly four million pounds. The Budget for 1926-27 balanced at 8,821,619,843 drs., showing a surplus of revenue over expenditure of 350 million drachmæ. Thus expenditure was originally estimated at 8,471,619,843 dr.

The Power and Traction Company.

The debate on the Convention with the Power and

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Traction Company, which has absorbed public interest, to the exclusion of everything else, during the last three weeks, eclipsing the affair of the dossiers, and almost provoking another crisis, has brought out in a most striking way the haphazard manner in which contracts were signed under the dictatorship. The commercial acumen which characterises the Greeks seems to have deserted their representatives at that time, and it has remained for their successors to bear the brunt of the unpopularity. The agitation, which expressed itself in a strike of the bus-owners and a threat of shopkeepers to close their shops, should not be regarded as an outbreak of Bolshevism or a desire to upset the Government. The small proprietors of buses (one bus is often owned by ten persons), and the small mechanics, who make their living by doing repairs, saw their business being taken from them by a foreign company, by right of a contract made at a time when public opinion and criticism were stifled—and without any provision for compensation. In the circumstances they can hardly be blamed. The larger question, whether Athens is to become a capital on European lines or remain on the level of a small provincial town, could not be expected to appeal to them. The attitude of the Government in general, and of the Minister of Communications in particular, has been irreproachable, while the incident has served to show the solidarity of the Government and the control over their followers which the various party leaders can exercise, the Popular Party alone showing restiveness. The more objectionable clauses of the contract will be modified in agreement with the Company.

Slights on Greece.

The crisis may, therefore, be said to be over; but it has been noted in the Press with some bitterness, and not unjustly, that, in honouring her obligations, Greece is setting an example which might well be followed by her neighbours, whose failure to honour their obligations does not involve unpleasant consequences for them, and that she is entitled to expect generous treatment in the settlement of her War debts. It is certainly remarkable how the occasion for a graceful gesture, even in purely sentimental matters, is neglected in regard to Greece, and even unnecessary slights inflicted on a nation peculiarly sensitive and peculiarly anxious to show her recognition of the services rendered to her in the past by foreigners. A case in point is the dinner given in Paris on February 6 by the Association of the Army of the Orient. Among the distinguished guests were the Ministers of Yugoslavia and of Roumania, but the representative of Greece, the country on whose territory most of the fighting took place, and which took a very important, if not decisive, share in the campaign, was not invited, nor in the post-prandial speeches was any reference made to her. And yet a few weeks before Greece had been rendering graceful homage to the memory of a distinguished Frenchman, Colonel Fabvier. The impression created by such incident is not effaced by belated apologies or explanations.

Ineptitude on Railways.

A further illustration of the want of care with which contracts were signed under the late régime is provided by the report on the Railways by M. Matsas. Among other anomalies, it reveals the fact that, by the convention signed with a Belgian group, thirty-five locomotives of 18 tons are to be supplied, although the bridges on the State Railways are inadequate for those actually in use at present. To make them adequate for the existing locomotives £100,000 will have to be spent; to make them support the new locomotives, £400,000. Moreover, there are ten heavy locomotives, bought at the time of the Armistice, which have for the same reason never been used. Again it seems that while the Railway authorities applied for ten locomotives at 18,830 dollars each, the State ordered forty more of the same locomotives at 19,865 dollars each. The same with rolling-stock. The Railway authorities asked for 1,000 wagons, etc.; the

State ordered 2,850, or 210 million drachmæ of unusable material—to say nothing of sheds, hangars, etc., which will have to be constructed to house them.

The report also recommends that the construction of the proposed line, Larissa-Kozani-Sorovitz, should be postponed—a line which would connect Thessaly with Monastir direct, and, should Monastir be connected some day with Skoplye, would bring Greece into more direct communication with Europe, the *détour* by Salonika being avoided. Strategically, the line would be important, but the moment is not propitious for spending large sums on military objects. Commercially, Western Macedonia is fairly well supplied with roads, better than the south, and in view of the many parts of Greece where no communications of any kind (except mule-tracks) exist, the report is evidently right in recommending postponement. The proposed extension of the light railway, Sarakli-Stavroz to Angista, is more practical, but the necessity for increasing the gauge is not apparent for military reasons. Greece is eminently suited for light railways, and the most urgent need is a through communication between the East and West of the country, especially in the North, where at present none exists.

General Pangalos.

General Pangalos remains in prison, in Crete, where he was transferred a few weeks ago. What court is to try him, and on what charges, remains unsettled.

HIJAZ.

Jidda, February 9.

The King at Riyadh.

Apart from telegraphic intimation, received *via* Bahrain, of the King's safe arrival at Riyadh, no details of the journey thither by motor-caravan have yet come to hand, though a messenger is expected daily at Mecca. The trip from Madina to the Central Arabian capital would, however, seem to have taken about five days, including, doubtless, a brief halt in the Qasim.

The Pilgrims.

Meanwhile peace and quiet reign throughout the Hijaz, where the Amir Faisal rules on his father's behalf at Mecca, while a cousin, Mishari ibn Jiluwi, holds the reins of government at Madina. Pilgrims continue to arrive in force, their number up to date being about 2,600—for the most part from the Dutch East Indies—and the increased vitality of the Jidda bazaar gives an indication of returning prosperity. The arrangements for the reception of pilgrims here and for forwarding them to Mecca, whence large caravans take them for the customary flying visit to Madina and back, have proved to be very satisfactory and efficient.

Visitors to Jidda.

The Amir Faisal paid a short visit to Jidda on January 28 and 29 to welcome the Duke of Sutherland and his party, whose yacht made a stay of a few days in the harbour. A banquet on shore and a luncheon party on the yacht provided an opportunity for the exchange of speeches expressive of the goodwill subsisting between the British and Arab nations. A week later the cable-

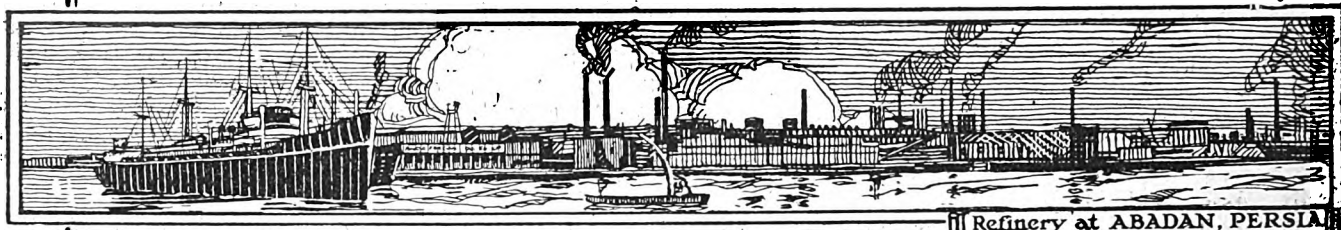
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ship, Mirror, of the Eastern Telegraph Company, arrived here to repair the long-derelict cable between the Sudan and Arabian coasts in accordance with the terms of the agreement recently concluded between Ibn Saoud and the other parties interested. It is expected that the cable will be in operation within a few days—a great boon to local traders and pilgrims, as the wireless station, having a limited number of hours per day for communication with the station at Port Sudan, has been unable to accept all the traffic available.

Yaman, Asir, and Hijaz.

Mr. C. R. Crane, who was recently at Jidda, appears from all accounts to have successfully carried out his intention of visiting Sana, the capital of the Yaman, which is said to have been visited about the same time by a German diplomatic officer from Abyssinia and by a French envoy. The publication of the treaty between Ibn Saoud and the Idrisi appears to have stabilised the situation on the Asir-Yaman border, whence come no more rumours of war and unrest. The lull may be only temporary, but it looks as if Ibn Saoud has set himself firmly to discourage activities to create disturbances in Arabia.

Professor Snouck Hurgronje.

The seventieth birthday of Professor Snouck Hurgronje, doyen of living explorers of Arabia and perhaps the greatest living authority on the Hijaz and the pilgrimage, was duly remembered here, and a telegram of congratulations sent by a few of his admirers to Leyden.

THE SCHOOL OF ORIENTAL STUDIES.

Tenth Anniversary.

On February 23, 1917, the School of Oriental Studies, established by Act of Parliament and admitted as a School of the University of London, was formally opened by His Majesty the King. In the ten years that have elapsed since that date some three thousand students have made use of the Institution; but demands are continually being made upon the School for new teaching which it is unable to provide owing to lack of funds. With a view to enlarging the School's activities it was decided to take advantage of the tenth anniversary of its foundation to make a wide appeal for endowments. Of the total annual income, which is about £24,000, more than half, £13,250, is provided by the British Government; £2,250 represents the contribution of the Government of India, £1,333 comes from the London County Council, £1,225 from the funds raised on the first appeal, and £4,200 is derived from fees. Budgeting equilibrium is maintained only by the exercise of rigid economy, which finds conspicuous expression in the case of the salaries of the Staff. The six Professorships and the four readerships in Oriental subjects, established by the London University and tenable at the School, cannot be considered permanent until they have been endowed with funds adequate for their maintenance.

Alone of all the great Universities London has not a single endowed chair of Oriental learning; yet the number of its students of Oriental languages far exceeds that of any other university of Europe or America. Other specific objects for which permanent endowments are urgently required are the purchase of books for the Library, the publication of texts, grammars and dictionaries (the production of which, as far as Oriental subjects are concerned, is impossible on a commercial basis), and the foundation of scholarships.

France instituted the *Ecole des Langues Orientales Vivantes* in 1795; Germany founded a similar institution in 1887. Great Britain with far closer and more extensive relations with the East was the last of the three Powers to enter the field, but the School of Oriental Studies cannot yet be regarded as existing on a settled, satisfactory basis. An endowment fund of £150,000 is

needed, and the time has now come when an appeal for this amount is not only necessary, but is also a matter of urgency.

For the purpose of launching such an appeal a luncheon was given at the School in Finsbury Circus on February 23. Sir Harry L. Stephen, Chairman of the Governing Body, presided and the Guest of Honour was Lord Birkenhead, Secretary of State for India. Among others who had accepted invitations were:—

The Marquess of Reading, the Earl Buxton, the Earl Winterton, Lord Meston, Lord Southborough, Sir Charles Addis, Sir Thomas Arnold, Sir William Beveridge, Sir Henry Birchenough, Sir Edgar Bonham-Carter, Sir John Cadman, Sir Atul Chatterjee, Sir John Cumming, Sir Gregory Foster, Sir William Foster, Sir Gilbert Grindle, Sir Frank Heath, Sir Arthur Hirtzel, Sir George Hopwood Hume, Sir Stanley Leathes, Sir James Stewart Lockhart, Sir Charles Lucas, Sir Archibald Maclagan, Sir Charles McLeod, Sir Michael O'Dwyer, Sir Archibald Ross, Sir Denison Ross (Director of the School), Sir Lancelot Sanderson, Sir Sidney Sitwell, Sir Seymour Tritten, Sir Montagu Turner, Sir William Tyrrell, Sir Arnold Wilson, Dr. E. Barker, Dr. A. E. Cowley, Messrs. S. A. Courtald, G. Eumorfopoulos, E. M. Fraser, Emile Mond, F. Anderson, Ernest Andrews, Hubert Ashton, J. T. Beatty-Pownall, Frederick Palmer, T. E. Grigsley, John Lea, J. S. Wardlaw-Milne, M.P., N. C. Sen, W. Sutton Page, G. F. Hotback, H. Eric Miller, James Steel, W. Mansford, Montague Bell, M. de Z. Wickremasinghe, James Mackenzie, T. McMorran, and W. E. Preston, Mr. Sheriff Percy Vincent, Mr. Sheriff Percy Shepherd, Dr. E. Graham Little, M.P., Prof. H. H. Dodwell, Dr. C. O. Blagden, Dr. Edwin Deller, Prof. J. P. Bruce, Prof. R. L. Turner, M.C., Dr. T. Grahame Bailey, Prof. E. J. Rapson, Prof. A. A. Macdonnell, Dr. Peter Giles, and Lt.-Colonel C. G. Maude, D.S.O., M.C.

The Lord Mayor of London, Sir Rowland Blades, was to have been present, but was prevented by a death in his family. Professor Paul Boyer, head of the *Ecole des Langues Orientales Vivantes*, had come over from Paris in order to attend the Luncheon, but was confined to his hotel by illness.

A feature of the Menu-card at the Luncheon was the printing in Sanskrit, Chinese, and Arabic of three proverbs:—

धनेन किं यो न ददाति 好事

Dhanena kim yo na dadati. (What is the use of money to him who gives not?)

Chinese.—In the matter of a good work, let not the other man do it.

خير البر عاجله

The best part of benevolence is to hasten it.

Sir Harry Stephens, in welcoming the guests, pointed out that the School of Oriental Studies, with ten years of useful work behind it, could now regard itself as having come of age. It was, therefore, liable in its own person for torts, which it did not intend to commit, and was able to contract marriage; but it was already wedded to its studies. It paid assiduous, constant and necessarily expensive attention to a few principal languages, such as Arabic, Persian, Hindustani, and Chinese; in a somewhat less degree to African tongues such as Swahili, and taught 61 other forms of human speech. The School was in urgent need of an Endowment Fund; with increased funds it would be possible to increase the School's activities in many directions.

Lord Birkenhead said that, without the highly specialised knowledge which an idiomatic acquaintance with the 67 languages and dialects taught in the School would show, he could appreciate the immensely valuable services rendered by the School to our land and Empire. For more than 100 years a most distinguished school working on similar lines had existed in Paris. It was strange that we should be so far behind France as to have had such a school for only ten years, for we had incomparably greater

reason for establishing, maintaining, and endowing Oriental teaching in the capital of the Empire than any other country in the world. He need not dwell upon the vastness of the Indian population, nor upon the extraordinary number of dialects and sub-dialects which must be mastered by some of those who were in the immense machine of the Government of India. Even from the purely business point of view, such a school was indispensable to the vast mercantile connexions of London.

Our attention had lately been drawn, rather more vividly than we could desire, to China. Every one knew the complications of our commercial interests in China. To anyone going out to the East it was an enormous disadvantage to approach the difficulties of learning a language without any previous instruction from men who knew it and who were also of one's own speech and race. The existence of that School was of the first consequence not only to the administrator and the Oriental student, but also to the man of business affairs with connexions in the East. The Government had done much, both by placing at the disposal of the School those fine premises and, very properly, by a considerable annual grant. There was also the help given by the City of London and by the London County Council. There was a plain case for some independent contribution by the business community, having regard to the instruction given to the employees sent out to Eastern lands and to the deficiencies to be made up in the financial position of the School.

Was it not a serious reflection that in the University of London—the greatest numerically in these islands—there was not at present a single endowed professorship or lectureship in Oriental languages? The professor and lecturers were insufficiently paid. Owing to financial conditions the School was not even secure in its position in the University of London, in which, for the work it did and for the dignity, adequacy, and self-containedness of the University, it should have a high, honourable, and secure place. For these reasons he most earnestly commended the appeal about to be issued for a sum in no way excessive in relation to the purpose required. Possibly his words might reach the eye of some wealthy and enlightened potentate either in business or in some splendid sovereignty in India to whom the appeal might seem to have a special claim. Our obligations in the East required that the modest claim now made should be generously and completely satisfied.

Sir Thomas Arnold, on behalf of the Governing Body and Staff of the School, thanked Lord Birkenhead for his speech. He emphasised the need for those who were to be among Eastern people of an understanding and generous feeling towards them, and of knowledge of their history, religion and ideals. This was the instruction that the School could impart, in addition to knowledge of languages.

The Afternoon Programme.

In the afternoon the programme in connexion with the Tenth Anniversary celebrations started with Tea in the Library, followed by a concert of instrumental music in the Theatre, a performance of Indian Music in the Women's Common Room, and an illuminated Lecture in the Lecture Hall on the use of the Gramophone in the Study of Oriental and African languages. Throughout the afternoon books and MSS. were exhibited in some of the class-rooms.

General Gamelin, General Officer Commanding the French troops in Syria, having been recalled to Paris, left in the steamer Lamartine on February 23.

The Bulgarian Minister of Finance, M. Molloff, attended the meeting in Geneva of the Financial Committee of the League of Nations on March 2 to discuss the establishment of Bulgarian Refugees, in virtue of the recent loan. M. Molloff was accompanied by M. Saraoff, who is in charge of the Refugee settlement operations. M. Charron, the Commissioner of the League in Bulgaria, has also proceeded to Geneva to report to the Financial Committee on the work accomplished up to the present.

NEWS IN BRIEF.

Navigation was interrupted last week between Galatz and Tulcea owing to the Danube being frozen between those ports.

During the week ended February 5, of 130,239 cases of influenza declared in Bulgaria, 1,154 proved fatal.

The Hon. Srinivasa Sastri was sworn in as a nominated member of the Indian Legislative Assembly on February 21.

President Masaryk will leave Prague on March 10 for the South of France, where he will make a stay of about 12 days, proceeding thence to Egypt.

To-day (Thursday) King Fuad is to give the name of "City of Cairo" to the new De Havilland "Hercules" employed on the Cairo-Basra air line.

Brigadier-General Roger Henry Massie, C.B., C.M.G., died on February 23 at Wick Vale, Finchampstead, Berkshire, in his fifty-eighth year. He served in the Sudan, on the North-West Frontier, and in Egypt.

The National Bank of Roumania, in agreement with the Government, is reported to have decided to have a small quantity of gold coins bearing the effigy of King Ferdinand struck, probably in Great Britain.

A Congress on Macedonian emigration held in Sofia has concluded its discussions by passing a number of resolutions drawing attention to the unstable situation in the Balkans, and suggesting that the remedy can be found in the grant of self-government to Macedonia. It declared that the League of Nations should apply to Macedonia the convention for the protection of minorities.

The Persian Majliss has passed a Bill authorising the Government to survey and construct a railway line, Khur Mussa-Mohammerah-Hamadan-Teheran-Bandar-i-Gaz, linking the Persian Gulf to the Caspian Sea. The construction will be offered to companies by public tender.

On February 25 it approved the surveying for other trunk lines and the call for tenders from foreign contractors for the supply of railway materials. It likewise voted a sum of 4,500,000 tomans for the establishment of an iron factory.

M. Boteff, a member of the Agrarian Party in Bulgaria, and at one time President of the Sobranie, who has been convicted of embezzlement, has been sentenced by the Court of Appeal to three years' imprisonment and ten years' loss of civil rights.

An Order in Council, issued on February 7, has been published in *The London Gazette* providing for the introduction, at a date to be fixed by Proclamation by the British High Commissioner for Palestine, of the new currency for Palestine based upon sterling to take the place of the Egyptian money now current, and authorising the Royal Mint to strike the new coins.

The Chrysanthemum, Commanded H. V. Hudson, target-towing sloop in the Mediterranean, left Malta on February 28 for a three weeks' cruise eastward. She will be at Famagusta from March 4 to 9, and at Alexandria from March 10 to 20, returning to Malta on the 21st.

The departing Yugoslav Minister to Sofia, M. Rakitch, was last week received in farewell audience by the King of Bulgaria, who conferred upon him the first class of the Order of Civil Merit and gave him a signed photograph as a souvenir of his long stay in Bulgaria.

In honour of the 250th anniversary of the death of Spinoza special public lectures were given at the Hebrew University at Jerusalem by Dr. Joseph Klausner, Professor of Modern Hebrew Literature, and Dr. Hugo Bergmann, Librarian of the Jewish National Library. A collection of first editions of Spinoza's works and related literature was shown in the library.

The Metropolitan Museum of Arts, New York, has acquired the late Lord Carnarvon's private Egyptian collection, which has been presented to one of the trustees of the museum. The collection comprises over 1,400 articles in gold, brassware, and pottery, and is valued at more than £50,000.

Sir Leslie Wilson, Governor of Bombay, last week unveiled, in a central position in the city, a bronze statue by Mr. Talim of Mr. Dadabhai Naoroji (1825-1917), generally known as "The Grand Old Man of India," and the first Indian member of the British Parliament. He sat in the House of Commons from 1892 to 1895.

Dr. Sluys, of the Brussels Radium Institute, who went to Bucharest recently to give radium treatment to the King of Roumania, has returned to Brussels, and expresses his satisfaction with the results obtained. He considers that King Ferdinand will be able within a month to undertake the journey to the South of France for his convalescence.

PERSONAL AND GENERAL

TO-DAY

March 3, 1927 (New Style).
February 18, 1927 (Old Style).
Shaaban 28, 1345, A.H., of the Muslim Calendar.
Adar 1, 29, 5687, of the Jewish Calendar.

Lord and Lady Belper are on a visit to Cairo.

The Punjab Reunion will take place on June 8 at the Hyde Park Hotel.

The Earl and Countess of Airlie are returning shortly from the Sudan.

The Roumanian Minister and Madame Titulescu left London on February 27 for Geneva.

The High Commissioner for India is giving a luncheon to-morrow (March 4) at Claridge's Hotel.

Mr. Scott Callingham left last week for Egypt in the Osterley, and will be away about one month.

The Marchioness of Reading returned to 32, Curzon Street from Brighton on February 27.

The Persian Minister in London will hold a reception on March 22 to celebrate the Persian New Year.

Alexandra Lady Worsley will return to England early in May from India.

Dr. D. A. Alexander, C.M.G., will sail in the Bibby s.s. Herefordshire on March 5, from Marseilles, to Port Said.

Major A. S. Orpen and the Hon. Mrs. Orpen are embarking on the Bibby Line s.s. Herefordshire at Marseilles, on March 5, for Port Said.

Mr. and Mrs. Denton Carlisle left Drovers, Singleton, Sussex, last week, for Cairo, where they will be staying with Colonel Turner.

Lady Salmond and her children sailed on February 18 in the Kaiser-i-Hind to join Air Vice-Marshal Sir Geoffrey Salmond in India.

Sir Stewart and Lady Stewart-Clark, who had been staying at Cannes, arrived at Mena House, Cairo, on February 26. Later they will make a trip up the Nile.

Sir Stanley and the Hon. Lady Birkin who left England recently for Egypt, will take up their residence on their return at 41, Upper Brook Street, W.1., which they have taken for six months.

Lord Cornwallis, Deputy Grand Master of the United Grand Lodge of England, will in the course of a few months leave England on a Masonic mission to India, Burma, and Ceylon.

The Afghan Minister in London will hold an evening reception at the Legation, 31, Prince's Gate, S.W., on Tuesday, March 15, from 9 to 12 o'clock, on the occasion of the anniversary of the Independence of Afghanistan.

The King has approved the appointment of Sir George Rainy, K.C.I.E., C.S.I., I.C.S., to be a member of the Executive Council of the Governor-General of India, in succession to Sir Charles Alexander Innes, K.C.S.I., C.I.E., I.C.S., whose term of office expires on March 31, 1927.

Lieutenant-Colonel the Right Hon. Stanley Jackson was received in audience by his Majesty at Buckingham Palace on February 22, and kissed hands upon his appointment as Governor of Bengal, when the King conferred upon him the honour of Knighthood, and invested him with the Insignia of a Knight Grand Commander of the Most Eminent Order of the Indian Empire.

We regret to learn, as we go to press, of the death of General Sir Walter Congreve, V.C., Governor of Malta.

Sir France Du Pre Oldfield, LL.M., Puisne Judge, High Court, Madras (retired), has been appointed Professor of Jurisprudence, Victoria University, Manchester, in Hindu and Mohammedan Law.

Sir Alexander Kay Muir, Lady Muir, and Miss Fedora Stancioff sailed on March 2 in the Berengaria for New York. They will afterwards visit South America, and will remain abroad till the end of May. Letters will not be forwarded.

A marriage has been arranged, and will shortly take place in Baghdad, between Mr. Francis Brough Sadler, of Baghdad, and Miss Mary Wightman, daughter of Mrs. Lubbock and step-daughter of Mr. M. G. Lubbock, D.S.O., M.C., of Quarakhan, Iraq.

A complimentary dinner to Sir Samuel and Lady Maud Hoare on their return from the Indian flight was given at the Savoy Hotel on March 2 by the Royal Aeronautical Society, the Royal Aero Club, the Air League of the British Empire, and the Society of British Aircraft Constructors.

Coles Pasha (Charles Edward Coles), Villa Sans Atout, Biarritz, for 18 years Director-General of Egyptian Prisons, later Inspector-General of Police in Egypt, left estate in England of the gross value of £1,088, with net personalty £874.

Mme. Titulescu, wife of the Roumanian Minister in London, held a reception at Claridge's Hotel on February 25, on the occasion of the opening of the exhibition of paintings by the Roumanian artist Mlle. Elena Popea. The guests included the Italian Ambassador and the Marchesa della Torretta, Mrs. Stanley Baldwin, Lady Tyrrell and Miss Anne Tyrrell, Viscountess Dunedin, Lady Maud Hoare, the Minister for the Kingdom of the Serbs, Croats and Slovenes, the Minister for Czechoslovakia and Mme. Masaryk, Mr. and Mrs. Seton-Watson, Mrs. Norris, the Dowager Lady Boyle, Miss Millington-Drake, Mr. and Mrs. Locke, Mrs. Mond, Mrs. Philip Martineau, Mrs. Charles Hancock, Major-General and Mrs. F. G. Duncan, Sir George Lewis, M. C. Laptew, M. G. Constantinesco, M. D. Ciotori, Colonel Radesco, and M. S. Radulesco.

M. Refik, Turkish Consul in Vienna, has been appointed to the Consulate in Jerusalem.

Maitre Alfred Wilner Bey, Secretary-General to the Alexandria Municipality, is retiring on pension from Government service at the end of May next.

Mr. Nathan Straus, who recently arrived in Palestine from America, will to-day (Thursday) lay the foundation stone of the building of the Health Centre which he is erecting in Jerusalem.

The Central Consistory of Bulgarian Jews has been officially recognised by the Bulgarian Government and the statutes of the Consistory, whereby Bulgarian Jewry is recognised as a national minority, have been approved.

M. Danailoff, a former Minister and Professor of Political Economy at Sofia University, and M. Cyrille Popoff, Director of Statistics, are representing Bulgaria at the Economic Conference which has been convoked by the League of Nations.

Where to stay in the East

Write for particulars of attractive offer
for Advertising Hotels on this page.

ALEXANDRIA—Windsor Hotel.

HAIFA—Strand Hotel.

JAFFA—Hotel Jerusalem.

JERUSALEM—

St. John's Hotel,
H. & F. Fast, Managers.

KYRENIA, Cyprus—

Sea-View Hotel.

PORT SAID—

Casino Palace Hotel.

Grand Hotel de la Poste.

Marina Palace and Savoy Hotels.

CORRESPONDENCE

The columns of THE NEAR EAST AND INDIA are open for the discussion of subjects of general interest to its readers. The publication of such letters must not be taken, however, as indicating that the views expressed by the writers are those of THE NEAR EAST AND INDIA.

ROBERT COLLEGE.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—I noticed in your issue of January 27, page 75, in the editorial on the United States and Turkey, this statement: "Robert College was founded in 1863, but in 1914 there was only one Turkish student there."

If you will consult the catalogue for the years 1914-16, you will find that there were 51 Turks in the college at that time. Probably you will wish to correct the statement referred to—I am, etc.,

C. F. GATES,
President.

February 12, Robert College, Constantinople.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—In your number for January 27, 1927, you have an excellent leader on "The United States and Turkey." You have stated the case excellently.

Permit me to call your attention to one error. In the last paragraph you state, "Robert College was founded in 1863, but in 1914 there was only one Turkish student there."

You are aware of the attitude toward foreign schools taken by Sultan Abdul Hamid and the governments under his control. Turkish students were forbidden to frequent such schools. Robert College was especially opposed by Hamidian reactionaries on account of its liberal tendencies. Not until the establishment of the new régime in the summer of 1908, followed by the overthrow of Abdul Hamid in the spring of 1909, were Turkish students permitted to attend Robert College freely. The figures for Turkish students (Moslems) registered each year indicate well this state of affairs. They are as follows:—

1870-71,	1	1895-96,	4	1913-14,	92
1875-76,	5	1900-01,	14	1915-16,	61
1880-81,	10	1905-06,	16	1919-20,	103
1885-86,	0	1909-10,	61	1921-22,	73
1890-91,	2	1910-11,	63	1924-25,	215
				1926-27,	365

It is certainly true that Turkish students were in the vast minority in Robert College until the coming of the new régime. Our first Turkish graduate took his B.A. diploma in 1903. No other Turk completed the whole

course until 1911, and then no other until 1915, when there were two Turkish graduates. Since that year there have been 24, of whom seven took their degrees in June, 1926. Our first Turkish graduate of 1903 is now the honoured head of our department of Turkish language and literature, a man well known among leading Turks and highly respected by them all. He was associated with Ismet Pasha in the negotiations at Mudania, and was his right-hand man during the negotiations at Lausanne.

I have no desire to claim anything but the truth for Robert College. Owing to the social and political conditions of the Near East our great work during the first fifty years of the College was done for Bulgarians and Armenians at first, and later for Greeks as well. Nevertheless in 1914 there were 92 Turkish students in Robert College, and not "only one" as your editorial stated. Of course, this merely means that the coming of a large group of Turkish students to Robert College was some years earlier than your leader indicated, and followed immediately upon the enlargement of freedom given by the establishment of the new régime and the overthrow of Abdul Hamid. The fact that we have registered 365 Turkish students this year out of a total of about 750 speaks for itself.

I am not asking that you publish this correction. The matter is not so important as that. I am merely interested to have the facts brought to your attention. I find THE NEAR EAST AND INDIA a most useful weekly, in fact, quite indispensable, and I am sure the editorial staff is as eager to have all its statements exact and reliable as are its readers to find them so.—I am, etc.

GEORGE H. HUNTINGTON.

February 16. Vice-President of Robert College.

[We much regret the error to which the President and Vice-President of Robert College so courteously call our attention and are glad of the opportunity of correcting it. The reference to the number of Turkish students in 1914 was made on the strength of a published statement, the accuracy of which there seemed no reason to doubt. The statement appears in an American publication entitled: "The Great Betrayal," by Edward Hale Bierstadt. On page 332 in an analysis of the Turko-American treaty of amity and commerce "taken from a statement appearing over the signature of Mr. James W. Gerard" (former United States Ambassador to Turkey) appears the following sentence: "In 1914 there was only 1 Turk in Robert College, and up to 1910 there were none for several years."

To judge from the statements of the ex-Ambassador (1), the President (51), and the Vice-President (92), the Turkish students in that unsettled year were as hard to count as the Irishman's pig; but it is surely not the least hopeful sign of the new order in Turkey that Robert College can now claim a Turkish student for every day in the year, and all danger of any further error in enumeration is eliminated.—Ed.]

JEWISH LABOUR IN PALESTINE.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—May I suggest that the Jewish worker in Palestine receives 15 piastres a day as against the Arab's 9, not because he is, as Mr. Petrowsky would have us believe, worth the difference, but because the Zionist Organization pays him an unremunerative wage. Whereas the Arab employer, not being subsidized with funds supplied from abroad, can afford to pay only an economical wage.

The employment of Arab labourers in the Jewish settlements, when there are so many unemployed Zionists in the country, shows that many of the Zionist emigrants are totally unfitted for hard manual labour. They seem to have been attracted to Palestine by some sort of idea that they were to be the over-lords while the Arab population worked as serfs, tilling the soil, hewing wood and drawing water.—I am, etc.,

C. F. DIXON-JOHNSON.

Croft-on-Tees, Darlington.

February 25.

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MACEDONIAN PICTURES.

Contained in a very stimulating exhibition which Mr. Stanley Spencer is holding at the Goupil Gallery, Regent Street, are some pictures inspired by his experiences in Macedonia. First, there is a large drawing called "Resurrection of Soldiers in Macedonia," which is an extraordinary fantasy, depicting the ascent of cross-bearing men to the heavens; the same formal imagination marks his *chef d'œuvre*, "The Resurrection." A slight oil painting entitled "Source of the Buna, Mostar," has a striking unity of design, and is pleasingly coloured. This work has, of course, a rather melancholy topical interest. Another slight work in oil is a representation of Lake Scutari, which, when the artist painted it, was in Montenegro. Mr. Spencer's exhibition is an excellent index of what the younger school of British artists are aiming at: a kind of revision to the "Primitive" technique with a strict but unconventional imagination.

THE NEW BRITISH NAVAL MISSION TO GREECE.

Details of the contract for the new British Naval Mission to Greece, of which Captain Charles E. Turle, D.S.O., is the head, show that the appointments of the officers will date from March 15, 1927, and will terminate on March 14, 1929. This period includes the journeys to and from Greece and any leave due for service with the Mission. Captain Turle will be assisted by one commander (or below) as director of studies at the Naval War School; one wing commander (or below) for the general training of air forces and in command of the Naval Flying School; one lieutenant-commander (or below) as staff officer to the head of the Mission; and one squadron leader (or below) as technical officer at the Naval Flying School. Some or all of the following extra officers may join for the remainder of the period of the contract when considered necessary and as agreed by the Minister of Marine and Head of the Mission, but preferably within six months after the Mission begins work:—Two commanders (or below) for the general training of destroyer and submarine flotillas; two lieutenant-commanders (or below) as directors of studies at the Gunnery and Torpedo Schools; and a lieutenant or flight lieutenant as squadron leader at the air base.

THE NEW PERSIAN CABINET.

We have received from the Persian Legation in London a revised and corrected list of the Ministers of the new Persian Cabinet, which was formed last month:

Premier, Mirza Hassan Khan Mostofi; Interior, Mirza Mehdi Khan Fatemy; War, Mirza Mohamad Ali Khan Foroughi; Finance, Prince Firouz Mirza Firouz; Public Works, Mehdi Gholi Khan Hedayat; Public Instruction, Said Mohamad Tadayone; Justice, Mirza Ali Akbar Khan Davar; Foreign Affairs, Ali Gholi Khan Ansari.

According to the final figures for the new census of Bulgaria the population is now 5,484,143, an increase of 637,172 since December 31, 1920. The division of the sexes is males 2,747,983 (an increase of 327,199), females 2,736,160 (an increase of 309,973).

The Viceroy of India paid a surprise visit to the heart of Delhi on February 25. He walked through the narrow streets behind the Chandni Chaul and spent a considerable time inspecting the shops and dwelling-places, asking questions about the sanitary arrangements and the general condition of the inhabitants.

The new permanent issue of postage stamps for Palestine will appear shortly. The new issue, which is to supersede the existing E.E.F. stamps, overprinted in English, Arabic, and Hebrew, will have representations of the Tower of David and of the Dome of the Rock in Jerusalem, of Rachel's Tomb, and of the Sea of Galilee.

Colonel Frank Joseph Agabeg, of Peers Court, Aspley Guise, Beds, died on February 24 after a long illness. He was formerly a member of the Burdwan District Board and vice-chairman of the Local Board, Asansol Sub-Division, Bengal. In 1914 he became president of the Mining and Geological Institute of India. Colonel Agabeg, who was appointed an hon. A.D.C. to the Viceroy in 1912, was a member of the Bengal Provincial Recruiting Board during the Great War.

THE ANGLO-PALESTINIAN CLUB.

The Anglo-Palestinian Club has transformed itself into a talking newspaper, with Mr. E. David Goitein as "Editor." This "living journal" of East and West Views held the first meeting under its new style on February 27 at 102, Gt. Russell Street, W.C.1, when the Editor opened the proceedings with a short paper on "It Pays to Advertise." He gave many amusing illustrations of the crude advertising adopted both by the Arab and Jewish inhabitants of Palestine, and pointed out that the methods of publicity as in vogue among the Jews were not much more advanced than those of their Arab neighbours. Mr. M. A. Solomons followed the Editor with a contribution entitled "Palestine on the Dole." He made a strong appeal to all Jews outside Palestine to create and maintain a demand for Palestine products and manufactures. He emphasised the fact that women should insist on Palestinian silks and other goods and by creating a fashion for these articles the demand would grow and have the effect of providing industry and labour for the Palestinian, as the only remedy for the economic crisis in Palestine was employment. The dole was the alternative. He said the Jewish slogan should be "Buy Palestine Products and Keep the National Home Busy."

Mr. Marcus Lipton contributed a paper on "Zionising the Zionists," which in his absence was read by Mr. Kraut. He was in favour of Zionist workers being systematically trained for the task of enlisting the sympathies of those who had not yet been won over to the Zionist fold or who were appealing for funds, in the same way as the political parties in this country gave their propagandists a thorough schooling in everything they should know in regard to their particular party.

Mrs. S. Wassey gave an interesting account of her very young schooldays in Palestine, before the time when Tel Aviv was as important as it is to-day—when, in fact, it was marked by sand dunes. The children in those days were never young. Their leisure was spent in debates and in efforts to create a Hebrew argot. From their earliest childhood it was impressed upon them that both girls and boys must equally take their share in the task of the uplifting of Palestine.

Mr. Leonard V. Snowman read a paper on "This Side and T'Other Side," referring to the two Kantara stations, Kantara Station East in Egypt, which was typically characteristic of the West, where all was bustle and noise, and Kantara Station West in Palestine, where the exact opposite prevailed and all was quiet.

The Secretary of the Club, Mr. S. Sagalovitch, took for his subject "C.C.C." This title was symbolic of the Anglo-Palestinian Club, which was in reality a Constructive Criticism Club in all affairs regarding Palestine. He welcomed the co-operation of all interested in the welfare of Palestine, whether Jew or non-Jew.

The Jewish National Fund propose to plant an "Achad Ha'am" Wood in Palestine on the same lines as the Herzl Forest.

The Rt. Hon. Sir Matthew Nathan, formerly Governor of Queensland, has succeeded Sir Philip Hartog as President of the Friends of the Jerusalem Hebrew University.

Sir Victor Sassoon has been appointed Chairman of the Indian Currency League for the stabilisation of the rupee exchange. The Bombay Mill-Owners' Association has nominated Sir Victor as their representative in the Legislative Assembly.

Mr. Israel Cohen, Secretary of the Zionist Organisation, returned to London on February 20, after touring the Continent. He addressed meetings in Bulgaria, Roumania, Bessarabia, Austria, Hungary, and Czecho-Slovakia.

At a conference of delegates of the Friends of the Hebrew University (Jerusalem) held at Jews' College on February 22, presided over by Dr. M. Eder, Mr. Arthur M. Blok gave an address on the Haifa Technical Institute, of which he was formerly Director.

The Franco-Palestinian Association in Paris gave a banquet in honour of Mr. Nahum Sokolow on February 3. During the function it was announced that a Chair of Modern Hebrew would be inaugurated next year at the Paris School of Modern Oriental Languages.

The Executive of the Zionist Organisation entertained Colonel Sir Wyndham Deedes, D.S.O., at the Hotel Cecil on February 15 on the occasion of his return to England from Poland and prior to his departure for the United States. Mr. Nahum Sokolow presided over the function.

Colonel Robert Patch, C.B., late Bengal Staff Corps, died on February 23. He served with the Bhutan Expedition in 1865, the Afghan War of 1879-80, the Hazara Expedition, 1888, the Miranzai Expedition, 1891, and the Chitral Relief Expedition, 1895, being frequently mentioned in dispatches. He had transferred to the Bengal Staff Corps in 1875. From 1887 to 1895 he was in the Punjab service.

THE FLIGHT TO INDIA.

On February 25 the Overseas League entertained Sir Samuel Hoare, Secretary of State for Air, and Lady Maud Hoare to luncheon at the Criterion Restaurant. Sir Charles Wakefield, who presided, referred to the fact that air travel was now safe, luxurious, and reliable, and that the problem of Imperial aviation lay chiefly in rousing public interest.

Lady Maud Hoare gave an illuminating account of her journey to India and back. In a reference to the interest everywhere displayed by well-wishers in the flight, she described her recent award of the D.B.E. not so much as a personal honour as a symbol of recognition of all those who through good times and bad had been working for the good of aviation. On the actual flight itself, everyone, both official and "lay," had been most helpful. As examples of this assistance, she mentioned the French officials at the military aerodrome at Dijon; the Italian Governor-General in Tripoli, who motored them to see Magnis Lapta; and the British Resident and his wife at Bushire on the Persian Gulf. Lady Maud described in some detail the country over which they flew round about the Persian Gulf. It seemed, she said, like the bare bones of the world. Great tablelands of unadorned rock stretched beneath them which seemed, until they realised how far above "ground-level" those tablelands were, ideal landing grounds. And yet cows managed to exist in these parts. In answer to her inquiry how the cows fed, she was told that they derived sustenance from the waste paper of the telegraph companies! And now she wondered how it was that on each pound of butter she bought some name like "Reuters" was not imprinted! Commenting on the supposed hardships of the journey, Lady Maud said that they were really negligible. Her own sufferings had been greatly exaggerated. They had had, it was true, a very bumpy passage from Delhi to Karachi, and from Baghdad to Cairo, but on the latter flight she at least survived, whereas the Director of Imperial Airways did not! She hoped, in conclusion, that long-distance flying would become a quite normal affair, for which you packed yourself ready just as if you were a parcel.

Sir Samuel Hoare spoke of the complete success with which the objects of the flight to India had been attained. He, as Minister for Air, wanted not only to visit a number of overseas Air Commands, to see their problems at close quarters, but also to investigate the possibilities of each part of the Empire paying for the particular part of the Imperial air route which, so to speak, lay within its

jurisdiction. There must, if Imperial flying were to be a real success, be co-operation in the widest possible sense. The great principles of these long-distance flights must be safety and punctuality: on his recent flight not so much as a single spare part had had to be used, and every point was reached within a minute or two of the scheduled time. In conclusion, he stated that the British Empire depended more and more upon its communications. For a long time to come the sea must be the principal channel of such communications, but by means of air routes the Empire would be knit much more closely together. He suggested that if air communication had been known in the latter half of the eighteenth century, George Washington might have been brought into personal contact with George III. and the American War of Independence would have been averted. Also, if Sir Stanford Raffles, that great man who was only now coming into his own, could, by a quick journey home by air, have impressed on the authorities his views of the Far East, we should be in a very different position in regard to the strategic centres of that part of the world from what we are to-day.

The chief guests included:—Mr. Evelyn Wrench, C.M.G., Mr. Bernard Darwin, Miss Wrench, Admiral the Hon. Sir E. R. Fremantle, G.C.B., G.C.V.O., Mr. Victor Gordon, High Commissioner for Newfoundland, Mr. William C. Noxon, Agent General for Ontario, Mrs. William C. Noxon, Mr. John Howard, Agent General for Nova Scotia, Mrs. Howard, the Hon. John Huxham, Agent General for Queensland, Sir Walter Hearn, K.B.E., Mr. Hilton Philipson, Sir Henry Cowan, M.P., and Miss Jean Cowan, Mr. Alec Rea, and Mr. R. H. Philipson, O.B.E.

THE NEW GOVERNOR OF BENGAL.

Lt.-Colonel the Hon. Sir Stanley Jackson, Governor-Designate of Bengal, and Lady Jackson were the guests of the British Indian Union at the Hotel Cecil, London, on February 25. The Marquis of Reading was in the Chair, and among those present were:—

Lord Inchcape, Lord and Lady Hawke, the Countess of Hardwicke, the Dowager Lady Minto, Lord and Lady Erleigh, the High Commissioner for India and Lady Chatterjee, Sir Godfrey and Lady Fell, Mr. and Mrs. N. S. Mallik, Lady Bennett, Sir H. and Lady Burt, the Dowager Lady Boyle, Sir Selwyn and Lady Fremantle, Lady Chamier, Lady Clarke, Lady Demetriadi, Lady Leggatt, the Hon. Mrs. Parker, Lady Pinhey, and Lt.-Col. Warliker.

In proposing the health of Sir Stanley and Lady Jackson, Lord Reading pointed out that the British Indian Union existed to promote a better understanding between Indians and Britons, to enable both peoples to get to know each other better. It was, therefore, fitting that they should meet to wish the Governor-Designate of Bengal all success in his new enterprise. Sir Stanley Jackson was well equipped for his responsible duties by long experience in public affairs. He had been twelve years in the House of Commons, membership of which always extended a man's range of vision and widened his mind; he had also been head of a great party organisation, and, equally important with his public record, inasmuch as British rule and wisdom of administration depended on the character of those who filled responsible posts, was his prowess at cricket, which meant that he was endowed with the British spirit and tenacity of purpose, and a determination to do the best that was in him. Bengal was by no means the least difficult of the great Presidencies to administer, but they were confident that Sir Stanley Jackson would acquit himself nobly.

Passing to the need for promoting a better understanding with the peoples of India, Lord Reading referred to the settlement recently arrived at on the position of Indians in South Africa. The Indian was sensitive, much more sensitive than our own people, and it was very desirable that we should always recognize this quality and should strive to be sympathetic in regard to it. There was nothing upon which the Indian was more sensitive, and naturally and rightly so, than anything which appeared to place him in a position of inferiority with

No. 60. March. 92 pp.

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(Illustrated)

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regard to other races. The disabilities of Indians in South Africa had great reactions on India and led to very considerable agitation. During the last two years of his Viceroyalty he was engaged very often in efforts to secure an amicable settlement. He rejoiced that after much further negotiation an amicable understanding had been reached. Although the conclusions arrived at in Africa had not completely settled the problem, they had at least removed it to a different sphere, where it would be easier to arrive at satisfactory results. The South African Government had handled a very difficult question in a statesmanlike way. He could well understand the Indian's point of view in the past in wondering what were the benefits of membership of the British Empire if his fellow-countrymen were to be differently treated in South Africa on grounds of race. Therefore, it was a great gain from an Imperial point of view that General Hertzog and his Government had taken so wise, so wide, and so salutary a view of the position.

Sir Stanley Jackson, in returning thanks for the British Union's hospitality, paid tribute to the work of Lord Reading in India during five years of almost unexampled difficulty. This country, he added, had been no less fortunate in his successor, Lord Irwin. The success Lord Irwin had already achieved was due in no small measure to his sincere desire that the relations between Britons and Indians should be those of mutual respect, good will, and friendliness. The British Indian Union existed for the promotion of such aims, and it seemed to him that the vital need for the welfare of India was the willing co-operation of these two races. By the development of social intercourse, there could be brought about a plain, unassuming understanding of one another, especially in respect of those who were the most educated and most influential of Indians. It would be his aim to try to bring about a feeling of confidence in the good faith of the British people and that the Government would carry out its avowed intentions and obligations. What he asked for was the confidence of the people of India in the sincerity of his purpose to work the best he could in their interests.

MR. NAHUM SOKOLOW.

A reception in honour of Mr. Nahum Sokolow was given on February 24 by the English Zionist Federation at the Suffolk Galleries, Suffolk Street. Sir Herbert Samuel presided, and supporting him on the platform were Field Marshal Lord Allenby, Commander S. M. Kenworthy, Dr. Eder, Dr. Goldbloom, and others. The Chairman referred to Mr. Sokolow as a traveller in ideas: in various parts of the world this distinguished Zionist had shown both to Jews and to non-Jews precisely what lay behind the Zionist movement. In calling upon Lord Allenby, Sir Herbert referred to him as the man who more than any other had made possible the Jewish National Home.

Lord Allenby, who received a particularly cordial welcome, remarked that he had little part in the upbuilding of Palestine. The regeneration of that country was due to the Zionist. For the peace and security that were now reigning in Palestine they had largely to thank the first Civil High Commissioner, Sir Herbert Samuel, who not only saw that there was peace in his time, but also ensured that there should be peace after him. The Zionist movement in Palestine was to be an agency of peace throughout the Near East.

Commander Kenworthy, fresh from contact with Zionists in Palestine and America, explained that it was now fashionable to be a Zionist, but twenty years ago Mr. Sokolow, who had lived to see his dream in the way of assured realisation, was fighting a lone hand.

Mr. Sokolow gave a long and eloquent address upon his work in the Zionist cause. He contrasted the state of affairs now with that obtaining twenty years ago. He was proud of the Zionists' achievements: he was proud

of Tel Aviv: he was proud even of the crisis in Tel Aviv. To Lord Allenby and Sir Herbert Samuel he paid a striking tribute, suggesting that, in the future Bible of the Jews these two men might find an abiding place. The latter part of his speech was devoted to his experiences in explaining to France what Zionism meant.

Dr. Goldbloom addressed the audience in Hebrew; and after appeals had been made that English Jews should contribute more generously to the Keren Hayesod, the Chairman suggested that, in thus doing honour to one great Zionist leader, Mr. Sokolow, they might at the same time send greetings to another leader, Dr. Weizmann, who was explaining the Zionist cause in America.

IRAQ IN ART.

Those lovers of Iraq who are now in London should certainly pay a visit to the Greatorex Galleries, Grafton Street, Bond Street, W.1., where, in an exhibition by various artists of original etchings and dry-points, are being shown four of the works of Mr. Charles W. Cain. The technical progress of this young artist, whose work has been noted more than once in THE NEAR EAST AND INDIA, is astonishing, for good as were his representations, done a few years ago, of scenes in Iraq, the four works here shown, which have been done from sketches made during or just after the War, are amazingly distinguished. They are called, respectively, "Kifl," "Hassan's House, Baghdad," "Indian Silversmith," and "Water Carrier, Baghdad." The first is a particularly well composed Euphrates scene; the second sufficiently explains itself; the third is a beautiful interior, in which the silversmith's head is perhaps the finest thing; and the fourth is a typical representation of water being brought up in sheepskins to be laid on the carrier-donkey. For our part, we go straight to "Hassan's House" as the masterpiece. It is something akin to genius, this facility of Mr. Cain in constructing solid walls out of nothing. But apart from its technical excellence, there are in this house, with its high overhanging window, and the draped silent figures shuffling to its portal, the mystery, the romance, the very spirit of the largely unchangeable soul of the City of the Caliphs.

Residents in Iraq will not have forgotten the pictures that Mr. Cain did for the Imperial War Museum; but even they, we think, will be surprised at the astonishing progress made by an artist, who, at any rate in this particular medium, seems destined to reach unusual heights.



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INDIANS IN SOUTH AFRICA.

The cabled reports from India seem to show that the agreement with the South African Government on the Indian question has met with the general approval of Indian politicians; though it is, perhaps, significant that, while this was expressed in the Council of State, it went by default in the "popular" Assembly. In the latter, we are told that the "benches of the Left" were thinly occupied and that their occupants did not join in the otherwise general cheering that greeted the official statement. The report goes on to say that, though the Government promised to set apart a day for the discussion of the agreement, if this should be desired, it is considered unlikely that the "Congress" members of the Assembly, after examining it, will find it possible to raise "a hostile debate" on it, so that they will probably decide to leave it alone. In the Council of State, where a resolution was adopted congratulating the Deputation on the results that it had achieved, it was recognised that, although the agreement is not perfect, and there is still a good deal in regard to the condition of Indians in South Africa that remains to be remedied, it is at least "an honourable compromise representing mutual understanding and good will and promising to the South African Indians the development of a happy future." One of the "Congress" members—whose representation in the Council of State is but small—joined in the general approval, though raising the technical objection that the agreement should not have been ratified before it had been presented to the Legislature; which suggests two conclusions—the first, that he was a lawyer (as is, indeed, almost inevitable), and the second that, though he recognised that there was no chance that the Upper House would disapprove of the agreement, he thought it not unlikely that the Lower House might do so. We are told that a pleasant feature of the debate in the Council of State was the recognition of the fact that the agreement was made possible because of a change of heart in the Union Government largely due to the Imperial sentiment, "an aspect of Imperialism new to India": and that a Hindu member (presumably not one belonging to the Congress Party) said that the agreement made him feel that "the British Empire, like the Hindu family, was reunited." This is, at any rate, the cabled version of his remarks, though doubtless not what he actually said. In the general sense of the term, "the Hindu family" in India is anything but united, a fact of which evidence may be seen any day, in the non-Brahman movement and the question of the depressed classes; no doubt what the speaker actually said was that he felt that the British Empire had now again reached a unity comparable with the proverbial one of the individual Hindu family.

Such condemnation of the agreement as has been made by the "Congress" Party was made in advance of the facts, on an intelligent forecast of its contents telegraphed from Durban to an Anglo-vernacular newspaper in Madras. This telegram appears to have been sent by someone possessing considerable inside knowledge, as it correctly

enumerates most of its items since made public in the Government statement. It speaks of the interval during which Indians would be expected to learn to "befit themselves to white standard" as a "period of tutelage" during which the Indian settlers should "agree to voluntary separation from the rest of the population." It also suggests that, as a *quid pro quo* for the appointment by India of a Commissioner to protect the rights of Indians in the Union, a commercial agreement is to be concluded under which South African coal and liquor will be admitted free into India. Some of the leading extremist newspapers have, not unnaturally, seized this opportunity to talk about "disgraceful and immoral bargains" which will give India full cause to complain that she has been "bitterly deceived and insulted." A telegram to the Viceroy from the Natal Indian Association is also published in the Indian Press, in which an appeal is made against the ratification of the agreement on the ground that its underlying principle is that of the "voluntary repatriation of the ex-indentured Indians' descendants who form the backbone of the Indian community": and this appeal is endorsed by the "Congress" Press, which expects the voluntary part of the repatriation terms to be "of the kind with which overseas Indians are already familiar."

If, therefore, there is to be any general opposition to the agreement, it may be expected to centre round the "voluntary repatriation" clause. The position is a complicated and rather curious one. The Union of South Africa does not want Indians and is quite determined that, if some there must be, there shall be as few as possible. A generation or two ago, Natal did want Indians, gave them inducements to come, and acquiesced in their remaining: thus incurring a debt of honour that has now to be discharged not by herself but by the Union as a whole. The matter at issue is one of first-class importance to South Africa and to politically-minded Indians; but whereas, in the case of the former, its importance is material, in that of the latter it is wholly sentimental. The talk about the Union's "change of heart" and about the "new aspect of Imperialism" is evidence of this: and it cannot too often be insisted that even the most politically-minded Indian has no practical interest whatever in the position of his emigrant compatriots overseas. His attitude in the matter is almost exactly the same as that which he professes to hold towards the refusal by the United States to accept Hindus of alleged Aryan extraction as "free white citizens." It is not even so much the Indian claim to full British citizenship that is at issue: it is the claim of "the Indian nation" to the status of full equality with all other nations, though particularly with those that go to make up the rest of the British Empire. The attitude of the Union of South Africa is that, having been saddled by one of its component parts with an embarrassing debt, it has decided to liquidate it on terms that, though reasonably generous, are still those of its own choosing: the Indian "political" attitude is that it is due to India's dignity that the Union should appear to have been forced to do so by the pressure of Indian opinion, and that this

should be continually exerted towards increasing the generosity of the terms. Any failure in this respect must necessarily be due to the fault of the British Empire in general, and to the cramping influence of the British Government of India in particular: and will doubtless be closely scrutinised for the possibility of exploitation in a "hostile debate" by the Legislative Assembly.

CALCUTTA LETTER.

(From Our Own Correspondent.)

Calcutta, February 10.

"Comrade Saklatvala."

Mr. Saklatvala, the Communist M.P. for North Battersea, has been continuing his tour of India with the ostensible purpose of enlightening the Indian political world as to the true meaning of Communism. His latest effort has been to address a meeting of the non-European portion of the Legislative Assembly at Delhi, but he does not appear to have cut much ice with any of the parties except in so far as his abuse of Government corresponds with that of the Extremists. None of the Indian papers has any use for his more responsible statements, but *Forward* finds satisfaction in quoting his remarks that "no responsible politician in England means seriously that India should have Dominion status or enjoy equal rights." The *Bengalee*, which has been helped in a return to its former influential position by the appointment of the late editor as a Minister, frankly says that Mr. Saklatvala's presentation of communalism was an insult to the distinguished audience he addressed, and it comments pungently on his complete silence in regard to the Communistic doctrines of the abolition of inheritance, and of private property, and the nationalisation of everything. It is quite probable that by the time he has finished his self-revealing pilgrimage he will have done more good than harm.

The Political Detenus Again.

The annual resolution for the release of the *détenus* under the Bengal Ordinance has been duly passed by the Assembly, and a similar resolution will be placed before the Bengal Council, and no doubt passed, as soon as it meets. The methods of the importunate widow have always been popular in the East, and even an unjust judge could hardly fail to be affected by the unanimity with which all parties are now insisting that these men should be either released or brought to trial. We see that Mr. Pethick Lawrence has been speaking on similar lines in the House of Commons, but Mr. Pilcher replied to him setting out the point of view of most level-headed men who are not completely swayed by sentiment. The cynic would be inclined to accept these resolutions and to let the terrorists loose upon the public once again; Europeans would suffer hardly at all apart from the fact that the hands of the police would be again tied and the life of every efficient officer in danger, a thing which, to their credit be it said, has no apparent effect upon their attitude towards the matter. The flow of eloquence is growing, and growing more irresponsible, and to-day even Babu Bepin Chandra Pal, who should by this time be more cautious, describes the hundred *détenus* as a body of "hundreds and thousands." This is typical.

A Stolen Programme.

A leading member of the Swaraj party has given notice of a resolution in the Council that sets out for the first time a programme of constitutional reforms; which, it is stated, would receive the support of his party. This pro-

gramme happens to be almost precisely the same as that put forward by the Liberal Party some year or two back, and the fact that it is now adopted by the Swaraj Party is an indication of the extent of the swing of that particular pendulum. The fact that all is not happy within the Swaraj camp is becoming increasingly obvious, and a press statement has just been made that a large number of members of the Bengal Congress Committee have signed a requisition for the removal of the present Secretary, who is one of the most influential members of the party. The differences of opinion appear to have come to a head over the question of the allotment of offices in the new Corporation, the elections for which are about to take place.

A New Indian Daily.

Another interesting pointer of the trend of events amongst the politically-minded classes is the establishment of what is practically a new English newspaper run by Indians. The *Basumati* is one of the oldest of Indian newspapers, and it has hitherto been printed in Bengali; it has established for itself a position of considerable influence amongst those who are more advanced than the Moderates but have no desire to join the out-and-out Extremists. It has now been issued in English, as well as in the vernacular, and its get-up is better than that of any of its rivals in Calcutta. So far as can be seen from its first few numbers, it is going to continue along its old lines and this means that it will stand for progressive nationalism without rancour. The new venture would not have been started, unless there were clear signs of a demand for it, and it can be regarded as an encouraging sign of the growth of a saner outlook.

A Sentence and an Appeal.

The attitude of the Extremist Press in regard to communal disturbances has been frequently mentioned in these columns, and for some time past the editor of *Forward* has been on trial under a prosecution arising from its comments at the time of the last riots. The article upon which proceedings were taken stated that the Governor of Bengal and the Executive were acting under the orders of the British Government to allow communal tension to increase to such an extent that disturbances were inevitable, and so to show that Hindus and Moslems could not be trusted to live together. The Chief Presidency Magistrate yesterday sentenced the editor to three months' imprisonment and a fine of Rs.300, but the High Court the same day released him on bail pending an appeal.

Men and Things.

The official report of the progress of education in Bengal, which has been issued this week, shows that there is an increasing demand for secondary schools in which the instruction is carried out in English, but a decrease both in the number of the schools and the scholars in the higher vernacular schools. The total number of educational institutions has been increased by 805 and the number of pupils by 71,070 during the year, and the competition for the openings for the products of these institutions will become correspondingly more acute.

This is Baby Week, when the usual exhibition is being held to show all sorts of mothers how they can improve the health of their babies; at the same time entertainments are being held to raise the funds to enable the Baby Clinics to carry on for another year. On the other hand Indianisation proceeds steadily, and the solution of the Anglo-Indian problem becomes still more remote.

The Budget of the Calcutta Corporation has been presented, and on the whole it is encouraging; the fact that the Swarajists have been in power does not seem to have weakened the financial status of the Corporation, and it must be admitted that they have done something to assist the executive in making a beginning towards bringing assessments for Municipal taxes in line with real values. There is an enormous hidden reserve in the systematic under-valuation which has been the past practice throughout the city.

A Moslem member brought before the Corporation this week a proposal to rescind the Resolution ordering the removal of the body of the so-called saint who was buried under the meat stalls some two years; the motion was defeated by a large majority, but no one believes for a moment that any action is likely to be taken in the present state of communal feeling.

Government appears to assume that the Bengal Legislative Council will have sufficient faith in itself to vote an extra 30 per cent. on the cost of the proposed new Council Chamber in order that it may be faced with stone; a resolution providing for this is being put forward in the near future, and it is understood that the works may be put in hand before the end of the present year.

Monday was a day of Hindu religious processions and, thanks to the efficient police precautions, there were no disturbances. One student procession thought fit to try to break through the police cordon in Harrison Road, and it finally had to be dispersed by a charge. A typical Indian sequel is an application in the Courts for authority to prosecute the Police for assault, as no written order was produced authorising them to divert the procession from the danger area!

An Indian member of the Afghan Air Force who has been interviewed in Delhi states that he is the only non-Russian officer of the Afghan Aviation Service; he also added that instruction in the Military Schools was being given by German and Turkish officers.

The Trivial Round.

Once again backers repeated their recent melancholy experiences at racing headquarters on Saturday last, and an increasing heat wave did not add to the gaiety.

The M.C.C. finished their tour in Ceylon by giving the combined team an innings beating; Club games continue in Calcutta and the hardening up of the wickets was responsible for a crop of centuries.

The All-India Tennis Championships have concluded at Allahabad, E. V. Bobb repeating his Calcutta success in the Men's Singles and Miss Jenny Sandison, the young Calcutta player, winning the Women's Open. Both of these players are comparatively inexperienced, and with a wider field they should go far.

New life and new blood are flowing into the old Calcutta Rowing Club on the removal of its course and headquarters from the unsavoury Boat Canal to the new Improvement Trust lake to the south of the city; it is proposed to open a boating and sailing section and these are certain to become extremely popular.

The A.D.C. is producing "Outward Bound" at the week-end, and this promises to increase the already high reputation of Mrs. "Pat" Deane, the producer.

Music has been well to the fore this week with two Russian-Americans giving matinees at the theatre and the Symphony Concert on Sunday last; the latter was even better than a crowded house expected, and there was considerable enthusiasm both at the close and on the conclusion of Beethoven No II, which had already been played once before during the year and was repeated by request.

Changes in Club life are indicated by the fact that the kitchens of the new Saturday Club building, which was designed only 18 months ago, will have to be increased to cope with the demand for dinner dances. Tollygunge Club, too, has moved with the times and opened a fine Swimming Bath, and, although old Quai Hais may shake their heads, it is attracting all the best and brightest; it will be a great boon in the hot weather.

Markets.

Another quiet week has passed in the jute market; sellers have been more ready to do business at lower rates, but, with buyers holding off, transactions have been on a small scale. Hessians have been lifeless on account of the lack of interest from North America and the Plate and the small amount of speculation in the local market. The improved position in the piece-goods market, which has become apparent during the past few weeks has

been maintained, and buying for up-country markets is increasing daily. Prices in all cases have been steady, and in some instances there have been advances over the previous week's rates. The position in the tea market is almost identical to that obtaining last week; both here and in London, common and medium qualities have tended easier, and good descriptions especially those with autumnal flavours have continued to realise good prices. A section of the tea experts here are of opinion that prices are now nearing bottom and that there will be steadier tendency in the near future.

On the Stock Exchange Government Securities have been quiet with $3\frac{1}{2}$ per cent. Paper and the 1960-70 and 1945-55 Loans a shade easier on Bombay liquidation, due to the uncertainty concerning the position in China. In the Investment Market, buyers are still not easy to find and apart from a good turnover in Jute Mill Preferences, business in this section has been small. The tone in the jute shares has been dull on the easier tendency of the fabric market, and prices have given way slightly; the opinion, however, is that there is no possibility of any serious set-back in share prices. Cottons and coals continued to be more or less neglected, and buyers in the tea section have been at a premium. As in the past few weeks, the miscellaneous market has been the subject of most attention; sugar shares have continued steady, and India Iron and Steel have recovered from the recent profit taking. Flour shares are in request, and the tendency here, as in several other shares in this section, has been in favour of holders.

As a result of the cessation of inquiries for remittance on bullion account, the Exchange market steadied and rates firmed up to 1-16th with Ready T.T. quoted at rs. 5 31-32d. Money has been in good demand and Banks have borrowed at $5\frac{1}{4}$ and $5\frac{1}{2}$ for Short money. The Bank Rate has been raised to-day to 7 per cent.

BOMBAY NOTES.

The Rupee and Cotton.

Whether for good or evil, and whether permanently or temporarily, the rupee is for the present as firmly established at rs. 6d. as it ever was at rs. 4d. It was not raised from rs. 1d. to rs. 4d. and held there without difficulty—without manipulations of the currency, if you choose to use the expression; and it is now being held within the gold point limits on either side of rs. 6d. in the same way—that is to say, the effects of the balance of trade are adjusted by the supply of currency.

A few weeks ago the export trade of India increased, and the rupee rose from the lower gold point to well above rs. 6d. in a very short time. Trade has now gone the other way. There have been considerable imports of wheat and there has been a very active demand all over India for Manchester goods. The balance of trade is for the moment against India, and the rupee has fallen to below rs. 6d. again; and with a considerable balance of Government remittance still to be covered, there is some encouragement for those who look for a further fall.

But, as far as cotton is concerned, there is nothing abnormal in the present situation: in fact, I think I pointed out in these letters some months ago, that the effect of a large and cheap American cotton crop was sure to be felt in Lancashire before it reached India. Lancashire mills have been able to get their raw material cheap before the cotton market in India has reacted to the fall; and with the Indian ryot, or at any rate the Marwarri middleman, able to hold back the Indian crop during the two months when American futures were round about 6d. it seems doubtful whether Indian mills will ever be able to get their cotton this year on a parity with American. The temporary advantage is, therefore, all on the side of Lancashire; and from every point of view it is satisfactory that Lancashire has been able to take advantage of cheap American cotton and to pass that advantage

on to Indian markets, which have been waiting for some years for this opportunity.

But the situation is certain to adjust itself very soon. In one direction or another, the parity between India and America will become more normal before the beginning of the rains: and the Government of India, which is under no necessity of taking short views, will be helped by the restoration of the usual favourable balance of trade.

When the trade balance is normal, it is so much in favour of India that it is, in practice, within the power of Government to stabilise the rupee at any figure between one and two shillings: but I certainly do not intend to use this letter to re-open the arguments in favour of any specified figure.

Sectional Riots.

Such trouble as there is in India at the moment seems, on the surface at any rate, to be entirely confined to faction fights between small and inconsiderate parties of the rival communities; and, again on the surface, there seems to be remarkably little attempt to combine against the European.

We in India know remarkably little about the state of affairs in China, but if there is any analogy at all with India, we are inclined to doubt whether the genuine anti-foreign feeling is as strong as is sometimes represented. If there was nobody to control the passions of Sikhs, Muhammadans, Brahmins and Hindus in India it is not impossible to conceive a state of affairs in the interior very similar to that of China in the past few years; and if one of the combatant forces was promised the support of foreign troops on condition of carrying on an anti-British campaign, the effect would, no doubt, be much the same as it looks like being in China.

Up to the present, we hope and believe, Bolshevism in India is negligible. There is one very important difference between the two countries. To an enormous number of Chinese the Englishman is a myth: comparatively few of those millions have ever seen an Englishman: an infinitesimal percentage have ever been in close touch with one; and to the ordinary Chinese the Englishman must be an unknown creature of whom he is prepared to believe what he is told—in much the same way as I am prepared to accept, for instance, any reasonable account of the mentality of Attila's Huns or Pizarro's Spaniards.

In India, on the other hand, every Indian knows the Englishman. There are villages, no doubt, where the Sahib seldom comes, and where, when he does come, it is on routine duty which gives him no opportunity of close contact. But the vast majority of Indians have at one time or another met the Englishman on a more human footing, whether through the Army shikar or trade: and the Indian, being a first-class, hard-working, sport-loving individual, is not in the least likely to prefer the average Bolshevik to the type of Englishman that he sees in India.

The position of England in India is based on the relation between the individual Englishman and the individual Indian: and untold good, and untold harm, can be done by every single Englishman in the country. It is not only the judge, the collector, the colonel or the senior merchant who influence the future of England. The casual globe trotter and even the most junior assistant in office, mill or tea estate can create an impression, for good or evil, on thousands of Indians upon whose goodwill we depend.

There is another problem: the small body of highly educated lawyers and politicians, whose discontent is loudly voiced throughout the land: but the consideration of their grievances and the adjustment of political power lie in other hands than those of the average Englishman in India. It is his duty to go about among the people, the most attractive in many ways in the world, to mix with them for his own purposes of business administration or sport, and to see to it that the name and reputation of his country stands high among his Indian friends, colleagues and servants.

THE ARABIC HISTORY OF GUJARAT.—II.*

The Story of a Lost Manuscript.

By SIR E. DENISON ROSS, C.I.E., Ph.D.

V.—The Value of this History.

The history of Gujarat during the last half of the 16th century is neither very important nor very edifying, but when told in such minute detail, as in the case in this history, by a man who had daily intercourse with one or more of the contending nobles, we obtain a vivid picture of the manners, customs, intrigues, and character of a group of men who were after all very typical of the age and country they lived in. And whereas, in most histories of the period, we are told a great deal more than is necessary about the Kings, we have here a faithful diary written without fear or prejudice by a man who seemed to have no ulterior motive beyond his own diversion.

Of the author's fidelity as a translator from Persian into Arabic and of his scholarliness as a careful sifter of the best available sources there can be no doubt, but, unfortunately, he did not possess the gift of telling a plain narrative, and no sooner does he attempt to describe at first hand scenes he has witnessed or stories he had heard than he becomes involved in a morass of parentheses and inconsistencies and repetitions, with the result that the most authoritative portions of his history require the greatest care and patience to unravel.

Before passing to the life of Hajji Dabir, as we may piece it together from his own disjointed allusions to himself, I cannot refrain from confessing to a very real affection for this old man with whom I have spent so many intimate hours during the last twenty-five years. I feel as if Fate had made me his residuary legatee, and I can only regret that this pious undertaking should not have fallen to some one better equipped and more leisured than myself. When I look at the two volumes which have already appeared, I am reminded of the village doctor in the Persian story, who was wont to cover his face with shame whenever he passed the local cemetery.

VI.—The Author's Life. Autobiographical Incidents.

Although Hajji Dabir tells us many incidents of his life in the course of his narrative, these are scattered about the work in a purely arbitrary manner and are by no means easy to piece together. It is quite probable that in the missing introductory folios to Daftar I he had set out something in the nature of an autobiography. His full name was 'Abdullah Muhammad ibn Siraj ud-Din 'Omar an-Nahrawali ibn Kamal ud-Din Muhammad ibn Farid ud-Din Muhammad ibn Hasan ibn Qasim Ulugh Khani. He was born in Mecca about A.D. 1540 and there he remained and received his education until 1556. His father was born in Pattan at the beginning of the 16th century of our era and was descended from Persian ancestors, who at the time of the Mongol invasion in the 13th century fled from their home either by land or by sea to Multan in Sind. When, at the end of the 14th century, Tamerlane entered Delhi, his great-great-grandfather, whose name was Qasim, fled from Gujarat with his family, who settled in and around Pattan. This happened during the Governorship of Zafar Khan, the real founder of the Ahmadabad Kingdom, of whom I have already spoken. In the reign of Sultan Muzzaffar II, a certain nobleman arrived in Pattan with his son, and it was with this son, who afterwards rose to great fame as Asaf Khan, that Hajji Dabir's father, Siraj ud-Din, formed a life-long friendship. In 1535, when the relations between Humayun

*The Sir George Birdwood Memorial Lecture read before the Royal Society of Arts (Indian Section) on February 11; Sir William Foster, C.I.E., in the chair.

and Bahadur, which had hitherto been friendly, became strained, and it seemed likely that war would break out between the two rulers, Bahadur took the precaution of sending his harem and his treasures away to Mecca, in charge of Asaf Khan, who took along with him all his own household and his major-domo, Siraj ud-Din. The party arrived safely in Mecca and as long as Bahadur was alive seemed to have there found a secure asylum. But when a year later news arrived of the death of Bahadur (who was accidentally or intentionally drowned while visiting the Portuguese Captain at Diu), Khusraw Pasha—the ruler of Egypt, the Hijaz and Yaman on behalf of the Ottoman Sultan—gave orders for the confiscation of the harem and treasure. This order was to be carried out by the Governor of Jidda. Now it happened that Asaf Khan was at that moment in Cairo, and hearing of the Pasha's order, sent a message by the same envoy who bore the Pasha's letter to Siraj ud-Din, saying: "Following on this—that is, the order of confiscation—will arrive a further order cancelling it." The author continues the story as he heard it in his father's words, and so illuminating and vivid is this narrative that I cannot refrain from reproducing it here.

"When the news of the Pasha's design, and of the arrival of the Amin in Mecca reached us, we were all greatly alarmed. For though we were sufficiently strong to resist the Governors of Mecca, we could do nothing against the Amin of Jidda. And when we had made up our minds that the seizure would take place on the morrow, we commended ourselves to God's care: and the women, preferring death to capture, washed, clothed and perfumed themselves, and gave what they were able in charity: while the chief of the harem, Melik Firuz, sharpened their blades for them. The whole of Bahadur's household spent the night in fear and trembling, not knowing what the morning might have in store for them.

"Now on that same night all the grantees of Mecca happened to be assembled in the house of Abu Baqa as-Sukkari, who was giving a party in his son's honour. This house was next to the Khan's house, and we were also invited to the party: but we excused ourselves on account of the state of anxiety we were in. We spent the night, however, in the court-yard, which was at the gate of the Khan's house.

"Now the Egyptian messengers used to arrive in the early morning, and the road they took passed in front of this verandah: and when dawn broke I was sitting at the end of this courtyard, and whenever a rider passed I called out to him by the name the Khan had mentioned in his letter. And each passed on until at last one rider answered 'na'm'—'yes'—and then asked me, 'Are you so-and-so?' to which I replied, 'I am,' whereupon he drew rein and handed me a sealed packet, and then rode on again. I fell on my knees in thankfulness to God, and then withdrew to pursue the Khan's letter. As the letter was in Turkish I sent for one of the Khan's confidential attendants, who was a Turk; to translate it for me, and it turned out to be the cancellation of the orders issued by the Amin. The Turk was an excellent fellow, and though he was probably capable of keeping a secret, I thought it better to be on the safe side, and so gave him something to occupy him in my house, while I myself went to the women's quarters and told the good news to Melik Firuz and asked him to communicate it to the ladies. I next sent for the head butler (*sherabdar*) and ordered him to bring out a hundred trays of Indian sweets and preserved fruits. I then returned to the courtyard, where I found several of our people.

"When the trays were brought out, I sent forty of them to the guests at the party next door, and a like number to Melik Firuz and the leading men of Bahadur's suite, who had spent the night hovering between life and death: while I sat down with my friends to enjoy the remaining trays. Two of them, however, I sent to that virtual prisoner, the Turk.

"The guests at the party were amazed at the arrival of

the trays of sweets: and one of them said: 'Thus does despair of enjoying a thing lower its price—even though it be precious.' By this he implied that everything we possessed would be seized by the Amin in the morning.

(To be continued.)

CORRESPONDENCE

ARABIC HISTORY OF GUJARAT.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—The work referred to by Sir Denison Ross in his lecture on the above subject, and reported in your last issue, as "*Zafar ul-walih bi-Muzaffar wa-alih*," simply means the work of *Zafar* on Muzaffar I. of Gujarat and his dynasty, of whom that author seems to have been very fond.

No other translation is possible and certainly not one making bi-Muzaffar the subject of the sentence! You also print *walih* with a capital w, in error, perhaps.—I am, etc., A. SEFI.

Buckingham Gate, February 26, 1927.

"INDIA GAUZE WAISTCOATS."

With reference to the article, in our issue of January 17, on the journey to India seventy years ago, in which the question was raised whether "India gauze waistcoats," which played a prominent part in the outfit recommended in those days for visitors to India, were still made, Messrs. Thresher and Glenney, of 152-3, Strand, write:—It may interest you to know that we still make the "India Gauze Waistcoats" mentioned, but the garments are now described by the more modern terms of *undervests* and *singlets*.

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Commercial and Financial Section.

NOTES AND NEWS.

170, Strand, London, W.C.2.
Tuesday Morning.

The Indian Budget.

The new Indian Budget, which has just been presented to the Indian Legislative Assembly, is Sir Basil Blackett's fifth Budget. The first four all yielded surpluses, that of the past year amounting to over three crores of rupees as compared with an estimate of five lakhs. This result must be regarded as particularly satisfactory in view of the unfavourable trade situation during the year. Thus for the first ten months of the year the balance of trade in India's favour amounted to 27.16 crores as against 85.76 crores for the corresponding period of the previous year. The fall in the price of staple commodities was the main factor in this decline. For the present year the estimate is for a surplus of about 3½ crores. The changes in taxation proposed are small, it being pointed out by Sir Basil Blackett that in view of the unliquidated provincial contributions it is impossible to utilise any substantial part of the surplus in reduction of taxation. The export duty on hides, which was condemned by the Fiscal Commission, is abolished, entailing a loss of nine lakhs. Further, the export duty on tea is abolished, involving a loss of fifty lakhs, but compensation for the bulk of this will be forthcoming by an alteration in the basis of assessment on tea companies from 25 to 50 per cent. of their profits. It is estimated that this will yield forty-five lakhs this year, rising to fifty in 1928-29. It is to be expected that this change will be strongly criticised by the planters. A particularly welcome feature is the reduction of the import duty on motor cars from 50 to 20 per cent. *ad valorem* and on tyres from 30 to 15 per cent. This should give a most useful stimulus to trade in these commodities, and should be a great encouragement to our manufacturers to redouble their efforts in the Indian market. The net effect of these and other measures will be no more than six lakhs leaving the estimated surplus at 364 lakhs. The Finance Member takes the view that this can be considered a recurrent surplus, and proposes to utilise the present surplus, together with a large part of that of the past year, for the abolition of provincial contributions for 1927-28, provision being made for specially favourable treatment of Bombay. In future years if the actual surplus of the year is insufficient for the purpose, as in the present case, the means will presumably be provided by new taxation. A separate statement was circulated with the Budget setting forth the effects of exchange revision to rs. 4d., and it may here merely be pointed out that it would have entailed a deficit on the Budget of over 1½ crores.

British Trade with Egypt.

At the dinner given by the British Chamber of Commerce in Egypt at Cairo recently to Lord Lloyd, British High Commissioner, the Chairman of the Chamber, Mr. H. E. Barker, dealt in some detail with the position of British trade in Egypt. In view of the unfortunate labour developments last year in Great Britain, British commercial enterprise has naturally been severely handicapped in Egypt, and it is not surprising if there has been a large falling off in a number of lines as compared with 1925. The unfortunate thing is, as Mr. Barker pointed out, that while British trade has been declining other countries have been able to improve their position in the Egyptian market to some extent. The ground lost has to be regained in conditions rendered adverse by the fall in the price of cotton, which, of course, means reduced purchasing power in Egypt and an intensified struggle

for the trade that is going. The great asset of the British manufacturer is that British goods remain the best that can be obtained, but it remains to bring their virtues to the notice of potential buyers in Egypt. British commerce has received an excellent advertisement during the past year from the way in which the British contractor has shown how much better he can carry out his contracts than his rivals, and it remains to take advantage of the prestige thus accruing to things British by greater enterprise on the part of our traders which has hitherto been so sadly lacking in Near Eastern outlets.

Manchester Ship Canal.

I referred last week to the favourable results obtained by the Manchester Ship Canal last year, the traffic showing an increase of 911,375 tons on the previous year's figures which were the best on record. At the general meeting (a report of which will be found elsewhere in these columns) the Chairman, Mr. Bacon, pointed out that for the first half of the year there was a decrease in merchandise of 56,163 tons and of £31,291, but in the second half there was a substantial increase both in gross tonnage and revenue. The company benefited by the importation of over 1,200,000 tons of coal to Manchester, but on the other hand, there was a loss in the export of this commodity of about half a million tons. It will be noted that Mr. Bacon points out that the improved results of the year are not wholly to be attributed to the imports of coal, and that other traffics have been well maintained. Reference was again made by Mr. Bacon to the efforts to establish the direct importation of tea to Manchester, and he pointed out that the arguments in favour of the importation direct of this commodity applied equally to other foodstuffs and produce. As regards the outlook for the present year, Mr. Bacon is distinctly hopeful, and the fact that for January the figures of the company for traffic and revenue showed a marked improvement on those for the corresponding month of the previous year is a most promising indication of the extent to which the company is likely to benefit from a trade revival.

Budget Prospects.

Attention is now increasingly concentrated on the prospects of Mr. Churchill's next Budget. That there will be a substantial deficit on the current year as a result of the coal strike is obvious, but the whole effects of last year's disturbances have not yet been felt, for the balance sheets

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of the current year will reflect its incidence and those which have already appeared are on the whole—there have been a number of pronounced exceptions—not encouraging. The question at issue, therefore, is whether the Chancellor will be able to avoid new imposts, and while in some quarters it seems to be anticipated that he will, it is difficult to see any good grounds on which to go. The field of expenditure in which economies can be made is rather restricted, and unless the Chancellor is prepared to depend on the effects of the trade revival on the country's revenue it is difficult to see how he can avoid new departures in taxation.

The Fair.

This week sees the close of this year's British Industries Fair, and so far as I can judge it is going to prove a most pronounced success. There has been no lack of buyers from abroad while home buyers have been present in their thousands, and the orders placed have not been for trifling quantities, but for large consignments. The feature of the present Fair which gives me great satisfaction is the presence of exhibits from various parts of the Empire such as Palestine and India. It points to the possible development of the Fair in the future.

COMMENTATOR.

COTTON EXPERIMENTS IN THE SUDAN.*

The Empire Cotton Growing Corporation have just issued the reports received from experiments stations in 1925-26. The reports cover the work carried out at experiment stations on cotton, and its principal rotation crops, in Australia, the Union of South Africa, the Sudan,

* Reports received from experimental stations, 1925-26. (Empire Cotton Growing Corporation. 2s. 6d.)

Uganda, and other regions. The report on the Sudan, by Mr. M. A. Bailey, Plant Breeder to the Sudan Government, describes the general lines on which the work at Shambat has been reorganised. It is divided into two sections. The plant breeding section undertakes all work in connexion with the selection, purification, and propagation of cotton and other field crops, and the introduction and testing of new strains and varieties. Further, so far as time and opportunity permit, attention will be paid to the introduction and trial of new kinds of fruit and other trees and of useful and ornamental plants. Then the section of plant pathology and physiology under Mr. Massey, the Government Botanist, will undertake research into the underlying principles influencing the growth and yielding power of the crop and their resistance or susceptibility to disease. The division of the area of the experimental farm under different crops during the winter 1925-26 was (in feddans):—cotton 25½, wheat 18, berseem 7½, lubia and cowpea 2, other crops 2½, fallow and trees 34½.

It is pointed out in the report that the complaints that have been heard regarding the deterioration of Egyptian Sakel emphasise the extremely favourable position of the Sudan. Complete control by the Government of ginneries and of seed production throughout the country is, it is emphasised, the only effective remedy for deterioration, and this is practically in existence in the Sudan. This control, it is urged, must be retained to the full or even further extended as the Sudan's future as a cotton growing region may come to depend upon its reputation for the quality of the cotton produced.

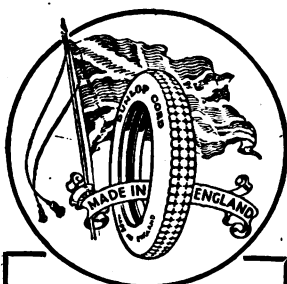
The Agricultural Bank of Egypt recommends a dividend of 10s. per share on the ordinary and £55 per share on the deferred shares.

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THE CAIRO MOTOR SHOW.

(From Our Own Correspondent.)

Cairo, February 17.

Egypt's first international motor exhibition is a disappointment. Not only is the number of standholders very small, but also the arrangement of the exhibits and the apportionment of space leave much to be desired. Cars are huddled up together on stands not large enough to display effectively the number of cars placed on them, with the result that the visitor, if desirous of inspecting any particular model, finds difficulty in doing so comfortably, while his impression of the show as a whole is apt to be a mass of wheels, radiators, and coachwork, with few distinguishing features.

For this state of things the organizers are chiefly to blame. When, two years ago, the then newly-formed Royal Automobile Club of Egypt decided to organize an exhibition, it did not assume the task itself, nor did it seek the direct co-operation of the motor agents of this country. Instead, it entrusted the work to a concessionaire.

Forty-six firms have stands, twenty-nine being taken up by motor cars, the remainder by tyres and accessories. The cars being shown are:—Amilcar, Austin, Bean, Buick, Chrysler, Citroen, Clyno, De Dion Bouton, Delaunay-Belleville, Erskine, Fiat, Hillman, Hupmobile, Itala, Latil, Marmon, Minerva, Moon, Nash, Oakland, Oldsmobile, Peugeot, Pontiac, Renault, Rolls-Royce, and Studebaker, together with Rudge motor-cycles, a Peugeot motor-boat and an extraordinary three-wheeled Krupp production which does not look at all like either a motor-car or a tractor, but is, presumably, the latter.

It will be seen that American exhibits are much the most numerous, eleven different makes of cars being shown, as compared with five British, six French, two Italian, one Belgian and one Italian. Nor is the American lead fully indicated by the numbers alone, for the stands occupied by the Trans-Atlantic manufacturers are, for the most part, the best situated, most spacious, and among the best arranged. General Motors Corporation, with their range of six cars, Cadillac, Buick, Oakland, Oldsmobile, Pontiac and Chevrolet, have a little show of their own, while Chrysler and Studebaker are also well represented.

The British contribution to the show would have been a very slight one indeed, but for the initiative of Messrs. Rootes, Ltd., of Devonshire House, Piccadilly, who, although not hitherto directly concerned in the Egyptian motor market, have taken a stand, on which they exhibit

Rolls-Royce, Hillman, and Clyno cars. The 40/50 h.p. Rolls-Royce chassis, carrying a Thrupp and Maberly closed limousine, is, at £3,300, by far the most expensive exhibit in the show. Indeed, except for its smaller brother, the 20 h.p. Rolls-Royce, carrying a Hooper cabriolet body, there is no other car at even one-third the price, the next most expensive being a 20 h.p. Minerva 6/7 seat landaulet, at £1,050, while another comparatively highly-priced car is the 20/25 h.p. Lancia limousine, at £850, a price which is also asked for the most expensive models of Fiat and Chrysler, while the Cadillac saloon is at £1,040.

These exceptional models apart, the majority of exhibits in the show are of the medium-priced class, between £250 and £400. This is the type of car for which Egypt offers a better market than for either larger or smaller cars. Motoring conditions in this country differ markedly from those in Great Britain. Motoring for the average Briton means the open road, the wind singing past his ears, the contented hum of a sweet-running engine as it settled down to a swinging gait, the glow of satisfaction as the long up grade is surmounted on top gear, the picturesque country inns, with their hearty welcome and generous fare, all these are a part of the pleasures of motoring.

Egypt knows few of these things. Long stretches of metalled road do not exist outside the big towns. Of hills there are none to test an engine's stamina and the country roads are as innocent of inns as they are thronged by camels, donkeys and fellaheen foot-passengers. The car exists in Cairo and the few modern towns to take its master in the morning from his home in the suburbs to his office in the city, and thence to the Bourse, or for a series of business calls, and in the cool of the late afternoon to give its mistress a breath of fresh air after the heat of the day. The automobile in Egypt seldom journeys more than twenty miles from its home.

As may be imagined from the foregoing description of motoring conditions, the small-engined, highly-refined, super-efficient type of car, so popular in Europe, is not the most in favour in Egypt. Cars are frequently in use to give the family an airing, and as Egyptian families are inclined to be large, the car, too, must be roomy and well-sprung. And since a large part of the driving is in city traffic, or on much used country roads, it is an advantage to have a comparatively slow-running, flexible engine, which will throttle down to a crawl and get away again smoothly without the necessity for changing gear. In these conditions the popularity of the American light six-cylinder car, which fulfils Egyptian conditions so admirably, is easily understood.

Nevertheless, there is a fairly large and an increasing market for the British light car. During the last three years Morris Motors have been making a bid for Egyptian business and, if the results may be judged by the number of Oxfords and Cowleys seen on the streets of Cairo and Alexandria, their effort has been fairly successful. At the same time there is a market, though a limited one,

FOREIGN EXCHANGES.

Country.	Method of Quoting.	Parity of Exchange.	Latest Quotations.
Alexandria.....	Piastre to £	97½	97½
Athens	Drachmæ to £ ...	25.22½	376
Belgrade.....	Dinars to £	25.22½	276
Berlin	Marks to £	20.43	20.46½
Berne	Francs to £.....	25.22½	25.22
Bombay	Sterling to Rupee	24d.	17 59/64—61/64
Brussels	Belga to £.....	35	34.87½
Bucharest	Lei to £	25.22½	805—810
Budapest	Peu to £	27.82	27.76½
Calcutta	Sterling to Rupee	24d.	17 59/64—61/64
Constantinople	Piastres to £	110	945—960
New York	Dollars to £	4.86 2-3	4.85 1/16—½
Paris	Francs to £.....	25.22½	123.95—124
Prague	Kronen to £.....	24.02	163 11/16
Rome	Lire to £	25.22½	110—85
Sofia	Leva to £	25.22½	668—678
Teheran	Krans to £	52	49½
Vienna	Sch to £	34.58½	34.45—34.47
Warsaw	Zloty to £	25.22½	42—45

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for British cars of the very highest class, such as the Daimler, Rolls-Royce and Lanchester, and the two former makes have for years been very well-known and very highly favoured here. The Armstrong-Siddeley (which is not represented in the present show) is also becoming well-known here.

From the British manufacturers' point of view the Egyptian market is a difficult one. Although motor imports have increased steadily in each year since the War and will undoubtedly go on increasing, the potential sales are hardly large enough to justify any one maker from launching out on any very large scale here. Yet attractive showrooms and a liberal system of payment by instalments are essential if British firms are to withstand the competition of American, French and Italian makers who have recognised the value of these assets. It almost seems that there are too many makes of British light cars, all of high quality, but all very much alike so far as specification, price and performance are concerned. The effective way to meet foreign competition in the Egyptian market would seem to be for a group of British firms, representing a comprehensive range of cars, to combine forces and to establish a really adequate agency here, with attractive showrooms and sufficiently capitalized to offer attractive purchase terms. That is, essentially, the plan of the General Motors Corporation, whose success in selling cars here has been one of the outstanding features of the last few years. If British manufacturers would adopt similar methods they might hope for a fair share of the Egyptian trade. But if twenty or thirty British makers attempt to share between them the comparatively limited market for British cars here it is unlikely that any of them will find the experiment a very profitable one.

PALESTINE CROP PROSPECTS.

The Director of Agriculture and Forests in Palestine, in his report on crop prospects in January, says:—

Climatic conditions have been extremely unfavourable in Southern Palestine during the last month. The situation in the Beersheba area is exceptionally grave and was unaffected by a light shower amounting to 1.5 millimetres on January 13. A complete failure of the barley crop in this district is probable, while the almost total lack of pasturage has already resulted in the loss of some 40 per cent. of the sheep and goats.

Exceptionally strong gales and sandstorms also caused great damage to fruit trees, vegetables, and cereals in the Jaffa District. On the other hand, the general position has improved during the last few days by showers varying from 30 to 37 millimetres over the central portion of the southern zone from Hebron to Gaza.

In the northern sector the weather has been much more propitious. In a few places beans are above ground; farmers are taking advantage of the fine weather to complete sowing of beans, lentils, and kersenneh, and it is expected that owing to the lateness of the season and the prospect of favourable late rains, seeding operations will be continued up to the middle of February.

Oranges.

The Jericho groves were unaffected by the stormy weather which occurred elsewhere and prices are good. In Gaza severe damage

was caused by gales and the yield reduced by from 10 to 12 per cent. In the neighbourhood of Jaffa the damage was more extensive, the loss amounting in some cases to 20 per cent. Much of the unpicked fruit was bruised and rendered unfit for export to the United Kingdom.

TENDERS INVITED.

Tenders are invited for the following contracts, and must be made by the dates mentioned.

(Particulars of tenders marked D.O.T. are to be obtained from the Department of Overseas Trade, 55, Old Queen Street, S.W.)

EGYPT.

Centrifugal Pump, Etc.—The Director-General of Prisons, 43, Sharia El Bustan, Cairo, invites tenders for the supply of high lift centrifugal pump, fire hydrants, chemical fire extinguishers and air-moistening machine required for the spinning machine workshop at Delta Barrage Prison, April 12.

Tents, Etc.—The Surveyor-General of Egypt, Giza (Mudiriya), invites tenders for the supply of tents and shamsias for same, April 29; document and map printing paper, May 3; calico and Shash, May 9.

Police Clothing and Stores.—The Egyptian Ministry of the Interior invites tenders for the supply of clothing and necessities required for the Police and Ghafir services during the financial year 1927-1928. March 10. (D.O.T.)

Photographic Materials.—The Director, Equipment and Finance Department, Ministry of the Interior, Cairo, invites tenders for the supply of photographic materials. March 16.

Stationery Articles.—The General Management, Egyptian State Railways, Telegraphs and Telephones, Cairo Station, invites tenders for the supply of stationery articles for 1927-1928. Approximate cost between £E6,000-7,000. March 22.

Paper.—The Controller-General, Administration and General Stores, Ministry of Finance, invites tenders for the supply of paper, binding materials, and metals required by the Government Press for 1927-1928. March 17.

TURKEY.

Motor Cycles.—The British Commercial Secretary at Constantinople reports that according to the local Press one of the Government Departments in Constantinople has decided to purchase 28 motor cycles. (D.O.T.)

FORTHCOMING SAILINGS.

The following are the sailings for the Near East and India, the ports of departure and closing dates for cargo being given in parentheses:—

Anchor Line.—S.s. Britannia for Bombay (Birkenhead, March 10). (For passenger sailings and dates see advertisement.)

Anchor Brocklebank Line.—S.s. Anchoria for Port Said, Colombo, and Calcutta (Birkenhead, March 5).

Bibby Line.—S.s. Gloucestershire for Port Said, Colombo, and Rangoon (Birkenhead, March 9).

British India Line.—S.s. Querimba for Bombay and Karachi (London, March 12); s.s. Movada for Colombo, Madras, and Calcutta (London, March 12).

Cunard Line.—S.s. Cypria for Gibraltar, Malta, Patras, Calamata, Piræus, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza, also Algiers and Volo if inducement offers (Liverpool, Glasgow, and Swansea, March 5); s.s. Pavia for Gibraltar, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Gruz, Venice, Trieste, and Fiume, also at Corfu and Ancona if inducement (Liverpool March 10, Swansea March 22).

Johnston Line.—S.s. Kenmore for Piræus, Volo, Salonika, Smyrna, Constantinople, Bourgas, Varna, Constantza, Sulina, Galatz, and Braila (Liverpool, March 12).

P. and O. Line.—S.s. Ranchi for Bombay (London, March 4); s.s. Nankin for Colombo, Madras, and Calcutta (London, April 2).

Prince Line.—S.s. Lancastrian Prince for Malta, Alexandria, Jaffa, Haifa, Beyrout, Tripoli, Alexandretta, Mersina, Famagusta, Larnaca, and Limassol (London, March 9); s.s. Egyptian Prince for Tunis, Malta, Alexandria, Syrian Coast, and Cyprus (Manchester, March 10).

Ellerman and Papayanni Lines.—S.s. Manchurian for Gibraltar, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Gravosa, Ancona, Venice, Trieste, and Fiume (Liverpool March 5, Swansea March 8); s.s. Egyptian for Malta, Alexandria, Jaffa, and Haifa (Newport March 7, Liverpool March 16); s.s. Algerian for Gibraltar, Malta, Patras, Piræus, Volo, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza (Liverpool March 10, Swansea March 10); A steamer for Gibraltar, Malta, Alexandria, Jaffa, and Haifa (Glasgow, March 21); s.s. Assyrian for Gibraltar, Malta, Alexandria, Jaffa, and Haifa (Liverpool March 23); s.s. Mardinian for Algiers, Piræus, Volo, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza (Liverpool, April 2).

* Subject to sufficient inducement. Transshipments.—Algerian ports via Algiers; Moroccan ports via Gibraltar; Tripoli (Barbary) via Malta; Syria and Cyprus via Alexandria; Greek outports via Piræus or other convenient port; Fiume via Trieste.

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THE WEEK'S FINANCE.

(By Our Financial Expert.)

London, March 1.

Business has been quiet this week in the Stock Markets, and the phrase "China and the approach of the Budget restrict activity," must be used, and will, one fears, have to be used every week for some considerable time to come. But the general tone has on the whole been fairly firm, and Home Rails, curiously enough, have improved on the issue of unsatisfactory reports. The excitement in the oil share section, recently by far the most active in the house, has died away; but at the same time rubber share quotations have improved on a renewal of the attention which has been so conspicuously lacking in that market of late. Brokers are beginning here and there to suggest that we are about to see an old story re-told, namely a rubber share boomlet, following on the collapse of speculation in oil shares. But in this connexion one may say that the conditions in the rubber world are far too uncertain at present to justify indiscriminate speculation, although the well-managed companies continue, without doubt, to earn good profits.

Home Railway Accounts.

The reports of the four great British railways, for 1926, all of which have now appeared do nothing to temper the disappointment aroused by the dividend announcements, which showed that very heavy amounts had been withdrawn from reserves to pay greatly reduced dividends. By this policy the companies have preserved the "trustee" status of their senior stocks, but the size of the encroachments upon reserve funds, following withdrawals upon a smaller scale at the end of each of the three preceding years have been viewed with some misgiving. However, the market quotations of the junior stocks, which have now received only small dividends have not suffered, and in fact stand a little higher than they did before the announcements were made. At these prices the yields obtainable on the basis of the dividends for 1926 are, of course, very small indeed, but the outlook for the current year is regarded more hopefully and present prices discount the recovery in revenue which is expected to occur.

The year's accounts show that certain savings in expenditure were made possible under the heading of

wages by the reduction in staffs, which followed the General Strike. These economies, however, were partially offset by the increased cost of coal which had to be purchased abroad. The total saving in expenditure varied considerably, namely from 9 per cent. in the case of the Great Western to 2.4 per cent. in the case of the Southern. The decreases in net income were as follows: London Midland and Scottish, from £18 millions in 1925 to £9.4 millions; London and North Eastern from £10.1 millions to £4.6 millions; Southern, from £6.4 millions to £5.2 millions; and Great Western from £7.1 millions to £2.7 millions. The year's earnings in the case of the L.M.S. provided less than half the amount required for payment of dividends on guaranteed and preference stocks, while in the case of the L.N.E.R., fixed charges were barely covered. This company, it will be recalled pays only $\frac{1}{2}$ per cent. on its preferred ordinary stock, which has hitherto received 5 per cent. A year ago one per cent. was paid on the deferred ordinary stock. The Great Western earned less than one-third of the amount required for preference and guaranteed dividends, but the Southern earned more than half the amount paid in ordinary dividends.

The Prudential Millions.

The report of the Prudential Assurance Co., for the year 1926 is again a very satisfactory one, fresh new records having been broken, in spite of the effects of the labour troubles of the year upon saving power of the working classes. In the "Industrial" branch the premiums collected increased by £199,400 to over £16 millions and in the Ordinary branch the new business was nearly £15 millions, producing new annual premiums of £955,200. Total income for the year was over £38½ millions, representing an increase of £1,744,400 over 1925 and £4,161,000 over 1924. The surplus arising from life business was £7,810,400 against £7,087,800 a year ago, and from this £1 million was again carried to the investment reserve and £250,000 to the common contingency fund. In the Ordinary branch a bonus of 44s. per cent. has been declared, while the scale of bonus in the Industrial branch has been improved in respect of old policies. The expense ratio in the Industrial branch has been further reduced to 25.9 per cent. of the premium income. The amount allocated for dividend on the "A" shares of the Company is £875,000 representing 87½ per cent. against 85 per cent. The "B" shares still go without a dividend. They depend for dividend on 75 per cent. of the profit of the General Fund. The General branch accounts last year resulted in a slight debit balance owing to the transfer of £100,000 to the Marine Fund. That the Prudential stands in a class by itself will be realised from the magnitude of its assets, which stand in the latest balance sheet at no less than £199 millions, representing an increase of £13½ millions over 1925 and of £28 millions over 1924.

British Investors and Canadian Mining.

In the course of his address at the recent meeting in Toronto of the Empire Club, Dr. Mackintosh Bell, the managing director of two well-known British-Canadian mining enterprises, referred to the comparatively small part played by home capital in the development of Canada's mineral resources. He urged the London Press to deal with the Hollingers and the Lake Shores (marked successes) rather than to continue to dwell upon those that have been unsuccessful. Unfortunately there is a flaw in the argument. It consists in the fact that the British capital never had the opportunity of participating in the successful enterprises on anything like ground floor terms, whereas it was invited to subscribe for shares in the companies which turned out so badly. An example coming under the former heading is the Keeley Silver. When these dollar shares were introduced on to the London market, they were rushed up to 9s.—a figure which has never since been seen. True the purchasers have in the meantime received fair dividends: but they could not sell without incurring a substantial loss.

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THE BRITISH INDUSTRIES FAIR.

Great Volume of Orders.

(From Our Own Correspondent.)

It is, of course, too early to attempt to sum up the results of the Fair, but the results of the first week, both at the White City and Birmingham, have been fully in accordance with expectations. Something like 50,000 visitors have been to the White City, while the visitors at Birmingham have been about the same number, and at both centres orders have been placed on a large scale. It is estimated that the business done at Birmingham represents approximately £1,500,000, while at the White City the story of excellent orders placed comes from stand after stand. In short the Fair is beginning to justify itself to the full as a medium for the promotion of trade, and it is assuredly a fixture for the future, and as the world settles down more and more after the War it should become to an ever increasing extent a really valuable instrument of British trade endeavour. Everyone is familiar with what Leipsic did for German commercial development before 1914, and there are infinitely greater possibilities for the British Industries Fair than there were for Leipsic.

I was only able last week to touch on a few of the many attractions presented by the stands at the White City. One of the most comprehensive sections is that devoted to sports goods and clothing; indeed, I think this section has expanded more than any other. It has always been a mystery to me why Great Britain, the mother of all games, has not played a greater part in the overseas outlets for sporting equipment, particularly in regions like the Near East, and I am constrained to hope that the goodly array of stands in this section is an indication of a growing determination on the part of our manufacturers to extend their export trade. It would be superfluous to enumerate the firms in this section, for most of the well-known manufacturers of sporting equipment are represented. Badminton racquets, billiard tables, croquet sets, fives balls, golf clubs, hockey sticks, and tennis racquets are but a few of the objects which meet the eye in profusion. It is a display calculated to make the athlete envious.

Another section which is much more comprehensive this time is that devoted to textiles and clothing. In view of the opportunities for trade in tropical wear it is surprising that this section has not been more extensive on previous occasions. Here a notable stand is that of the Argus Clothing Company, who show tropical and sports wear and also rainproofs and waterproofs. Another stand of interest is that of the Bihar and Orissa Cottage Industries where are to be seen such things as silk rugs, scarves and shawls, and cotton hangings and quilts.

In the pottery and glassware section, as I pointed out last week, there are a wealth of attractive stands. I would instance that of Messrs. A. G. Harley Jones, who show a most pleasing selection of vases, bowls, etc., in Wilton powder blue, also some charming dinner ware. Another specially notable stand is that of Messrs John

Walsh Walsh, Ltd., showing a wonderful range of table and decorative crystal glass-ware. A glance at this stand is an object lesson in the ornamental value of glassware. Finally, at the stand of the Palestine Arts and Crafts is to be seen a choice range of Palestine pottery, glassware, jewellery, etc.

The remainder of the sections are fully up to the high standard of those I have already described. I do not propose to go through them in detail, but to content myself with a few examples to illustrate the extensive range of the Fair to-day. In the fancy goods section mother-of-pearl articles are to be seen at the stand of Joseph Alonzo, and also at that of the Palestine Arts and Crafts to which I have already referred. Messrs Veerasawmy and Co., have a stand in the section devoted to foodstuffs and beverages showing their well-known products such as chutneys, Indian pickles, etc. Another notable exhibitor in the section is the Dublin Distillers Co., Ltd., whose exhibit is a reminder that "Scotch" has a very active rival for popularity in "Irish."

COMPANY NOTES AND REPORTS.

IMPERIAL BANK OF INDIA.

The report for the half-year ended December 31 states that the period has been characterised by abnormally dull trade conditions, low prices of staple produce and a protracted jute season, all of which combined to bring about a glut of money in the market and rendered it extremely difficult for the bank to find remunerative employment for its resources. The Bank rate remained unchanged at 4 per cent. throughout the half-year as against 4.701 for the corresponding period of 1925. The net profits of the bank for the half-year amounted to Rs.35,49,327-13-4, which, with Rs.29,50,273-7-4 brought forward from the half-year ended June 30, 1926, made a total of Rs.64,99,601-4-8. This sum the governors of the bank disposed of as follows:—(1) In payment of a dividend to the shareholders at the rate of 16 per cent. per annum free of income tax, Rs.45,00,000; (2) transferred to reserve funds, Rs.7,75,000; (3) transferred to pension funds, Rs.3,00,000; (4) carried forward to the profit and loss account of the current half-year, Rs.9,49,601-4-8; total, Rs.64,99,601-4-8.

SERBIAN PRE-WAR DEBTS.

Repeated attempts have been made to obtain a settlement of commercial pre-war debts owing to British creditors by Serbian (now Yugoslavian) debtors, but the Moratorium Law passed by the S.H.S. Government in 1920, which provided for the payment of these debts on terms quite unacceptable to creditors, has stood in the way. It is believed, however, that Serbian debtors are anxious to reopen negotiations, and the London, Manchester, and other Chambers of Commerce are collecting particulars from creditors with this object in view. Creditors in London should communicate with the London Chamber of Commerce.

The traffic receipts of the South Indian Railway Company for the week ended January 29 amounted to Rs.9,56,685, making the total from April 1 Rs.4,31,60,343.

The traffic receipts of the Egyptian Delta Light Railways for the eleven days ended January 31 amounted to £E9,902, making the total from April 1 £E282,844. For the corresponding periods of the previous twelve months the totals were £E12,833 and £E302,073.

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Company Meeting.

MANCHESTER SHIP CANAL COMPANY.

Great Increase in Traffic.

Mr. Bacon's Speech.

The sixty-ninth ordinary general meeting of shareholders of the Manchester Ship Canal Company was held on February 23 in the Houldsworth Hall, Manchester.

The chairman (Mr. W. C. Bacon), in addressing the shareholders, said:—All chairmen in dealing with the accounts of their respective companies for the past year have been under the painful necessity of referring to the general strike in May last and the coal strike and the effect which they have had on the fortunes of their companies.

Undoubtedly the general strike and the first two months of the coal strike had their effect on the company's revenue with the result that there was a decrease in merchandise tons of 56,163, and of £31,291 in revenue up to June 30 last.

In the second half of the year I am glad to say, as you will have seen from the accounts, that this decrease was not only wiped out but we had a substantial increase both in gross tonnage and revenue and in net revenue for the year as a whole.

As you are aware, the coal strike led to large importations of coal to this country and over 1,200,000 tons of coal were imported at the Port of Manchester; in fact, it is not too much to say that your Port, as in the War, once more demonstrated its usefulness in times of national emergency. I know as a fact that we were of the utmost benefit to the gas, electricity, and commercial undertakings of this district.

Against this import of coal, however, there was a loss in export of coal of about half a million tons, but the remarkable fact is that, in spite of the coal strike, other traffic—taking the year as a whole—was wonderfully well maintained and whilst there were decreases in some commodities there were counterbalancing increases in others, and ignoring coal imports and exports there was an actual increase of tons passing over the waterway as compared with the previous year. Some of the increases may have been indirectly attributable to the coal strike, but, as I have said, our regular traffic kept up surprisingly well.

Record Tonnage.

As stated in the report, the total weight of seaborne traffic on which Ship Canal tolls were paid amounted to 6,533,780 tons, which is the largest tonnage using the Port of Manchester in any year since it has been open for traffic.

This is an increase of 911,375 tons as compared with the previous year, which up to then was the highest on record.

The receipts from Ship Canal tolls, ship dues, and miscellaneous receipts were also the highest on record for any year since the Port has been open, and amounted to £1,592,219—an increase of £98,675 over the previous year.

Expenditure in the working of the Ship Canal showed an increase of £18,514, as compared with the previous year, which was chiefly incurred in the dredging of the Ship Canal, repairs to machinery and works, and cost of working tugs, the last named being a charge under traffic expenses.

The increased cost of coal during the latter half of the year is for the most part the explanation of the increases in expenditure.

I may mention that taking all departments, including the Ship Canal, working of dock labour, working of the company's railways, and of the Bridgwater undertaking, the extra cost of coal amounted to upwards of £40,000, so that whilst the Port undoubtedly benefited by the imports of coal it would be a mistake to attribute the improved result for the year wholly to this source. The satisfactory feature

is, as I have already stated, that other traffics have been well maintained.

Take cotton, for instance: although we do not get anything like the quantity which we ought to do having regard to the facilities we provide, the amount was practically the same as the preceding year. Grain, too, was as nearly as possible the same as last year, there being only a slight decrease.

The Bridgwater canals were much more seriously affected by the strikes than the Ship Canal.

Increase in Net Income.

The final result for the year was a net income from the whole undertaking of £962,841, as compared with £889,273 for the previous year.

Adding £33,017, the amount brought forward from the previous year, to the net income of £962,841 for 1926—

there is a total of £995,858

From which must be deducted:—

Interest, rentals, and other fixed charges £459,720

Leaving a balance of £536,138
(after payment of fixed charges)

Out of this sum there has been appropriated to reserve for contingencies and repairs £80,000

Leaving a balance available for dividends of £456,138

The dividends recommended for payment are:—

3½ per cent. on the Manchester Ship Canal Corporation

Preference stock

5 per cent. on the Preference shares

5 per cent. on the Ordinary shares of the company

amounting in total to £424,702

Leaving a balance of £31,436

to be carried forward to next year's account.

The reserve for contingencies and repairs at December 31, 1925, amounted to £104,678

Against this has been charged £24,904

for the cost of repairs to the Northwich Road swing bridge and repairs of lock sluices at Barton and Irlam

Leaving a balance of £79,774

to which must be added the £80,000 appropriated out of the year's accounts

making a total at December 31 last of £159,774

The £80,000 is the largest amount yet put to reserve out of any one year.

Capital Expenditure.

During the year capital expenditure amounted to £528,578

The details are fully shown in Account No. 5, the two principal items being construction of wharf, transit sheds and ancillary works at Ellesmere Port £116,245

Construction of reinforced concrete sheds north of Dock No. 9 £138,337

I am glad to say that one of the transit sheds at No. 9 dock is now complete and is in use. The other one will be completed within a few months.

These sheds will be extremely useful, and it is rather disappointing that there has been considerable delay owing to strikes and other causes in the completion of this work.

The new offices at the docks are practically complete and are already partially occupied.

The new head offices are nearly complete and we hope to enter into

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occupation in the course of the next three or four months.

At this point may I again draw your attention to the Manchester Ship Canal bonds at present being issued by the company? They carry interest at 5 per cent.

The bonds are issued at par from £50 and upwards for five, seven, or ten years to suit the convenience of lenders.

These bonds are very well secured and I can confidently recommend them to any shareholders who have money available.

Parliamentary.

As stated in the report, both the company's Bills of last year received the Royal assent.

You will remember that the General Powers Bill, in addition to giving power to the company to acquire certain lands, provided for the sub-division of the original preference and ordinary shares, amounting in total to 800,000 £10 shares, into 8,000,000 of £1 each.

In connexion with Parliamentary matters I may say that we have just found it necessary to present petitions against the Bills in Parliament promoted by the Liverpool Corporation, Birkenhead Corporation, and the Wallasey Corporation.

All these three corporations seek to extend their boundaries. The particular point on which we are specially interested is that at present all the sewage and solid matter from these districts goes into the Mersey without any treatment and it seriously hampers the work of the Mersey Docks and Harbour Board, who have charge of the conservancy of the river, and also of this company, who have to maintain the entrance channel at Eastham and other entrances to the Ship Canal. The company is vitally interested in the maintenance of a good access to the port through the Mersey estuary.

Traffic Developments.

The regular lines of steamers running between Manchester and various ports have been maintained during the past year, although in most cases with the utmost difficulty during the coal strike, owing to the scarcity of bunker coals.

The Canadian weekly service has been regularly maintained by our friends the Manchester Liners, who have run the service continuously for 29 years.

I am informed that they now run faster steamers available for this service, which will appreciably shorten the time for delivery of goods between the Ports of Montreal and Manchester.

A new development is the establishment by Messrs. Houlder Bros. and the Manchester Liners of a regular service homewards from the River Plate to Manchester direct. For many years there has been a demand for such a service and we hope that now the opportunity is given to our importers they will take advantage of this new service by ordering their produce bought in the Argentine to be shipped directly to Manchester.

I have referred in previous years to the efforts being made to establish direct importations of tea to Manchester. The tea imports last year were well up to the average of previous years, and it is interesting to note that one of the firms who are large importers of tea direct to Manchester are now engaged in an extensive advertising campaign, from which it would appear that they appreciate the benefit to northern consumers of tea by importing directly to Manchester.

In passing, I would venture to suggest that the arguments used in favour of direct import to Manchester of tea as compared with importing to London equally apply to other foodstuffs and produce. For instance, dead meat, the import of which is largely centred in London and afterwards finds its way to the vast consuming centre of which Manchester is the nearest port, the consumer eventually having to pay this extra cost of transit.

Prospects.

You will expect me to say something about the prospects for the coming year.

So far I am happy to say our traffic and revenue are keeping up. For January, compared with the same month last year, we had an increase in tonnage and about £10,000 in revenue, which I think you will agree is a satisfactory start for the current year.

There seems to be a general feeling of optimism that trade is improving, and therefore we have every reason to hope for maintaining, if not, indeed, improving, our position.

On every hand we hear of more inquiries for machinery, manufactured articles, and cotton goods, and in the shipbuilding trades many orders have been placed which will keep the yards busy for months, and this, of course, has its effect upon the steel, iron, and other industries.

The electrical industry is also very busy, and altogether the general outlook is brighter than it has been for some years.

As regards tons of merchandise, we shall not have the large import of coal which we had last year, but, on the other hand, against this there will be some off-set if, as we hope, the normal exports of coal are resumed.

Coal, of course, being low-class traffic, bears comparatively small toll, and therefore even if we were not able to maintain or improve on the record tonnage of last year we may still reasonably expect that improved traffic in other directions carrying higher rates of toll will more than maintain the company's revenue.

We shall, as I have already said, have the two new sheds at the docks in full use before the end of the year.

As regards the works at Ellesmere Port, however, although it is anticipated that they will be completed before the close of this year, they will not be ready in time to have any appreciable effect on this year's revenue.

It is to be hoped that industrial peace will prevail in the whole country—indeed in the whole world—for disturbance in any industrial centre has its effect over every industrial country and affects the cost of living very considerably and brings consequent unrest.

I should wish to put on record our thanks to the shipowner friends who have supported us so loyally year after year, and also our importing and exporting friends who have made such good use of the port and facilities provided.

Efforts are constantly being made to augment the flow of traffic through the port of Manchester.

It would not be wise for me to explain any of the detailed efforts which are constantly being made by all concerned, because to do so would not be in the best interests of the objects which we have in view.

Our success in the past may have been in some measure contributed to by the fact that instead of advertising in advance what we hope to do we get on with the business, and I am able to report to you annually what the results of our efforts have been.

The report and accounts were adopted.

Cotton and Cotton Goods.

THE LIVERPOOL COTTON MARKET.

Messrs. Reynolds and Gibson report as follows for the week ended February 23:—

Egyptian Futures.—Sakel Contract.—The improved undertone to which we drew attention last week has been well maintained during the recent session, and under the influence of some fairly substantial short covering operations, and in a minor degree a certain amount of fresh speculative purchases, mainly for Continental account, values have had a hardening tendency, to-night's close showing an appreciation of 23 to 30 points for near positions and 31 to 34 points for the later summer and new crop options.

Whilst no doubt the sustained activity witnessed in the offtake of all varieties of cotton has had, and is having, a sympathetic influence affecting sentiment in this market, we are now beginning to feel the backing of a more substantial factor; we refer to the developing trade interest in finer counts, and would say that during the past week more business has been done in Sakel cotton than for some time past. Whilst this movement is in the right direction, it must be confessed that we have a considerable leeway to make up as a result of the comparative neglect experienced since the marketing of the present crop. This is manifest by the action of the Alexandria market, where supplies are weighing heaviest: in the ordinary course of events, the modest advance that has taken place during the past few days would have been construed into a very "bullish" point on the other side; however, there is so much cotton still unsold at this comparatively late period of the season that holders are apparently only too anxious to take every opportunity of working off some of the surplus. The result of the above is that the two markets have widened out somewhat, and we should not be surprised to see the movement there as the local Sakel stock is running well below normal and also because at the present levels the contract will probably be unaffected by the Sudan arrivals.

The bulk of the short covering which has come into

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the market has been mainly concentrated on the March position, and although at one time this month dropped back again to a discount with the later options, the subsequent support from the above-mentioned source quickly re-established previous differences.

Trade reports have again been more than satisfactory and spinners continue to be working into a better position; however, although an improvement is noticeable, we still rather doubt if the Egyptian section are getting their full quota of the business transacted.

To conclude, we consider that the outlook all round is beginning to justify more decided "bullish" views, and on this account we would certainly recommend purchases should prices ease from the ruling level.

Upper Contract.—Although only a few isolated transactions have taken place in this option during the past week values have shown a gradual appreciation, the chief factors contributing to this being the continued firmness of the American markets and also the consistently satisfactory trade offtake experienced. The Alexandria market for the Upper varieties is remarkably firm and business can only be negotiated at a full basis. It will be noticed that trading in the new contract for deliveries from October onwards has now commenced. The scope in this option has been enlarged by the lowering of the Liverpool standards, which heretofore have been practically a full

grade higher than the corresponding Alexandria grades. For the new contract, the Liverpool boxes have been, roughly speaking, lowered by about half a grade, perhaps the difference being more pronounced in Good Fair. This, of course, means that far more cotton comes within the tradeable range, and, as a result, freer trading and increased attractiveness to both spinner and importer should ensue. In addition to this, the fact that Pilon standards have now been made up and will be officially quoted from October 1 onwards, will also help to this end. We still consider that the probability is for values to harden as the season advances and on this account would recommend conservative purchases.

Egyptian Spot.—A healthy inquiry has been in evidence and some slight improvement in the (Egyptian) spot sales has been noted. Uppers at from 8½d. to 11.00d. have formed a very large proportion of the demand, with most of the actual business taking place between 10.00d. and 10½d. This week Sakellaridis cotton has attracted rather more attention, but it still continues to move off very slowly as compared with other growths. Fully Good Fair cotton at from 13½d. to 14.00d. has been the most popular range. Prices on the whole have remained very steady. Pilon has continued in quiet request, with business passing up to 12½d. Prices for Pilon have hardened recently.

Stock and Share Markets.

LONDON EXCHANGE		Prices on Feb. 28	Railways.		Prices on Feb. 28	Coal.		Prices on Feb. 9
Government Stocks.								
Egyptian 4 p.c. Unified Debt	...	82½	Assam-Bengal	...	80½	Baraboni	...	31/16
Do. Pref. 3½ p.c. 1890	...	72½	Bengal Nagpur	...	99½	Bengal	...	482½
Do. Turk 4 p.c. 1891	...	85½	Egypt Delta Light Rly.	...	4 15/16	Burrakur	...	19
Do. 3½ p.c. Eg. Trib. Bonds '94	...	78½	Southern Punjab	...	195½	East Indian	...	22½
Greek 5 p.c. 1881	...	55½				Equitable	...	199/16
Do. 5 p.c. 1884	...	55½				Pench Valley	...	25½
Do. 4 p.c. Rentes, 1889	...	45½				Raneegunge	...	31½
Do. 5 p.c. 1890	...	55½				Standard	...	32½
Do. 5 p.c. Funding Loan, 1893	...	55½						
Do. 4 p.c. Rails, Loan, 1902	...	53						
Do. 4 p.c. Loan, 1910	...	53½						
Do. 5 p.c. Loan, 1914 (Lon. issue)	...	67						
Do. 7 p.c. 1924	...	97						
Persia 5 p.c. 1911	...	80½						
Roumania 4 p.c. Ext.	...	70½						
Do. 4 p.c. Consolidation	...	45½						
Sudan 3½ p.c. Guar. Bds.	...	108½						
India 3½ p.c.	...	69						
Do. 3 p.c.	...	59½						
Do. 2½ p.c.	...	50						
Do. 5½ p.c.	...	101½						
Do. 4½ p.c.	...	91						
Turkish 4 p.c. Unified	...	23½						
Banks.			Rubber.			Cotton.		
Agri. Bank of Egypt	...	7½	Ceylon Para Rubber Ord.	...	15/9	Bengal Nagpur	...	2½
Bank of British West Africa	...	4½	Doolgalla (Ceylon) Rub. Est.	...	20/-	Bombay Dyeing, etc.	...	930
Bank of Roumania	...	80/3	Grand Cent. (Ceylon) Rubber	...	46/-	Bowreah	...	350
Barclays Dom. Col. Pf.	...	29/7½	Hewagum Rubber Co.	...	25/1½	Buckingham and Carnatic	...	200
Lloyds	...	61/4½	Kepitigalla Rubber Estates	...	3/1½	Cawnpore Textiles	...	3½
P. and O. Banking	...	10	Malayalam Rub. and Produce	...	40/9	Century	...	427½
Eastern	...	63/16				Central India	...	523½
Chartered Bank of India	...	19½				Elgin	...	92
Ottoman Bank	...	10				Khatau Makanji	...	100
Imperial Bank of Persia	...	9½				Muir	...	292
Land Bank of Egypt Ord.	...	12½				New Ring	...	210
Westminster	...	18½				Phoenix	...	340
National Bank of Egypt	...	37½				Svadeshi	...	528½
National Bank of India	...	48						
Land.			Shipping.			Jute.		
Kassala Cotton	...	8/9	Anchor 3½ p.c. Prf.	...	89/32	Alliance	...	582
Sudan Plantations	...	4½	Cunard	...	19/-	Barnagore	...	229
Mines.			Furness Withy	...	36/6	Budge Budge	...	523
Balaghat Gold Mining	...	3/-	Khedivial Mail Ord.	...	1	Clive	...	39½
Burma Corp.	...	13/6½d	P. and O. Deferred	...	260	Dalhousie	...	472
Champion Reef Gold	...	11/9				Delta	...	604
Mysore	...	15/3				Fort Gloster	...	985
Nundydroog	...	9/9				Gourepore	...	765
Ooregum Gold Mining Ord.	...	15/-				Howrah	...	46½
Oil.						Kamarhaty	...	697
Anglo-Egyptian B	...	19/32				Kankannarrah	...	546
Anglo-Persian Ord.	...	5½				Khardah	...	503
Do. 8 p.c. Cum. 1st Pf.	...	25/3				Kinnison	...	1,040
Do. 9 p.c. Cum. 2nd Pf.	...	28/-				National	...	34
Do. 5 p.c. Debs.	...	95				Standard	...	475
Brit. Burmah	...	8/7½				Union	...	611
Burmah Oil Co. Ord.	...	71/16						
Do. 8% Cum. Pref.	...	26/9						
Phoenix Oil and Transport	...	26/3½d						
Steaua Romana	...	14/10½						
			Tea.			Miscellaneous.		
			Assam Co.	...	40/6	British India Corporation	...	4½
			Bengal United Tea Ord	...	2 11/16	Bengal Paper Mills	...	38½
			Bramapootra	...	33½	Bengal Timber Trading	...	129
			British Indian Tea Ord.	...	251/16	Burn and Co.	...	240
			Cachar and Doars Tea Ord.	...	315/16	Cawnpore Sugar	...	24½
			Ceylon Tea Plantations Ord.	...	6½	Champaran Sugar	...	210
			Consolidated Estates	...	4½	Howrah Oil Mills	...	12½
			Darjeeling Co.	...	23/16			
			Dimbula Valley (Ceylon) Ord.	...	39/16			
			Doars Tea Ord.	...	39/16			
			Dooloogram Tea	...	1½			
			Doom Dooma	...	4			
			East Assam	...	311/16			
			Empire of Ind.	...	213/32			
			Halem Tea	...	2½			
			Jhanzie Tea Association	...	4			
			Jokai (Assam) Tea Ord.	...	45/16			
			Lanka Plantations Ord.	...	211/32			
			Lungla (Syhet) Tea Ord.	...	19/32			
			Nuwara Eliya Tea Estates Ord.	...	51/16			
			Pabbojan	...	6½d			
			Scottish Assam	...	1 25/32			
			Upper Assam	...	2 15/32			
			Insurance.			ALEXANDRIA		
			General Accident Fire and Life (£5, £1½ paid)	...	87/16	Prices on Feb. 18, supplied by G. L. Mortera, Alexandria & Cairo.		
			London & Lancs (£5, £1 paid)	...	22	Agricultural Bank of Egypt	...	£7½
			Royal Exchange (£1)...	...	7½	Alexandria Water Co.	...	£651
			Sun Fire £10 (£2 paid)	...	24½	Assor. Cotton Ginners	...	£14½
			Trade Indemnity (£10)	...	14½	Bethra Ord.	...	£1
			Miscellaneous.			Ciments d'Egypte	...	£161/16
			Alexandria Water Co.	...	14	Div.	...	Frs. 132
			Associated Cotton Ginners	...	7½	Comptoir Fin. & Com. d'Egypte	...	£ 5/16
			Egyptian Hotels	...	25/6	Credit Foncier Egyptien	...	Frs. 996
			Do. Markets Ord.	...	22/-	Fondateur	...	£ 2150
			Do. Salt and Soda	...	83/16	Crown Brewery Priv.	...	Frs. 100
			Mortgage Co. of Egypt 5 p.c. Pref.	...		Filature Nationale d'Egypte	...	£587/32
			INDIAN EXCHANGES.		Prices on Feb. 9	Frigorifique d'Egypte	...	£5½
			Government Loans.		Rs.	Immeubles d'Egypte Soc. An. des	...	£137/16
			3½% Government Paper	...	77½	Land Bank of Egypt Actions	...	£150
			Banks			Parts de Fond	...	£150
			Imperial Bank of India	...	1,465	Menzaleh Canal Navigation	...	Pt. 340
			Bank of India	...	77½			
			Central Bank of India	...	29½			

THE IMPERIAL BANK OF PERSIA

(Incorporated by Royal Charter, 1889.)

CAPITAL (fully paid) - £650,000 | RESERVE - - - £470,000
Reserve Liability of Shareholders, £1,000,000.

Branches in Persia:—
Abbadan, Ahwaz, Barfrash, Birjand, Bander Abbas, Burujird
Chief Office in Persia—TEHERAN.
Bushire, Duzdab, Hamadan, Isfahan, Kazvin, Kerman, Kermanshah, Masjed-Suleiman, Meshed, Mohammerah, Nosratabad (Seistan), Pehlevi, Resht, Shiraz, Saltanabad, Tabriz, Yezd

Branches in Iraq (Mesopotamia):—Bagdad, Basra, Kirkuk.
Branch in India:—Bombay.
The Bank is prepared to transact Banking business of every description in and connected with Persia and Mesopotamia; and in London grants Drafts, Telegraphic Transfers and Letters of Credit, and negotiates or collects Bills on Persia and the Near East.

Head Office: 33-36, KING WILLIAM ST., E.C.4; Chief Office in Persia, TEHERAN

IONIAN BANK, Ltd.

Established 1839.

Capital Authorised - - £1,000,000
Capital Paid up - - - £600,000
Reserve Fund - - - £235,000
Total Assets - - - £5,663,445

HEAD OFFICE:

Basildon House, Moorgate, LONDON.

GREECE.

Central Office:

ATHENS.

25 Branches and Agencies.

CYPRUS.

NICOSIA, Larnaca and Limassol.

EGYPT.

Central Office:

ALEXANDRIA.

10 Branches and Agencies.

TURKEY.

CONSTANTINOPLE (Stamboul, with Sub Branch at Galata.)

Complete Banking Facilities for the Near East.

The Only British Bank in Greece.

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Local Head Offices:—

CALCUTTA, BOMBAY, MADRAS:

Managing Governors in India:—

Sir Norcot Warren, K.C.I.E.

Sir N. M. Murray.

Manager in London:—

Sir S. A. H. SITWELL.

Authorised Capital Rs. 11.25.00.000-

Paid-up Capital - Rs. 5.62.50.000-

Reserve - - - Rs. 5.00.00.000-

BANKERS in INDIA to the GOVERNMENT INDIA.

Branches in all Principal Towns in India.

London Branch - - - 22 Old Broad Street, E.C.2.

NATIONAL BANK OF INDIA, LIMITED.

Registered in London under the Companies Act of 1862, on the 23rd March, 1866

Established in Calcutta, 29th September, 1863.

BANKERS TO THE GOVERNMENT IN KENYA COLONY AND UGANDA.

AUTHORISED CAPITAL	£4,000,000	Paid-up Capital	£2,000,000
Subscribed Capital	£4,000,000	Reserve Fund	£2,850,000

HEAD OFFICE: 26, BISHOPSGATE, LONDON, E.C.2.

BRANCHES.

Aden	Calcutta	Colombo	Lahore	Rangoon	Eldoret	Kenya Colony (Brit. E. Africa)	Entebbe	Uganda
Aden, Steamer Point	Cawnpore	Delhi	Madras	Tuticorin	Kisumu		Jinja	
Amritsar	Chittagong	Kandy	Mandalay	Zanzibar	Mombasa		Kampala	
Bombay	Cochin (S. India)	Karachi	Newera Eliya		Nairobi, Nakuru			

TANGANYIKA TERRITORY—Dar-es-Salaam, Tanga.

The Bank purchases grants, advances against or collects Bills payable in India, Burma, Ceylon, Aden, Zanzibar, British East Africa, Uganda, etc., on current terms.
The Bank issues Drafts on its Branches, as well as on its Agents in the principal towns of India and Burma, Africa and elsewhere, and also sells Telegraphic Transfer on all its Branches, at the exchange of the day.

The Bank, on behalf of its Constituents, undertakes the collection of Furlough Pay and Pension from the India and Colonial Offices, the Custody of Government and other Securities, and the receipt of interest and Dividends thereon.

Powers of Attorney or other forms and any information required may be had on application to the Bank in London or any of its Branches.

The Bank receive Deposits for fixed periods not exceeding one year at rates to be obtained on application.

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Capital 24 millions Leva.

Reserves 1,705,000 Leva.

Branches:

Varna and Bourgas

Telegraphic Address:

"Bulcomit."

COMMERCIAL BANK OF GREECE

(A Limited Liability Company Registered in Athens.)

CAPITAL PAID UP - Drs. 47,107,000
RESERVE FUNDS - Drs. 57,091,594.50

The Assets include securities worth £1,000,000, which are valued at Drs. 25,000,000; that is at the rate of Drs. 25 per £1 only.

Head Office: ATHENS,**Branches:** Piraeus, Argos, Pyrgos, Patras, Corfu, Cephalonia, Nauplia, Vostizza (Aegion), Calamata, Syra, Chio, Candia, Volo, Salonica, Larissa, Triccala, Mitylene, Canea, Zante, Plomari, Tripolitza Rethymo.

Associated Bank in London :

The Commercial Bank of the Near East, Ltd., with branches at Alexandria and Constantinople.**AGENTS IN ALL PARTS OF GREECE, THE LEVANT, AND ABROAD.**

The Bank conducts every kind of Banking and Stock Exchange business, and extends special facilities to merchants and traders interested in business with Greece. It acts as Agent for many Foreign Banks. It is especially organised for Exchange transactions, the execution of mail and cable transfers throughout Greece, and for the collection of clean and documentary Drafts and Bills.

MERCHANDISE DEPARTMENT.

The Bank undertakes the warehousing and sale of goods consigned.

BANK OF ATHENS**Head Office: ATHENS.**

ESTABLISHED 1893.

BRANCHES IN GREECE, EGYPT, CYPRUS, AND ALBANIA,
Also LONDON, NEW YORK AND BOSTON.

Telegraphic Address: BANCATHEN

CHARTERED BANK OF INDIA AUSTRALIA & CHINA.38, BISHOPSGATE, LONDON, E.C.2
INCORPORATED BY ROYAL CHARTER**CAPITAL £3,000,000. RESERVE FUND, £4,000,000.**

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COLIN FREDERICK CAMPBELL, Esq.
SIR WILLIAM HENRY NEVILLE GOSCHEN, K.B.E.
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Chief Manager—W. E. PRESTON

Managers—J. S. BRUCE and G. MILLER.

Agencies and Branches.

ALOR STAR (Malay States)	HAMBURG	KUCHING (Sarawak)	SEREMBAN
AMRITSAR	HANKOW	MADRAS	SHANGHAI
BANGKOK	HONGKONG	MANILA	SINGAPORE
BATAVIA	ILOILO	MEDAN	SOURABAYA
BOMBAY	IPOH	NEW YORK	TAIPEING (F.M.S.)
CALCUTTA	KARACHI	PEKING	TAVOY
CANTON	KLANG	PENANG	(Lower Burma)
CAWNPORE	KOBE	PESHAWAR	TIENSIN
CEBU	KUALA	PUKET	TOKYO
COLOMBO	KANGSAR	RANGOON	TSINGTAU
DELHI	(Perak)	SAIGON	YOKOHAMA
HAIPHONG	KUALA	SEMARANG (Java)	ZAMBOANGA
	LUMPUR		(Philippine Islands)

Bankers.

THE BANK OF ENGLAND.

MIDLAND BANK, LIMITED.

WESTMINSTER BANK, LIMITED.

NATIONAL PROVINCIAL BANK, LIMITED.

THE NATIONAL BANK OF SCOTLAND, LIMITED.

The Corporation buy and receive for collection Bills of Exchange grant Drafts and transact general business connected with the East.
DEPOSITS OF MONEY are received for fixed periods on terms which may be ascertained on application. Interest payable half-yearly, 30th June and 31st December.

The Bank is prepared to undertake Trusteeships and Executorships.

THE EASTERN BANK, LIMITED**Head Office: 2 & 3, CROSBY SQUARE, LONDON, E.C.**

Authorised Capital (200,000 Shares of £10 each) -	£2,000,000	Paid up Capital -	£1,000,000
Reserve Liability of Shareholders -	£1,000,000	Reserve Fund -	£380,000

Branches: BOMBAY, CALCUTTA, KARACHI, MADRAS, COLOMBO, BAGDAD, BASRA, AMARA, MOSUL, BAHRIN, KIRKUK.**Board of Directors:**J. S. HASKELL, Esq. (*Chairman*).SIR JAMES LEIGH-WOOD, K.B.E., C.B., C.M.G. (*Deputy*G. BROMLEY-MARTIN, Esq. (*Chairman*).

J. H. BATTY, Esq. EMILE FRANCOU, Esq.

SIR PERCY WILSON NEWSON, Bt.

Captain R. E. SASSOON, M.C.

The Bank issues Drafts, Telegraphic Transfers and Letters of Credit, purchases, grants advances against or collects Bills of Exchange, and transacts Banking and Agency Business in connection with the East.

Deposits are received for one year and for shorter periods at rates which can be ascertained on application, and Current Accounts are opened by the Bank in London and at its Branches.

F. H. SUTTON, *Manager*.**BARCLAYS BANK (Dominion, Colonial & Overseas)****Head Office: 54, Lombard Street, LONDON, E.C.3**

formerly the Colonial Bank

with which are Amalgamated

The National Bank of South Africa Limited and the Anglo-Egyptian Bank Limited.**Branches in the East:** EGYPT—Alexandria, Cairo, Port Said, Suez, Tantah, Zagazig, Mansourah, Musky (Cairo), Assiut, Beni-Suef, Minieh, Sohag. SUDAN—Makwar, Omdurman, Khartoum, Port Sudan, Wad Medani. PALESTINE—Haifa, Jaffa, Jerusalem, Nazareth, Tel-Aviv. MEDITERRANEAN—Gibraltar, and Malta.

This Bank has also over 400 Branches in the British West Indies, British Guiana, Transvaal, Rhodesia, Cape Province, Natal, Orange Free State, British West Africa, Swaziland, Portuguese East Africa, South West Africa, Tanganyika, Nyassaland, Kenya Colony.

The Bank acts as Correspondent for Home, Colonial and Foreign Banks.

NATIONAL BANK OF EGYPT**HEAD OFFICE: CAIRO.**

FULLY PAID CAPITAL	-	-	-	-	-	-	-	£3,000,000
RESERVE FUND	-	-	-	-	-	-	-	£2,550,000

London Agency:

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slings, cleared and forwarded to any Rail or Water centre
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TELEPHONE—626

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without notice.

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BURMA, CEYLON, STRAITS, CHINA, JAPAN, MAURITIUS,
EAST AND SOUTH AFRICA, AUSTRALASIA,
PENINSULAR AND ORIENTAL SAILINGS.
(Under Contract with His Majesty's Government).

Steamer.	Tons.	London.	M'se's.	Destination.
*MALWA	11,000	Mar. 4	Mar. 4	Straits, China, Japan
RANCHI	16,600	Mar. 11	Mar. 11	Bombay and Karachi
*KHIVA	9,000	Mar. 10	Mar. 10	Straits, China, Japan
*MALOJA	21,000	Mar. 11	Mar. 18	Australia via Bombay
RAJPUTANA	16,600	Mar. 18	Mar. 25	Bombay and Karachi
*MOLDAVIA	16,500	Mar. 25	Mar. 25	Colombo and Australia
*MOREA	11,000	Mar. 25	Apr. 1	Straits, China, Japan
RAZMAK	10,600	Mar. 25	Apr. 1	Bombay and Karachi

* Taking passengers for Bombay via Aden. † Calling Malta. ‡ Taking
passengers for Port Sudan. † Taking passengers for Algiers. ‡ Calling
Southampton.

BRITISH INDIA SAILINGS.

(Under Contract with the Govts. of India and Queensland.)

Steamer	Tons	M'bore.	London.	Destination.
*MORVADA	8,193	Mar. 5	Mar. 12	Madras and Calcutta
*QUERIMBA	7,696	Mar. 5	Mar. 12	Bombay and Karachi
MODASA	9,070	Mar. 9	Mar. 18	East African Ports
*DOMALA	8,441	Mar. 19	Mar. 26	Bombay and Karachi
*GANDARA	5,281	Mar. 19	Mar. 26	Madras and Calcutta
MALDA	8,500	Apr. 2	Apr. 9	Madras and Calcutta
MULBERA	9,100	Apr. 6	Apr. 15	East African Ports
*HATKHOLA	5,875	Apr. 6	Apr. 16	Bombay and Karachi

† Calls Malta. † Calls Port Sudan. * Cargo steamer.
ADDRESS: For Passage, P. & O. HOUSE, 14 COCKSPUR
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EGYPT, SUDAN, CEYLON, INDIA
STRAITS, CHINA, JAPAN, AUSTRALIA.

Steamer.	Tons.	Sailing.	Destination.
City of York	7,844	Mar. 12	Colombo & Calcutta
City of Hong Kong	9,678	Mar. 16	Bombay & Karachi
City of Benares	6,984	Mar. 24	Bombay & Karachi
City of Canterbury	8,421	Apr. 2	Bombay & Karachi
City of Poona	7,485	Apr. 13	Bombay & Karachi
Trafford Hall	5,321	May 7	Bombay & Karachi

LONDON to SOUTH AFRICA.

City of Valencia	7,329	March 4	Cape Town, Algoa
City of Manchester	5,556	April 1	Bay, East London, and Natal.

MEDITERRANEAN and LEVANT.

Egyptian	4,967	March 18	Malta & Alexandria
Roumelian	4,740	April 4	Smyrna & Constantinople

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APR 4 1927

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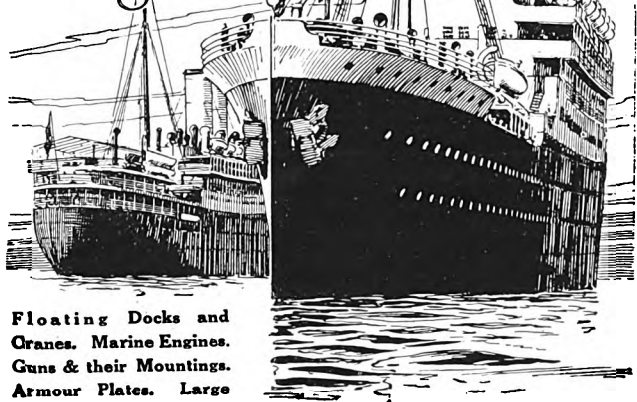
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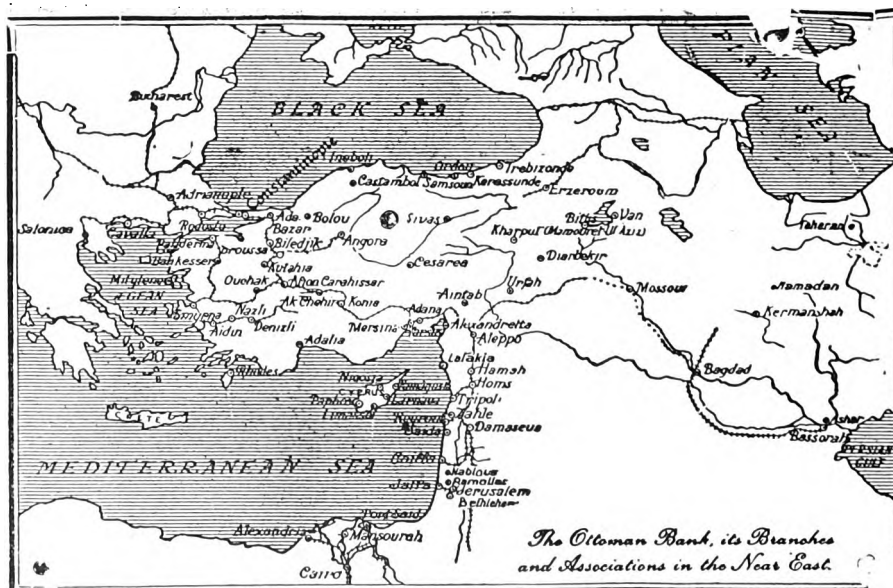
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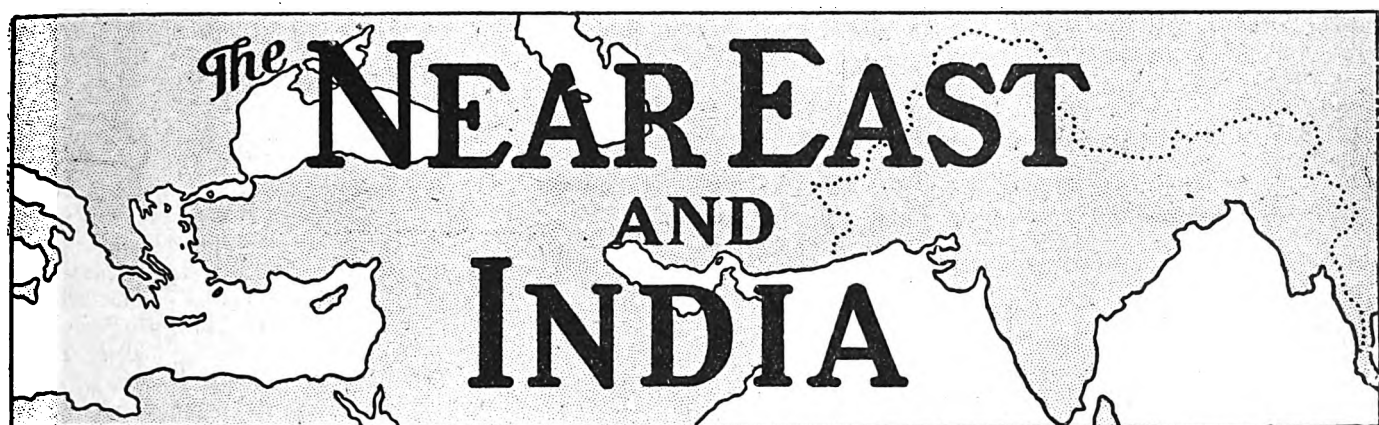
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No. 825.—VOL. XXXI.

THURSDAY, MARCH 10, 1927.

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Notes of the Week.

The Stirring of Slav Waters.

A semi-official organ in, Belgrade has recently been making some rather startling excursions into the domain of foreign affairs, from which it is evident that uneasiness still prevails in Yugoslavia on the subject of international relations. How sensitive is public opinion in the country was shown by the excitement caused by the Tirana Treaty. That particular trouble passed almost as quickly as it arose, for a few days' reflexion and the assurances that were forthcoming from every quarter seemed to convince the Yugoslavs that the treaty between Italy and Albania constituted no really new development in the Balkan situation. It may have served to crystallize what was before a more or less fluid position; but it offered no definite challenge that could be taken up and countered. Subsequent events, however, suggest that, although reassured on this point, the Yugoslavs have decided that, as far as their country is concerned, the general trend of foreign affairs is unsatisfactory, and an attempt is seemingly being made to distract public attention from the situation at home to the necessity of watching Yugoslav interests abroad. In these circumstances it was natural that Yugoslav relations with Soviet Russia should come up for consideration. The traditional ties between the two countries were necessarily broken by the accession to power of Bolshevism; but as the years pass and it is beginning to be recognised that there still exists a Russia distinct from the Bolshevik system forcibly imposed upon it, the desirability of trying to maintain some form of touch with fellow Slavs becomes more insistent. In certain quarters, no doubt, it is not overlooked that any *rapprochement* with Russia may have the effect of inculcating a greater measure of politeness on the part of countries which are credited with not being too friendly disposed towards Yugoslavia. Thus the motives that have contributed to a revival of the question of Russo-Yugoslav relations are frankly sentimental and political.

Yugoslavia has not the commercial incentive which prompts Czechoslovakia to seek Russian markets, but she does not feel inclined to lag behind in any attempt that may be made to recreate Slav solidarity.

Yugoslavia's Foreign Relations.

Natural as is the desire for the Southern Slavs to maintain touch with Russian Slavdom, it would hardly seem necessary for Yugoslavia to make hostility to Great Britain the essential stepping-stone to the new orientation. This, however, is the effect of a rather crude discussion of international relations in the semi-official *Politika* of Belgrade. The Yugoslav organ bases its arguments on two false premises and on a forged or bowdlerised document. It assumes—quite wrongly—that British policy is hostile to Russia, and it misreads entirely British policy in the Balkans. There is, of course, no hostility on Great Britain's part towards Russia; but there is a very deep resentment against the Soviet rulers of Russia, who have announced their resolve to try to undermine the British Empire. In its second mistake the *Politika* is helped by a curious document alleged to be a telegram despatched by the Greek Minister in London to his Government. The Greek Government has repudiated the authenticity of this telegram; but, as its denial may not carry conviction in Belgrade, it may be as well to examine the statements in the communication which have manifestly made a great impression on the Yugoslav newspaper. It is alleged that the Greek Government consulted the British Government in regard to the policy which Greece should follow on certain Balkan questions, and received the following advice:—to endeavour to come to an agreement with Bulgaria, to secure friendly relations with Turkey, not to make a treaty with Yugoslavia but to submit pending questions to the League of Nations, to avoid differences with Italy and not to worry over the Italo-Albanian Treaty. Now,

with the exception of the third piece of advice, concerning Yugoslavia, no fault can possibly be found with the alleged recommendations, which are wholly in keeping with Great Britain's policy of urging peace and co-operation on the Balkan States. The wording of the recommendation in regard to Yugoslavia is so impossible for any diplomatic communication that it is a matter for surprise that the semi-official *Politika* had not the intelligence to realize that it was the victim of a hoax. Even if it had been suggested that, failing a direct agreement with Yugoslavia, there was always the possibility for Greece of an appeal to the League of Nations, no hostile intent against Yugoslavia would have been implied, nor could it have been read into the alleged message by any fair-minded person.

British Policy in the Balkans.

It is evident from the *Politika's* outburst, unless it is repudiated by the Yugoslav Government, that the studied aloofness of British policy in the Balkans is causing misconceptions among the Balkan States. At the same time Anglo-Italian friendship—which is nothing more than the application of the British desire to live peaceably and in friendly relations with all countries—is being interpreted as active support on Great Britain's part of every phase of Italian policy. This inference is entirely without justification, although for the prejudiced and short-sighted it may not be unnatural. The British Government is obliged to accept Italian assurances on the non-aggressiveness of Italy's Balkan policy, and, until the contrary can be definitely proved, it is within its rights in advising the Balkan States to accept those assurances also; but, with a view to rendering them superfluous, it urges the States to come together to carry out the purpose of "the Balkans for the Balkan peoples." We could wish, indeed, that Great Britain could find the happy mean between the aloofness of her present policy and the excessive zeal shown by other countries both before and after the War. In the present instance the *Politika* has failed to realize that the greatest compliment that can be paid by a Great Power to a small Power is to credit the latter with a sufficient supply of the spirit of independence and self-confidence to enable it to live its own life without having to keep awake all night to wonder what other countries are thinking of it. Every country in the Near East knows—as Greece is credited with knowing in the alleged telegram of the semi-official "disclosure" in Belgrade—that at any time it can turn to Great Britain for disinterested advice and help. It would be a fatal mistake, however, if the British Government were to allow the impression to gain ground that

it had one or more favourites among the Balkan States, instead of being—as it actually is—equally favourably disposed towards them all and anxious to assist everyone in the peaceful pursuit of continued prosperity for the whole Peninsula.

Great Britain and the Hijaz.

It is not often that happenings in Arabia enjoy the glamour of publicity, but an obscurity even denser than usual seems to have surrounded the negotiations which were begun towards the end of last year between Great Britain and the erstwhile Sultan of Najd, Abdul Aziz Ibn Saoud. As is known, the meeting last December at Abyar ibn Hassani between the British Consul at Jidda and the King of the Hijaz provoked certain problems that were referred back to the British Government. These problems affected various Departments of the British Government and patently could not be solved there and then; but they are now, it is understood, provided with at least a British solution. It is improbable, however, that the British representative, whoever he may be, who is to re-discuss these matters with the King of the Hijaz, will be leaving for Islam's Holy Land for another five weeks or so, since Ibn Saoud himself is now on a tour in Central Arabia and, therefore, is not accessible. But there is every reason to hope eventually for a satisfactory regulation of the problems raised by Ibn Saoud—a solution which is, indeed, highly desirable both from the British and Ibn Saoud's point of view. It may be that certain difficulties, such as that pertaining to the Hijaz Railway, agreement upon which was reached only recently between the French and British mandatory authorities, may have to be tackled independently of the forthcoming conference with Ibn Saoud. Another difficulty pertains to the Maan wilayat, the future of which Ibn Saoud may be persuaded to see in the light rather of those independent Muslim Powers who at the last Mecca Conference refrained from voting upon this question than of those Muslims who regard its unconditional surrender to the Hijaz as a *sine qua non* of negotiations with the British. It will be instructive to observe how Ibn Saoud, whose statesmanship and friendliness towards the British have hitherto been as unquestionable as they have been remarkable, will deal with the various matters that have become so urgent alike to his dignity and to his position.

Capitulations in Egypt.

With a notable increase in the good relationship between the Egyptians and the foreign authorities in Egypt is to be remarked a renewed disposition, on the part of Egyptians, to turn away from points of difference that have hitherto proved insuperable obstacles and to concentrate on one particular point upon which it is known that certain foreign authorities are favourable. We refer, of course, to the Capitulations. This matter has recently been the subject of many questions in the Parliament at Cairo, and in the Egyptian Press a move has been made for the transference of cases from the Consular to the Mixed Courts. It would appear that certain cases of illicit drug dealing, and a report recently submitted on this subject to the Ministry of Justice by M. Van de Bosch, have impelled the Press to re-commence a campaign against the Capitulatory régime. In any case the Egyptian people are very sensitive on this matter, as was shown in the outcry a few weeks ago at the report that Turkey, which, of course, has outlived the Capitulatory régime, was asking to be treated in Egypt in the same way as Powers holding Capitulatory rights. The time does seem convenient for a re-investigation of this problem, and if, as is stated, at least three countries, the United States, Spain, and Greece, are in favour of the abolition or at least the modification of the Capitulatory system, it should not be difficult to discover which, if any, of the other Powers in Egypt stands in the way of the necessary unanimity in securing certain changes.

(Continued on page 275.)

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THURSDAY, MARCH 10, 1927.

PROGRESS IN TURKEY.

In its endeavour to impress the outside world that the Turkish Republic is resolutely bent on conforming with Western standards, the Angora Government has taken the significant step of dissolving the two Tribunals of Independence. Although it was unfair to these institutions to compare them with the notorious Cheka, they represented an irregular addition to the judicial system of the country, and so long as they existed they implied a lack of confidence on the part of the authorities in the measure of popular support given to the new régime. The Tribunals were travelling assize courts in perpetual session, each with a panel of three judges. They were first instituted during the War against the Greeks, in order to deal with desertion, treason, or espionage, and were subsequently re-established to deal with agitators against the Republic. Their jurisdiction, however, was not confined to open rebels and counter-revolutionaries, but was extended to major cases of violence and to any action likely to involve a disturbance of the peace. In the public eye, especially outside Turkey, they will be associated with the large number of death sentences imposed, and in particular with the spectacular trials that followed the plot, discovered last June, against the President's life. At the Smyrna trial of the actual conspirators sentence of death was passed on fifteen persons, and the thirteen in custody were hanged before dawn of the following day; at Angora the trial of members of the Committee of Union and Progress began a fortnight later, and on August 26 four were condemned to death in the afternoon and executed at midnight. Apart from these notorious cases, there is some evidence that the Tribunals exercised a salutary effect on the criminal classes of the population. Trials were held in public and the penalties imposed were in accordance with existing laws; jurisdiction was prompt, sentences were carried out immediately, and in the case of the Eastern Tribunal, with its headquarters at Mamuret-ul-Aziz, there was no appeal. It was, no doubt, this aspect of efficient judicial action that led to requests that the scope of the Tribunals should be extended to cases of common law.

As in other branches of the administration the Turkish Republic possesses, on paper, an admirable judicial system, but is handicapped by a shortage of personnel qualified to give full effect to it. By the Constitution judges are independent in the conduct of trials and in the rendering of their judgments; they are protected from any kind of interference and are subject only to the law. It is only recently that a Faculty of Law has been created at Angora, with a view to supplying the necessary quota of qualified judges and advocates to apply or interpret the new jurisdiction. New civil and penal codes, it will be recalled, came into force only last year, in October, the

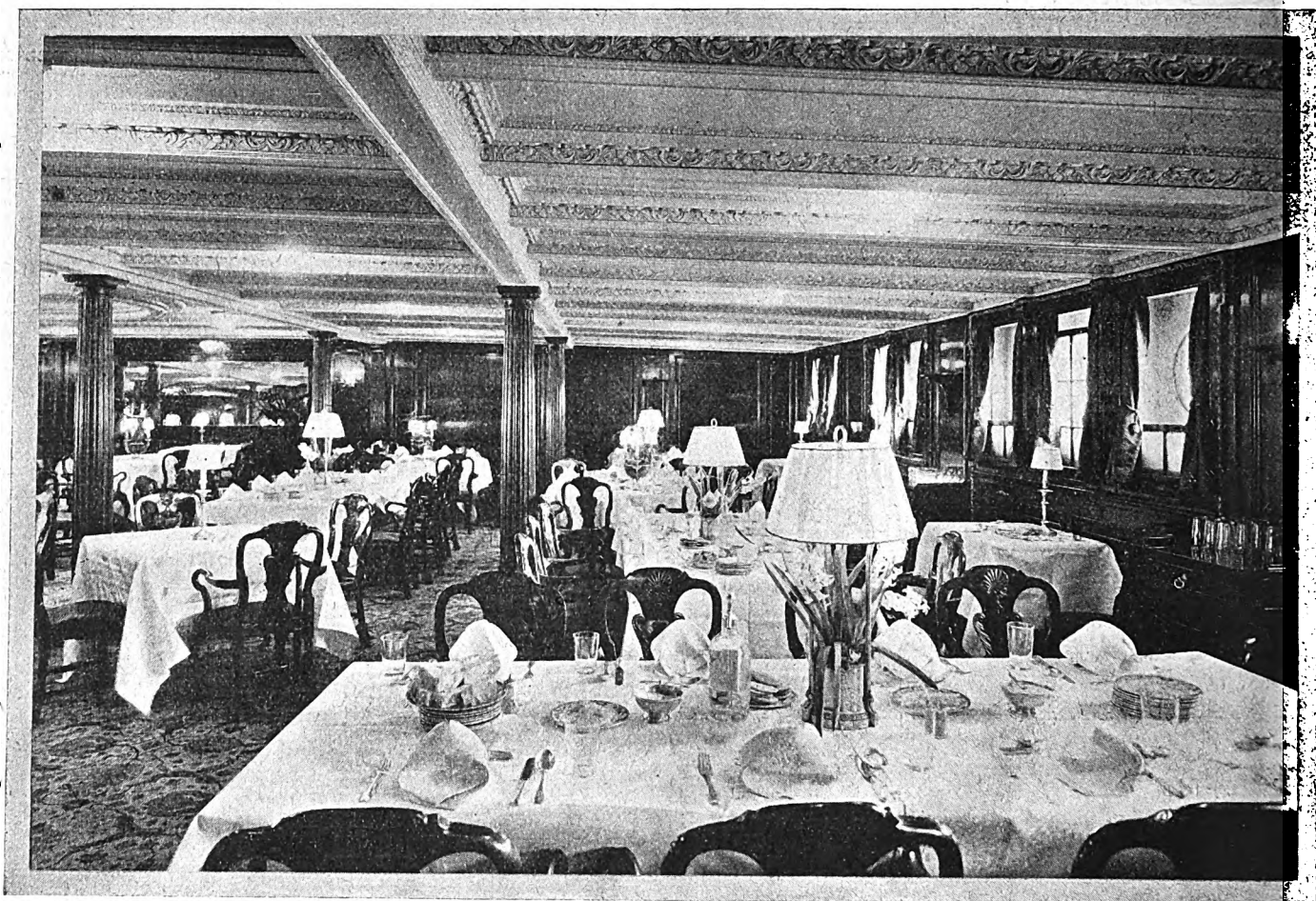
Civil Code, modelled on that of Switzerland, the Penal Code, adopted in the main from that of Italy. Every individual who considers himself the victim of injustice or wrong doing has the right to appeal to the *procureur*, who institutes an inquiry and, if satisfied, prosecutes the guilty party. The country is divided into six Inspectorships-General, and each Inspector-General is assisted by five Inspectors, whose duty it is to forward to the Ministry of Justice the grievances of the people, and also to see that the circulars distributed to the Courts by the Ministry are duly applied. The physical difficulties in the way of making justice accessible to all in a country where communications are wholly inadequate are obvious, apart from the shortage of personnel. It is to be expected, therefore, that in spite of the fifteen thousands officials stated to be under the Ministry of Justice, and the six hundred Courts of Justices of the Peace, there are still many parts of the country where the application of justice leaves much to be desired. At first, no doubt, the Tribunals of Independence did not lose sight of the political purpose of their creation; but as soon as the Eastern Tribunal had disposed of the ramifications of the Kurdish rising, it will have been available for setting an example of informed even-handed justice in the least-advanced portion of Asia Minor. If in the eyes of the people among whom it carried out its functions any evil can be attributed to it that, we may hope, will die with the Tribunal, so that only the good that it did will live after it.

The impression that the abolition of the two Tribunals stood to create abroad would have been better, if General Ismet Pasha, the Prime Minister, in his speech advocating the measure before the Grand National Assembly had contented himself with emphasising the present state of peace and security in Turkey. He preferred, however, to dwell upon the political and social disorders of the past and thereby seemed to stress unduly the terrorist aspect of the Tribunals of Independence. His contention, we may suppose, was that the Tribunals were merely the executive organs of martial law, or, as it was called, the Law for the Maintenance of Order, and he would not admit that they had done more than give effect to the Law's provisions in a judicial and impartial manner. Be that as it may, it is all to the good that the Turkish Government now finds itself able to dispense with these exceptional bodies. The Law for the Maintenance of Order is regarded as "still necessary" and is to be prolonged for another two years. It remains, therefore, as a weapon available for the Government's use, but the machinery that existed for putting it into everyday effect is to be scrapped. Turkey, it is to be hoped, will be the gainer. Neither Mustapha Kemal Pasha nor his Government ought to expect that the régime identified with his name could be enforced without arousing opposition. He was entitled to hope that such opposition would be on strictly constitutional lines, for no country in the making—and Turkey had to make a start *de novo*—can afford the luxury of civil war; but in the East constitutionalism is generally as far above the head of the Opposition as it is above that of the Government. As things are, unconstitutional opposition has lost for the present any attraction it may have had, and it is a wise move on the President's part to dissolve the organisations that had been associated with the policy of rigorous suppression of political opponents. Turkey needs the help of all her most enlightened men, and it would be idle to pretend that an Assembly that has no other thought than to carry out the President's bidding represents all the wisdom and experience which the country ought to be able to command.

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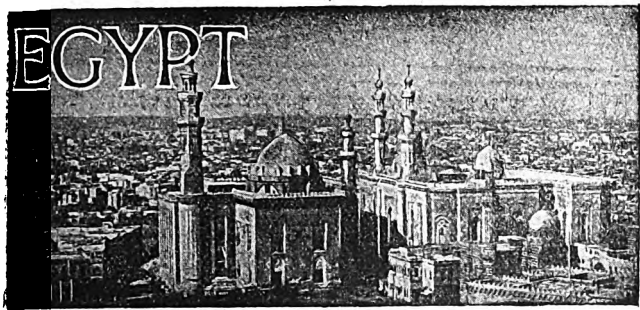
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From Our Own Correspondents.



Cairo, February 27.

The Motor Show.

The first motor show held in Cairo will close on Thursday next, after a distinctly disappointing three weeks' life. The reasons which made it impossible, from the first, that this exhibition could be more than a half-success have already been stated in THE NEAR EAST AND INDIA. It would be an exaggeration to say that even semi-success has been achieved. Most agents report comparatively little business done, while the only exhibitors who seem to be satisfied with the results are the firms which are introducing makes of motor cars hitherto unknown in the local market. These standholders regard the show as being quite worth while simply as an introduction for their products to the Egyptian public, irrespective of whether or not much immediate business results. Of these newcomers to Egypt there is a considerable number. British cars which are now to be represented adequately in this country for the first time include Rolls-Royce and Hillman. It is true that the former make has been represented here in the past, but never very actively. Now Messrs. Rootes have undertaken the distribution of Rolls-Royce, Hillman, Daimler, and Clyno cars here, and all four makes will be backed, so far as sales are concerned, by adequate organisation and service.

Several American manufacturers are experimenting with the Egyptian market this season. Among others which are now arranging representation here for the first time may be mentioned Marmon, Moon, Nash and Auburn. In addition, the American firms which are already well established here are carrying on very active sales campaigns, amongst which the efforts of the General Motors Corporation, Studebaker, Hudson-Essex and Chrysler are conspicuous. It appears that agents in this country have undertaken to receive heavy shipments of cars this season and, with low cotton prices restricting purchasing power, selling competition is very keen. If, as is freely predicted, the Ford factories produce a new model this Autumn, and back it with a powerful advertising offensive here, there will probably be a scramble towards the end of the year by agents trying to cut their losses and sell their present season's consignments of cars before the arrival of new models makes the stock in hand out of date. It looks like being a rather difficult year for motor traders here, and it may be that, before another twelve months are passed, some of the manufacturers who are now preparing to experiment with the Egyptian market will decide that it is in present conditions hardly worth while.

"Foreign" Companies.

In the absence of political activities to fill the columns of Arabic newspapers, the latter have been giving more attention than usual to economic matters. As usually happens when the vernacular Press gets on to this subject, "foreign" Companies have been severely criticised. Many of these so-called "foreign" Com-

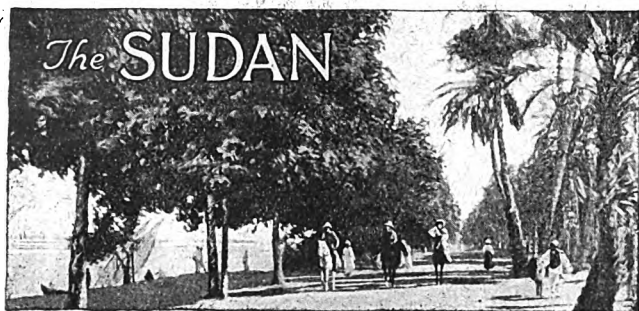
panies are Egyptian *sociétés anonymes*, the property of shareholders practically all of whom reside in Egypt, but this is not recognised by the newspaper critics. Incidentally, Egyptian opinion tends more and more to imitate Turkish example and to regard as a foreigner anyone who is not an Egyptian-born Muslim. It is curious that this sentiment should grow up at a time when there is less religious fanaticism than for a long while past, when, indeed, the younger generation of educated Egyptians may be considered to be at heart largely agnostic, but that the sentiment is growing up in Egypt, as it did in Turkey, simultaneously with a weakening of religious influences, is undeniable. And this tendency will probably manifest itself when, as is quite likely to happen in the near future, a proposal is made in the Egyptian Parliament to compel "foreign" Companies operating here to employ a certain percentage of Muslim Egyptians on their staffs.

That, however, is a development of the future. What the Arabic Press is now demanding is that the Egyptian Government shall adopt a far more inquisitive attitude towards the affairs of "foreign" Companies, and particularly Companies which are under contract to maintain public utility services. The new spirit manifests itself whenever there is a question of renewing a concession-holding Company's contract or whenever, as in the case of the recent litigation which resulted in the local courts' declaring themselves incompetent to decide the claim of shareholders in the Cairo and Alexandria Tramway Companies to have their dividends paid in gold francs, public attention is for any reason drawn to such Companies' affairs. Until now no Company has been particularly harassed, but it is certainly a fact to be taken into account that all foreign business interests in this country are going to have conditions made more difficult for them, simply because they are foreign, and one of the most popular modes of demonstrating a zeal for one's own country, whether it be Egypt or another, is to be rather unpleasant to members of other nations.

At the moment the work of insurance Companies in Egypt is receiving much attention in the local Press. The theme of most of the articles is that it is wrong to allow these Companies to operate here, without any Government control or inspection of their accounts, without any verification of the statements set out in their prospectuses and without their being obliged to make any deposit of securities, for the protection of policy-holders. Cases are quoted of Companies doing business here and either going bankrupt or failing to meet their obligations to individual policy-holders, who have then found, to their loss, that any action against such Companies would have to be taken in the courts of the countries in which are situated the Companies' headquarters.

It must be admitted that these criticisms are not entirely unjustified. Many of the leading British and Canadian insurance Companies have agencies in this country, and there is, of course, no question of the soundness of these concerns. On the other hand, at least one unsound British Company has operated here since the War, eventually failing, with resultant loss to policy-holders. And the number of non-British Companies which have worked here at various times, eventually going out of business for various reasons, but with results unsatisfactory to their customers, is considerable. Nor have Egyptians yet forgotten their experience during the War, when so many policy-holders in French, Belgian, German and Italian insurance Companies lost heavily. For these reasons the majority of British insurance Companies doing business here would welcome a law compelling them to hold in this country a sufficient sum in gilt-edged securities to protect local policy-holders. Such a measure, it is felt, would clean up the local insurance market by eliminating the unsound concerns, whilst it would also encourage business by increasing the confidence of the public in insurance generally.

*Under this heading appear weekly or at regular intervals, communications from correspondents in Egypt, the Sudan, Roumania, Yugoslavia, Greece, Bulgaria, Albania, Turkey, Cyprus, Palestine, Iraq, and Persia.



Khartoum, February 20.

A Loan.

Considerable interest is taken in commercial circles in Khartoum regarding the new loan of two million which is being raised through the energy of Sir George Schuster, Financial Secretary, Sudan Government. Being issued under the guarantee of the British Government, the money will be secured on favourable terms: and the special grant of two-fifths of the interest payable for the first three years is a concession reflecting great credit on the negotiators of the loan. Primarily the money is intended to be expended on railway and transport development, and work is already in progress on the Kassala-Gedaref section, which it is expected will reach the Atbara river in the near future. And at Abu Deleig a bridge is in course of construction by Messrs. Dorman Long and Co., Ltd., who are responsible for the bridge approaching completion connecting Khartoum with Omdurman.

Transport facilities are perhaps the most pressing of all the many needs of the Sudan from the point of view of trade. It is confidently felt that trade will be vastly stimulated and local production encouraged when better, more expeditious and cheaper transport is provided: and the opening up of new districts should mean larger exports of Sudan produce including the much-discussed "rain-grown" cotton crops.

The extension of the Gezira scheme under the modified contract recently entered into by the Sudan Government with the Sudan Plantations Syndicate will also absorb part of the loan, and new materials and machinery imported for this purpose; new ginning factories are also provided in the Nuba Mountains Province and even further South. The native-grown cotton, an industry of very recent growth and now being carefully nursed by the Government, should receive a distinct impetus.

Among the other objects to be developed under the loan the extension of the Port Sudan harbour works will receive consideration. In commercial circles it is felt that Port Sudan has a great future before it: the last few years have seen an amazing growth of this, the Sudan's only seaport, and the number of ships calling there is increasing by leaps and bounds. Work on the new quays is proceeding rapidly, and as they are to be fitted with the most modern equipment in the way of electric cranes, coal transporters and the like, the port should soon be able to cope with the expected large increase in cotton and other exports. After the general stagnation which has been the prevailing element in Sudan trade during the past year or two, the loan, in view of its almost inevitable results in the country, if it is spent in the manner contemplated, is a very welcome herald of a probable general revival in trade conditions.

Khartoum-Kisumu Air Service.

The unfortunate accident to the De Havilland seaplane Pelican when undergoing trials in January has not been allowed to interfere seriously with the running of this service, and Captain T. A. Gladstone arrived back in Khartoum after the first of the intended regular trips, with mails, having accepted the loan of a seaplane from the R.A.F. for temporary service pending the repair of the Pelican.

On arrival in Khartoum the mails were taken over by the R.A.F. and carried by plane to Cairo, thus saving some fifteen days in the normal time taken for letters from Uganda.

Captain Gladstone reports that the round trip was entirely uneventful, and says the single journey each way can be very comfortably accomplished in three days of seven flying hours each day, and that the weather conditions were ideal. He says the service has nothing abnormal in it, and when it is once got going should run to scheduled time with the regularity and lack of incident of a railway train.

IRAQ.

Baghdad, February 10.

Education.

In spite of difficulty in balancing its Budget, the Iraq Government has not neglected education, as the following interesting statistics show. The past year has shown not only a considerable increase in the number of children receiving instruction in Government schools, but also a general rise in the standard of education. Seven primary schools have been opened, making a total of 228 scattered over the country; in several towns the buildings have been paid for out of municipal funds; in others the money known as the "General Maude Memorial Fund," collected by voluntary subscription, has been used. It is noteworthy that the Ministry of Education has had to undertake enlargements and additions to the class room accommodation of a number of schools.

Secondary schools, which are of course in their early stages, now number five—one each at Baghdad, Basrah, Mosul, Arbil and Kirkuk. The total number of pupils is 583. Since the establishment of these schools, 92 boys have graduated, last year's graduates numbering 38. The Government Training College is divided into two branches, one for the training of teachers in preliminary schools, and one for that of teachers in primary schools. The students last year numbered 303—an increase of 69 on the previous year—of whom 240 were resident. The graduates numbered 49. A new departure is the inauguration last year of the "High Training College," which is to turn out teachers of mathematics and natural science. Of the nine students who were admitted to this branch from the secondary schools, seven have been promoted to a higher class, in which they are to study higher mathematics and undergo a course of laboratory work.

The disappointingly slow progress of the technical schools—the one at Kirkuk had to be closed for lack of students—is attributed by the Ministry to the lack of efficient teachers and to the shortness of the time devoted to the teaching of a trade. It has been decided to remedy this by the recruitment of efficient teachers from Egypt, and by the establishment in Baghdad of a boarding school.

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for technical training, in which boys from the liwas can devote adequate time to the completion of the course.

The plan of sending advanced students to continue their studies at foreign universities is being persevered with, twenty-three having been sent abroad during the past year. Of these three went to America, ten to England, and eight to the University of Beyrout. Two doctors were also sent to England for specialised training.

An interesting section of the report deals with the education of girls, which is making slow but unmistakable progress in Iraq. Twenty-seven primary girls' schools are working, the total number of pupils being 4,053. Mistresses have been recruited from abroad, as well as from among the girl students of Baghdad, and the school life and teaching have been very greatly improved, notably in the Central Schools for Girls at Baghdad, which has become virtually a high school. In 1925 a kindergarten was established in a building which has since greatly improved; modern methods are in use, kindergarten material has been obtained from Europe, and the Arab mistress in charge is making a real success of the Ministry's experiment.

Irrigation.

Two new regulators are to be constructed this year in the Diwaniyah Liwa, at an estimated cost of Rs.650,000. This will be one of the largest irrigation works undertaken in Iraq since the British Occupation.

The work of revetting the banks of the Tigris immediately south of Baghdad is proceeding, the finished banks being considered safer now than they have ever been.

The area under cultivation throughout Iraq is reported to be exceptionally large this year, owing to the heavy and prolonged rainfall earlier in the winter. More rain is now badly needed, and if it is much longer delayed large areas that depend on rainfall for water will fail.

General News.

The Secretary of State for Air, accompanied by Lady Maud Hoare and Sir Sefton Brancker, reached Baghdad on February 5 on their return journey from India, and spent the week-end at the Residency as guests of the High Commissioner. They left for Cairo early on Monday morning.

Colonel J. H. Stanley is now in Baghdad to complete the negotiations between the Iraq Government and the Diala Plantations Company, Ltd.

ALBANIA.

Tirana, February 20.

The Cabinet.

For two months there has been talk of a change in the Cabinet. Several members of the Chamber of Deputies, whose relations with the President of the Republic are well known, had undertaken to attack Ministers in Parliament and to make interpellations. And it was said every day that the President was going to nominate other Ministers.

The change took place on February 11, under the apparent form of the resignation of the four Ministers who compose the Cabinet. This resignation has been accepted by Ahmed Zogu, and four other Ministers have been appointed. These are:—Ilias Vrioni, Minister for Foreign Affairs; Abdurrahman Dibra, Minister of the Interior; Musa Juka, Minister for Public Works; and Fejzi Alizoti, Minister for Finance. The portfolio for Justice has not yet been filled.

Musa Juka, who has up to the present held both the portfolios of the Interior and of Public Works, remains at the head of the last department, in spite of the attacks which he underwent in Parliament during the autumn.

Ilias Vrioni, ex-President of the Council and Minister of Foreign Affairs, is awaited from Paris, where, as well as at London, he has been representing Albania. For the moment the resigning Minister, Hussein Vrioni, is carrying on in his department of Foreign Affairs, as is Sif Kedhi at the Ministry of Justice.

Nothing is known of the reasons which have prompted Ahmed Zogu to replace his Ministers. In the letter dated February 10, which the four resigning Ministers wrote to the President of the Republic—and which was published in the journal *Shqysnija* of February 18—there was mention of a difference upon the Budget proposals; but it was a question of which no one had heard anything before.

Of the new Ministers it is said that the first two (Ilias and Abdurrahman) are of neutral colour; that Musa Juka passes as a convinced partisan of the Yugoslavs; and that Fejzi Alizoti has for long been known as wedded to the Italian policy.

It is to be remarked that, in the letter which Ahmed Zogu has addressed to Hussein Vrioni, the President expresses his thanks and satisfaction on the question of foreign affairs, and thanks him for his work, especially for the conclusion of treaties. Upon this matter, the question is being asked: Why is Hussein Vrioni so profusely thanked?

Works and Projects.

The execution of the condemned men of Dukagjini (revolt of Shala) continues at Scutari. Three other men have been hanged.

On the other hand, and to prepare for a movement coming eventually from the Yugoslav border, bajraktars and notables of the Grand Malsija (Hoti, Gruda, Puka) have been called to Tirana and reclothed in military uniform with the distinctive badges of rank—major, captain, lieutenant, and so on. In this way the loyalty of some of the Catholic chiefs is being assured.

As for the projects of which one has heard so much for so long, one pertains to the port of Durazzo, for which money will be drawn from the Italian Loan, and the work will be executed by the Italian Company, *Svea*.

Nevertheless, nothing is certain, Albania being a country, *par excellence*, of contradictory news. For instance, the famous railway from Durazzo to Tirana, about which there was such extensive rumours, has been forgotten for six months.

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Scandals.

The *Banka Kambetare* (National Albanian Bank) had put into circulation some notes of one franc and some silver coins of two francs (gold), on which the two-headed eagle of Albania has been replaced by the eagle of the House of Savoy. These pieces have been in currency, without being remarked, for several months, and were withdrawn from circulation only last week, to the consternation of their possessors.

Another scandal has been caused by the same Bank by the striking of a gold coin of 20 francs, commemorative of the Italo-Albanian Pact, and bearing, on the one side, the effigy of the national Albanian hero, Scanderbeg, and, on the other, the winged lion of St. Mark. The Albanian Government, having heard of the proposed issue; interposed its veto, but the Bank proceeded to put the money into circulation. The Government now refuses to recognise these coins as legal tender, and declares them valueless, while the Bank claims the contrary.



Jerusalem, February 20.

The Municipal Elections.

Preparations for the Municipal Elections are going on busily, and remain the principal item of public interest. It is the voter's part to produce proofs of his right to vote, with the result that all the communities are instilling into their members a sense of civic duty. It is necessarily slow work compiling the lists and it seems improbable that the elections will be held much earlier than May. Statements are made from time to time of the numbers of voters so far registered in the larger towns; Muslim voters everywhere are in a heavy majority, even in those towns where the Jews are in the neighbourhood of half the population. The returns for Jerusalem are characteristic. The total population is something over 70,000, of which the Jews number approximately two-thirds. Yet the registered voters up to the present number 1,250 Muslims, 1,025 Jews, and 800 Christians, numbers which bear no manner of relationship to the divisions of the population. Fortunately this obviates any danger of an Arab-Jewish rivalry for absolute control in municipal affairs, while at the same time the local Muslim family rivalries make it desirable for the Muslims to cultivate and conciliate the Jewish vote. Various statements are abroad to the effect that the elected members of the various municipalities will organize themselves into a united body in order to confront the Government with a "democratically elected Parliament" representing native opinion; while on the other hand it is thought, probably rightly, that the Government will judge from the general conduct and results of these elections on the advisability and possibility of renewing its previously interrupted attempts at granting an elected Legislative Council.

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Snowfall.

Even interest in municipal elections was forgotten for a time in the acute discomfort experienced over the last week-end by the storms all over the country and the heavy downfalls of snow in the high-lying districts from Safad to Hebron and in Transjordan. The results were not quite so disastrous as in the famous storm of 1920, but they were enough to cut off connexions with Transjordan and to block the Hebron road for nearly a week. A certain amount of suffering was reported among the poorer Jewish population, and most of the tourists who had been able to land—several boatloads could not—left by train as quickly as possible for Egypt. But, at least, Jerusalem has escaped all danger of a water famine during the coming summer.

The Jewish Agency.

The "Weizmann-Marshall Agreement" has been received here with mixed feelings by the local Zionist population; which is only natural. They fear that whatever advantages may accrue economically will be more than offset by the restraining influence of those who have not the Zionist cause at heart, and who will be tempted to regard Palestine as just one place of refuge for distressed Jews and one among other recipients of American charity instead of being the centre on which all Jewish cultural, political and financial interest the world over ought to be concentrated. But the present somewhat severe unemployment crisis and the excess, however small, of Jewish emigration over immigration are of considerable help in quietening criticism except from the "Revisionist" camp.

Non-Zionist Jews.

As a matter of general interest, it is worth bearing in mind that many of the old "non" or "anti-Zionist" elements are showing a willingness to take some part in the Palestine development work hitherto confined to completely-labelled "Zionists." Thus near Haifa is a colony manned by Hasidim (a type of ultra-orthodox Jews of most markedly religious habits), while even the "Agudath Yisrael" are organizing their own fund for the "upbuilding of the Land of Israel," and have begun a small agricultural colony north of Jerusalem. It never was true, of course, that all "religious" or "orthodox" Jews were as such opposed to Zionism, any more than the current notion that "Zionism" as such, is anti-religious. And now, under the wizardlike statesmanship of Dr. Weizmann, the Zionist endeavours in Palestine are gaining wider and wider support among previously lukewarm or hostile elements among the Jews.

ROUMANIA.

Bucharest, March 2.

The National Peasant Party.

An event of the past week throws a further light on the instability of the foundations of the National Peasant Party, an amalgamation which was recently discussed in these pages. This event is the resignation of Dr. Lupu, the well-known politician of Socialistic tendencies, from the united party. At the time of the union, which was effected with the object of forming a strong Opposition capable of holding its ground against the Liberal Party, a certain section both of the Nationalists and of the Tsaranists (Peasants) refused to join. M. Jorga is the leader of the Nationalist separatists and Dr. Lupu has now constituted himself leader of the separate Peasants' Party. M. Mihalache, Vice-President of the National Peasant Party, ascribes the secession of Dr. Lupu to a purely personal misunderstanding and declares that it in no way affects the principles of his party, but it is obvious that the resignation of so influential a politician as Dr. Lupu must deal a blow at the unity of the Party he leaves, and reduce its prestige by revealing disunion in its ranks. "Liberal intrigue again," says the Opposi-

tion Press. Indeed, the Liberals appear to be invested, in the minds of their opponents, with all the mysterious powers of his Satanic Majesty. It is to be hoped, for the sake of the many excellent principles it represents, that the National Peasant Party will survive this blow, and that its members will henceforth bend their efforts towards its consolidation, by means of compromise when necessary, and so preserve its dignity and strength. Such resignations tend to render it ridiculous and futile.

Roumanian Academy in Rome.

Great satisfaction has been generally expressed here at the generous offer of the Municipality of Rome of a free and permanent site in the "Eternal City" of 4,700 square metres in the Villa Borghese for the erection of a Roumanian Academy to provide Roumanian students of History, Archæology, Literature and Art with facilities for pursuing their studies amidst the most favourable surroundings. Funds for the construction of the building and for the maintenance of the Academy must, of course, be found in this country, and the National Bank has accepted the patriotic duty of providing all the funds required for the building, which, according to the terms of the offer, must be finished within five years. The site of the Roumanian Academy is beside that of the English Institute. When it is finished, this new institution should be of the greatest value to aspiring Roumanian students, and it may draw to Italy some who would otherwise have studied in other Art centres, in view of its situation among the majestic ruins and the inimitable productions of the great classical period, and, perhaps, it will help to nurture healthy and classical standards in the coming generation of artists and writers.

The King Ferdinand I. Institute.

In celebration of the King's sixtieth birthday Parliament has voted a fund for the foundation of an educational institute to be called "Fondation du Roi Ferdinand I." The King has drawn up the Statutes of this Institute, and has decided that he wishes it to be located at Jassy in Moldavia, where the first Union of the Roumanian Principalities was effected. The King has also requested that the name of the Queen should be associated with his as co-patron of this Institution in all its ramifications.

CYPRUS.

Nicosia, February 21.

The Governor and the Greek Archbishop.

On February 8 Sir Ronald Storrs, with Lady Storrs, paid a visit to the Greek Archbishop, and was received with great honours by His Beatitude, who was accompanied by the Bishops of Papho, Kition, and Kyrenia. The chair on which the Prelate sat was one sold in Paris nearly 100 years ago, as being that which had been used by Napoleon I. It was purchased by a Greek, who presented it to the Greek Archbishop of Cyprus, and has been used by successive prelates on their accession to the high office. During this visit the Governor was shown over the library and other parts of the palace. In conversation with the Archbishop he mentioned that he had served in Roumania and Bulgaria; that the Patriarch Damianos was a friend of his, and that the differences which separated the Orthodox Greek Church, which he greatly respected, from the Anglican were but slight. On February 10 the Archbishop paid a return visit to Government House, accompanied by the Bishops of Papho and Kition.

New Taxes.

The imposition of fresh taxes at present causes some grumbling and dissatisfaction. The tax called *verghi kimet* (4 per thousand on the capital value of immovable

property) is doubled, in the cause of education. This is in addition to the school fees assessed locally by Town Committees. The import duty on the long list of articles which have paid 10 per cent. *ad valorem* is increased to 15 per cent. It is, however, recognised that, since the abolition of tithe, and in face of what was rather a bad year, fresh taxation is necessary.

Various economies are being proposed. One is to strike out of the estimates £2,000 set down for the office of a Trade Commissioner in London. The experience of the British Empire Exhibition at Wembley seemed to warrant the appointment of this agent, and Sir Ronald Storrs has not failed to advocate the establishment of a Chamber of Commerce in the island. In view of the present crisis, however, these proposals do not seem to meet with favour. Members of Council also call for the abolition of certain officers, or the reduction of salaries.

Sir Ronald Storrs and the Press.

The Nicosia Greek paper, the *Voice of Cyprus* (*Phonés Kyprou*) states that, in a late interview, the Governor expressed his sympathy with the Press, stating that he had been himself in the ranks of journalism, as correspondent of *The Times*, for some time in Egypt, and that he desired at all times to furnish the Press with the means of supplying positive information regarding the work of Government. He also said that he would give instructions of the Commissioners of Districts and Heads of Departments to communicate details respecting questions relating to their departments when asked for.

General News.

There has been heavy snow in February, not only thickly covering the hills, but falling at Nicosia, and lower down towards the coast than has been the case for many years. This has coincided with deep snow in Palestine, Transjordan, and other regions, which has impeded road traffic.

It is said that a large hotel is to be built at Nicosia; this is certainly needed.

Greek Cypriots living abroad, especially in Egypt, who if not in Cyprus at the time of the annexation are not recognised as British subjects, are hoping to obtain active support from Sir Ronald Storrs in the matter of their nationality.

Agricultural prospects are for the present all that could be desired.

M. Cicurel, head of a large drapery establishment in Cairo, was found dead in bed on March 4. His Italian chauffeur has confessed to murdering him.

In the Annual Report of Bishop's College, Calcutta, which is connected with the S.P.G., it is stated that the Rev. T. Sither, the Indian member of the staff, has been appointed Vice-Principal, in place of the Rev. R. L. Pelly, who is proceeding to pastoral work in Calcutta.

The sarcophagus found at Gizeh by Dr. Reisner, of the Harvard-Boston Expedition, and believed to contain the body of the mother of Cheops, the builder of the Great Pyramid, which was opened on March 3 in the presence of the Egyptian Minister of Public Works, the United States Minister, and other diplomatic representatives, was found to be empty.

A statement of the Government of Bengal on the Barisal communal riot is as follows: A thousand Muslims, armed with spears and lathis, prepared violently to oppose Hindus passing a mosque with music at Kulkathi. The Muslims were dispersed by Frontier Rifles under orders of the magistrate. Thirty-three rounds were fired, twelve Muslims were killed, and seven wounded. There were no Hindu or police casualties.

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RESURRECTION IN GREECE.

BY THE RT. HON. JOSIAH C. WEDGWOOD, D.S.O., M.P.

[Publication of this article does not imply that THE NEAR EAST AND INDIA endorses all the statements made or the opinions expressed. It will be found, however, that the freshness of view with which Colonel Wedgwood approaches his subject stimulates thought even where it does not provoke agreement.—ED.]

Greece has been so kaleidoscopic always; and, especially during the last twenty years: insurrections, elections, rulers and pronunciamientos have followed each other so swiftly, that it would seem foolish to prophesy peace. Yet it is conceivable, and the case should be stated. I will show presently why the British should look attentively at the implications of this change.

In the first place the country is booming—exports and imports, capital expenditure, roads, population, and civilisation. Look at the figures (in millions of drachmae—approximately only in the case of 1925):—

Year.	Exports.	Imports.	Revenue.
1924 ...	3,470	6,035	3,959
1925 ...	4,325	9,914	5,489

Much of this growth is due to the disease of inflation, which has so infected the Continent; but for the last five months, since General Pangalos quitted the dictatorship, the drachma has safely held up its head, and yet unemployment has not invaded the export trades. In spite of what we have seen in Austria, Germany, and France, it seems possible that in Greece, so swiftly are things moving there, one might stabilise without a slump.

Capital expenditure during the last three years has been exceptional, and most of the capital has been British. This is strange, when one considers what poor banking facilities there are for British trade; for the one British concern, the Ionian Bank, is altogether overshadowed and outclassed by the great Italian, French and German credit institutions. And Greek shipping concerns have certainly an unhappy reputation in the British insurance world. So it happens that the two millions we advanced to the Athens Power and Traction Company were guaranteed by the British Government under the Trade Facilities Act; while the ten millions (out of twelve and a half) that we found for the Refugee Loan was floated under the auspices of the League of Nations.

But all this capital expenditure has kept people happy and busy, so busy that they cannot be bothered with politics. Population too has increased, from 5 million to 7 million, by more than all the refugees from Asia Minor and Gallipoli and Eastern Thrace. These are spread over the country, bringing a higher civilisation and demanding roads and schools and police. They have just got to the producing stage, changed from a liability to an asset. Most of the 1,400,000 refugees are a stabilising element. They are peasants, not of the military caste. They are peasants who have got land and only want titles to their bit of earth. They do not expect much from the Government, except the promised compensation on account of which advances are now being made. Peace is what they want. They hate all the dynasty of Constantine, the author, as they believe, of all their woes; but they are only Venizelists at election time, as it were by an effort of memory. They have no time for hero-worship any more.

And that is true of all Greece—tired of politics. They are sick of Constantine and Venizelos, and of the poor part Greece played in the War and in Asia Minor. They had 15 years of ceaseless war, ending with Smyrna! Politics was the business of the Army. The Army made an infernal mess of it, ending in Pangalos, the darling of the Gendarmerie! They are all more ashamed of General Pangalos than of anything else. For nine months Greece

put up with a dictator modelled on Italy, a dictator so little terrible that when they puffed at him with their lips he blew away. One cannot help being beaten in the field when certain odds are against you, but to have been made afraid of nothing is a memory all would willingly forget.

So they have just had a Free General Election, and the Republicans who do not want Venizelos back, number 146, and the Royalists, who do not want the Constantines back, number 141. Therefore, all the leaders from Right to Left, who have all at some time or another put each other into prison or exile—Tsaldaris, Metaxas, Michalakopoulos, Kaphandaris, Papanastasiou—have all united in one creed and in one Ministry. The creed is simply, "Let us purge the Army of politics." It is a question of self-preservation for all of them. In most countries the Army officer is Right, Fascist in time and style and gesture. In Greece alone they enjoy officers of both Right and Left, each anxious to apply that simply political argument of shooting at dawn. Therefore all these statesmen are calculating, before even they calculate the Budget, where they can find pensions or posts of dignity abroad for some dozen Generals or Colonels or Admirals, whom they would all gladly eliminate without pain. Once that is over (if it goes over) the whole country will breathe a sigh of relief, settle down to business, and try to forget this nightmare politics.

Let me put it in another way. Politics are always live matters when people want something badly. If the peasantry were oppressed by landlords, then some political party would have a creed. If bureaucratic officials were officious and all-pervading, Greeks, like other people, would wax indignant. If there was any religious minority, or any alien national minority, one knows how live politics would be. But there are only Greeks now in Greece and they are all orthodox with an orthodoxy which leaves one gasping. Such unanimity is almost unnatural; such geographical and racial identity is unexampled. No hope for politics there.

Nor do Governments and officials in Greece conceive it their duty and pleasure to mould the minds and morals of the race. The collection of taxes is quite enough for Government, sometimes too much. Greeks do as they please. This is often unpleasant, but a Greek Government does not look for trouble, and politics become for the man in the street a far-off matter only, a game for gentlemen in Athens. It is always related that M. Venizelos lost the famous elections of 1922 because he sought to regulate the traffic in Athens, interfering with the liberty of taxi-drivers to drive wherever there was—or seemed to be—a gap.

Then the land question is settled; there is no "politics" in that any more. For years the struggle of Thessalian landlord against tenant gave a reality to Greek politics. That is over now, and the landlords gone from Greece. Even the English landlords are gone from the Euboea, perhaps a loss to Greece. With little exception now, all over Greece, the peasants cultivate their own holdings, hard work which leaves little time and less need for politics.

For all which reasons Greeks seem likely now to have peace in politics—if only the Army officer will go quietly. I refer to peace at home. No one can live in Greece a week without becoming aware of the vaster nightmare which weighs upon the chest and grips the heart of the Greek statesman and all the people of Hellas. They are afraid of the Serbs, and they are more afraid of Signor Mussolini. He has given them a touch of the whip in Corfu; and there they know the League of Nations cannot save them. Pangalos fed out of the hand of the Duce, and the Duce liked him. Now they have ventured to imprison Pangalos, and the Duce may at any time be angry. One has to live in the Mediterranean, perhaps also to be one of a small people, before one can realise what Mussolini means and the terror of the Roman name. The Mediterranean must have felt like this about 100 B.C.

The Treaty of Tirana brings them nearer, and frontier incidents happen so easily in the mountains of Epirus and Albania.

The Serbs, too, are formidably oppressive, looking down the Vardar valley on to Salonika. It is true we have made Macedonia all Greek, but the Serbs have a right to an outlet for their trade at Salonika, a right to an actual area in the port and an untariffed run over the railway. The area has not been finally settled, and there are endless chances of dispute over the "hemming in" of the Serb concession; a deflected tramway line may be a cause of war. It would have been better if Salonika had been made a free port under the League of Nations.

So the Greeks are afraid; all know perfectly well that they could not stand up against either Italy or the triune Kingdom of Serbs, Croats and Slovenes. Italy outnumbered them eight to one; the Slavs by four to one, and better fighters. What Italy would do they see in the Dodecanese and in Rhodes. *Vae victis* is good Latin, even when the *victi* put up no fight at all, and were occupied in an unofficial manner. The Serbs in these matters are even cruder than the Italians, so that all Greeks have good reason to be afraid. That too makes for peace inside the country, and a truce among the Army politicians.

In these circumstances, more than anything else in the world the Greeks would like an alliance with England, the protection of the British fleet, safety to develop in peace. What they want is clear—a guarantee of territorial integrity, similar to that given to Belgium long ago, or to France and Germany at Locarno. They want to be able to call on the policeman—on the policeman they can trust.

Personally I voted against Locarno. A policeman's life is not a happy one, and if we are to take on the job it seems to me that we ought to be paid for it. We can take our pay in various ways. Genuine European disarmament might have been good enough pay for Locarno—our customers might then recover and our debts be paid. The Dominions pay for the protection of our Fleet by subsidies for the Fleet, or by a trade preference, or by the placing of Government orders, and by paying their debts. Greece might make an offer. I see no insurmountable difficulty in the way of calling one of H.M. ships *Salamis* and even spelling it in Greek, or of having Greek officers in the Mediterranean Fleet. H.M. *Malaya* makes a respectable precedent capable of expansion, like the British Empire.

Or, as we need an export trade more than warships in these days, could not simple arrangements be made to help our trade—orders, preference, guarantees for our benefit?

People with the old pre-War mind will say, of course, that this is ridiculous, that Greece would never ask for protection, that that would be a surrender of national independence. But all these nations, raw from war, will do much to secure protection nowadays. And, is National independence absent from the contract which now keeps the Union of South Africa within the Empire? The change is simply this: we no longer ask other people in; they ask to come in.

It must be the British Empire or the League of Nations. One or other must find the required protection for these smaller and unbalanced Powers. Before the War Greece, or Bulgaria, or Roumania, or Serbia, were within the ambit of Russia or Germany or Austria. With all these gone they feel uncomfortably alone, unsheltered, exposed. They want to settle down into some similar sheltered niche with a great Power to call them little brother; but is it to be France, or Italy, or England, or is the League good enough? They will even flirt shamefacedly, upon occasion, with that rude, wicked, ostracised elder brother of the U.S.S.R. The need for friends has grown since the peace, and there are more little nations needing friends, and so few of the possible big friends seem safe enough or quite reliable. So keen is "Nationalism" since the peace, that minorities are made to change their father's

surnames and their mother's tongue in the Tyrol and in the Dodecanese. The Big Brother is like a bear; his embraces are often dangerous. A Sovereign Kaiser merely demanded loyalty in any sort of language. A Sovereign Priest may demand conformity. But a Sovereign Nation seems to demand uniformity, and uses the police to get it.

Any small nation would take the League of Nations for protection, if they thought it good enough. But the League is not thought well of in Greece. Fascist Italy did pretty well what it liked in Corfu in spite of the League, and it was Greece that had to pay. But when the Fascist Dictator of Greece, considering Bulgaria weak enough, proceeded to pass on the Corfu kick over the Bulgar border, the League of Nations soon indicated that Greece was not a Great Power, and made her pay again. Emphatically Greece has no great opinion of the League as a sure and certain help in time of trouble. Great Britain is different.

Some Constantinian Royalists will tell you that Great Britain deserted the Greeks in Asia Minor, and was the cause of that awful fall which ended Royalism. The wicked Lloyd George led them on to go to Asia Minor, etc., etc. One may absolve even the wicked Lloyd George. M. Venizelos was his friend, our friend, and as long as M. Venizelos was in charge Greece was cautious and moderate, and all went well. When Greeks saw fit to replace M. Venizelos by King Constantine, and to plunge on towards Angora, they most certainly did so at their own risk. I do not think even M. Tsaldaris or General Metaxas now hold us in any way responsible for that shameful flight to Smyrna.

Otherwise England's name has been uniformly good in Greece. Even throughout the War, in Athens or in Salonika, our troops, so I am assured, shone by comparison, if not with positive brilliance. The Royalists killed in Athens more French soldiers than English, and the French resented it more than the English, and took most occasions of showing how they felt during the last two years of the War. So, now, the Greeks like English soldiers and sailors almost pathetically—they are not coloured.

But one could make an endless list of good Greek grounds for liking and trusting England. There was Byron and there was Navarino. If Lord Elgin did take the marbles, Mr. Gladstone handed back the Ionian Isles. All his life, from its classical foundation to its close, Mr. Gladstone was the ideal Big Brother that Greece dreams of. Without any right to meddle, without anything to gain, we even dared to resist Mussolini's annexation of Rhodes and the Dodecanese, so long as M. Venizelos was in power. Finally, the best work done in Greece since the peace has been done by two Englishmen—Sir John Campbell planting refugees, and Sir Frederick Halliday, the policeman.

Sir John Campbell, an old Indian Civil Servant, was appointed by the League of Nations Vice-President of the Commission which directed the expenditure of the ten

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million pounds (most of them English pounds) raised under the auspices of the League for settling the Greek Refugees from Asia Minor in Greece. Though he was only Vice-President, yet the President, an American, changed so often and was so long absent that Sir John seems to have been the man who did it all—1,400,000 unemployed, starving refugees, settled. Naturally he bulks large in Greek thought as the man who took responsibilities and saw them through.

Sir Frederick Halliday, on a different scale, comes in for blessings as sincere. He took in hand the Athens police, and in three years has made of them a force that would be a credit to London. He has established a training school for Police (where, incidentally, they learn English); between 2,000 and 3,000 have already passed out through this school into this model force. The result is that corruption has wonderfully come to an end, and the untamed taxi-drivers of Athens halt at the red light and tremble at the upraised hand of a Mediterranean "bobby" who neither shouts nor shoots. They have ceased to bear arms. The citizens of Athens make a point of showing strangers not merely the Acropolis but their police! They will go up to them and ask the way just to show you how it is now done.

These police ought to be all over Greece, and would be, had it not been for Pangalos, the Dictator. Unfortunately, he depended for his throne on the Gendarmerie, and the Gendarmerie regard the Police as supplanters, virtuous and, therefore, mean. So the English police nearly went the way of the English Naval Mission; they would have gone, but the one and only non-political force could not be spared. Even Dictators require order.

So for many and good reasons the Greeks have a good opinion of the British, and are prepared for closer ties than friendship. If the Greeks like the British, the British reciprocate the feeling. It would of course be too much to expect the British to regard any foreigner as anything but a foreigner—the sort of people who require directors. But Greeks are already a semi-exception. We respect, for instance, the Greek colony in London. The Greeks know their classics almost as well as we do, though their pronunciation of the names of Greek gods is sometimes rather new-fangled and fanciful. It almost makes them "one of us" that they know where Homer was born, and appreciate the glories of the age of Pericles. The British have in truth long since appropriated to themselves both the patriarchs of Palestine and the heroes of Hellas, but they are quite generously inclined towards those who have a claim on the same ancestors.

The fact is that Anglo-Saxon culture is very largely founded on Greek. There is the same basic cult of freedom, and the spirit that carries individualism into anarchy. Every Greek citizen has the impression that the State rests on him alone, and the mistakes of the State will not let him sleep at night. This is very Anglo-Saxon. A very American Lawyer, President of the Commission, told me that he felt more at home with Greeks than with "these French and Italians." He was a business man with no classics and no fancy languages, but he liked their hustle and good biting journalism. He understood them; and, though we smile, we all do.

If, therefore, a request comes from New Greece, let us not look at it with the old blind eyes. M. Koroshetz from Belgrade turns to England for protection; M. Michalakopoulos from Athens may turn to England for protection. We have refused many people in time past, and regretted it afterwards at leisure. Britain's greatest interest is peace, her next is trade. In replying to any request we should consider whether these interests can best be advanced by relying upon the growth of the League of Nations, or upon the growth of ourselves, as we have now been new-shaped by the last Imperial Conference.

PERSIA'S AMERICAN ADVISERS.

The Sixteenth Quarterly Report (for the three months June 23—September 23, 1926), of the Administrator-General of the Finances of Persia, contains some illuminating comments upon Persia's present condition and upon her possible future. Dr. Millspaugh points out that while, during the period under review, Persia's general financial situation remained satisfactory, the general economic situation remained unsatisfactory. As main cause of this last fact he mentions the embargo placed by the Soviet Government on the importation of various Persian goods into Russia. Of the balance of trade he says that it is almost impossible to determine it. To judge by the two conditions of the transfer of gold or silver and the rate of exchange, Persia probably had an adverse balance of trade, but "if the policies and actions of the Government and of Persian merchants are wise, the adverse balance should be of a temporary nature." On the need of a favourable balance, Dr. Millspaugh writes that "the country requires large amounts of capital for its reconstruction and development. The people must be able to bear the burden of increased taxation which is necessary for the extension of public works, education, and sanitation. . . . Nomadic tribes must be settled on the land." He refers briefly to the proposed reforms, as they concern opium, roads, railways, and so on, and then states that "no such measures will be sufficient unless Persia possesses the fiscal freedom which is necessary for the fulfilment of her economic needs and economic programme." And he very definitely is in favour of tariff protection for Persia's infant or dying industries. Moreover, "Persia must possess complete tariff autonomy. . . . So long as the tariff of Persia is framed in negotiation with foreign Governments, it is inevitable that it will be framed for the encouragement of imports in the interest of foreign countries, rather than in the interest of Persia." No wonder the Soviet authorities do not greatly care for the American Financial Advisers!

Dr. Millspaugh believes in the advisability of the adoption of the gold standard for Persia, which change might be effected (as he thinks it could be effected in a change from opium growing) without loss to the Persian people.

To all observers who are optimists in regard to Persia, and who wish to know how the optimists in Persia are endeavouring to order affairs, this Sixteenth Report is especially to be commended. Nor to those who assert that the main stumbling block to the "reform" of Persia is the Persian people will perusal of these Reports do any harm.



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NOTES OF THE WEEK.

(Continued from page 264.)

The Administration of Aden.

Whether or not the new régime to be adopted in regard to Aden is a consequence of the failure to come to terms with the Imam of the Yaman, there is little doubt that a change was overdue. For the last ten years Aden has been administered by the India Office, but political questions concerning it have been the care of the Colonial Office and military questions the care of the War Office. Actually, however, both civil and military authorities at Aden have been responsible to the Government of India. But now the Imperial authorities are taking over political and military control in Aden, the civil administration of the place alone being left to India. India is to contribute £250,000 for the first three years of the new régime at Aden, and thereafter £150,000. The comprehensive administration of the Protectorate will be vested in a single authority, either a Governor or Political Resident, appointed by the Imperial Government with the concurrence of the Government of India. It is not quite clear whether these changes will vitally affect the political status of Aden, but that such a change is desirable is surely obvious. Aden has suffered extremely in the past either from the clash of policies as between civil and military authorities or else from a policy of inertia. In the view of some experts, the British are lucky, indeed, to have been left in Aden. Competition for the lead in the lower half of the Red Sea is increasing, and it is to be hoped that the changes decided upon for Aden will enable the supreme British authorities more elastically to envisage the possibility of coming to terms with the chief power in South-West Arabia, the Imam Yahia. Arabia generally is not a country in which any European Power, however much it may be technically in the right, can impose its desires; the main thing, after the realisation of this principle, is to get a policy and to hold fast to it. There can be no time fitter than the present to determine the exact meaning and the exact relative importance to the British Empire of the political, commercial, and strategical aspects of Aden.

The R.A.F. in Iraq.

An extremely interesting Memorandum has been issued by the Secretary of State for Air with this year's Air Estimates. In view of the key position occupied by the Middle East in the British Empire's air communications the greater part of this document has a special interest for that part of the world, and it is a matter for regret that considerations of space prevent more than a brief reference to some of the more important points. As a consequence, it is stated, of the settlement of the Northern Boundary question and of the progress in the development of the Iraq Army the air garrison in Iraq is being reduced from eight squadrons to five and will cost £664,500 less, £2,259,000 in 1927 as compared with £2,921,500 in 1926. An additional expenditure, on the other hand of £110,000 is incurred in regard to Aden, which it has to be inferred was borne last year by India. In all eleven-and-a-third air squadrons are at present located in Middle Eastern theatres, six of them being in India. Reference is made to the policy of testing and developing the mobility of the air arm by means of long distance flights, which will continue to form part of the normal training exercises of the Royal Air Force. Airships also come in for mention, and these, as is known, are intended to play an important part in the ultimate development of air communications by way of India. There is a total reduction in the 1927 gross Estimates of £878,100 over those of 1926. As the bulk of this is provided by the saving in Iraq, the British public has the satisfaction of knowing that the progress of its ward in the Middle East is enabling the Air arm to be improved without adding to the taxpayer's burden.

NEWS IN BRIEF.

A band of anarchists robbed the Caisse Departementale in Sofia on March 6.

M. Tihomir Popovitch, Yugoslav Minister to Turkey, has been appointed Yugoslav Minister in Athens.

M. Albert Thomas, of the International Labour Office, arrived in Athens on March 2 in order to obtain the ratification by Greece of the various Labour Conventions recommended by the Office.

Major Robert Pringle, Bey, C.O.N. (late Indian Army) (77), of Newlands, Beechfield Road, Sandown, Isle of Wight, formerly of the Ministry of Finance, Cairo (net personalty £5,357), left £5,384.

Dame Lilian Adelaide Tyser, of Villa Garbarino, San Remo, Italy, who died on December 17, widow of Sir Charles Tyser, late Chief Justice of Cyprus, left estate of the gross value of £12,274, with net personalty £11,208.

The King has approved the appointment of Mr. John Fuller Graham to be a Puisne Judge of the High Court of Judicature at Calcutta in succession to Sir Babington Bennett Newbould, who will retire in March.

In the absence of most of the 315 members of the Yugoslav Skupstina, the Ouzounovitch Cabinet suffered a defeat in committee on March 2 by 13 votes to 12. The Minister in charge of the Bill under debate, M. Yovanovitch, declared that the Cabinet was not affected by the defeat.

It is stated from Constantinople that a private salvage company has undertaken to raise the wreck of the French submarine Mariote, which was sunk by Turkish gunfire 200 yards off Chanak Point in July, 1915, while trying to get through the Dardanelles.

So many Muslims from Malaya and the Dutch East Indies are waiting in Singapore to embark for the pilgrimage to Mecca that there are not enough ships available, and one line of steamers has put up the fares to 50 dollars (more than five guineas) in hopes of reducing the demand for passages.

The death is announced from Belgrade of M. Constantine Christitch, a former Serbian Minister of Justice and Serbian Minister in Bucharest, Rome, and Vienna, on March 6. He was the eldest of the six sons of the late M. Nikola Christitch, a former Prime Minister of Serbia.

Agraro-Communist emissaries in Sofia on March 5 assassinated M. Ikonomoff, section chief of the Bulgarian Surêté-Générale. M. Ikonomoff had succeeded, it is stated, in discovering the preparations made by the Agraro-Communists in Yugoslavia against the established régime in Bulgaria.

Major F. Gwatkin, of the 10th King George's Own Lancers, joins the new Commandant of the Staff College at Quetta, Major-General Godwin, as an instructor. Captain L. A. Stuart, of the 1st Battalion 6th Rajputana Rifles, succeeds Major A. F. Chater as Deputy Assistant Adjutant-General at Delhi.

The death occurred at Malta on March 2 of Mr. Edgar Bonavia. His death follows closely upon that of General Sir Walter Congreve, V.C., in whose absence from Malta he had frequently acted as Governor. Mr. Bonavia, who was educated at St. Ignatius College and Malta University, entered the Malta Civil Service in 1886.

Major-General Sir Gerald F. Boyd has taken up the appointment of Military Secretary to the Secretary for War on transfer from Indian service, where he has for the past four years been Commandant of the Staff College at Quetta. He is succeeded in that post by Major-General C. A. C. Godwin, C.B., C.M.G., D.S.O., who leaves the Commander-in-Chief's Staff at Delhi.

The Allahabad *Pioneer* reports the death at Indore of Mr. Frederick Clarence Scindia Baker, Inspector-General of Police, Central India Agency, from peritonitis. Mr. Baker was on the cadre of the United Provinces police and was an able officer. During the non-co-operation troubles in 1921-22 he showed great vigour, and was wounded by an unknown assailant while on duty at that time. He was about to leave Indore on promotion.

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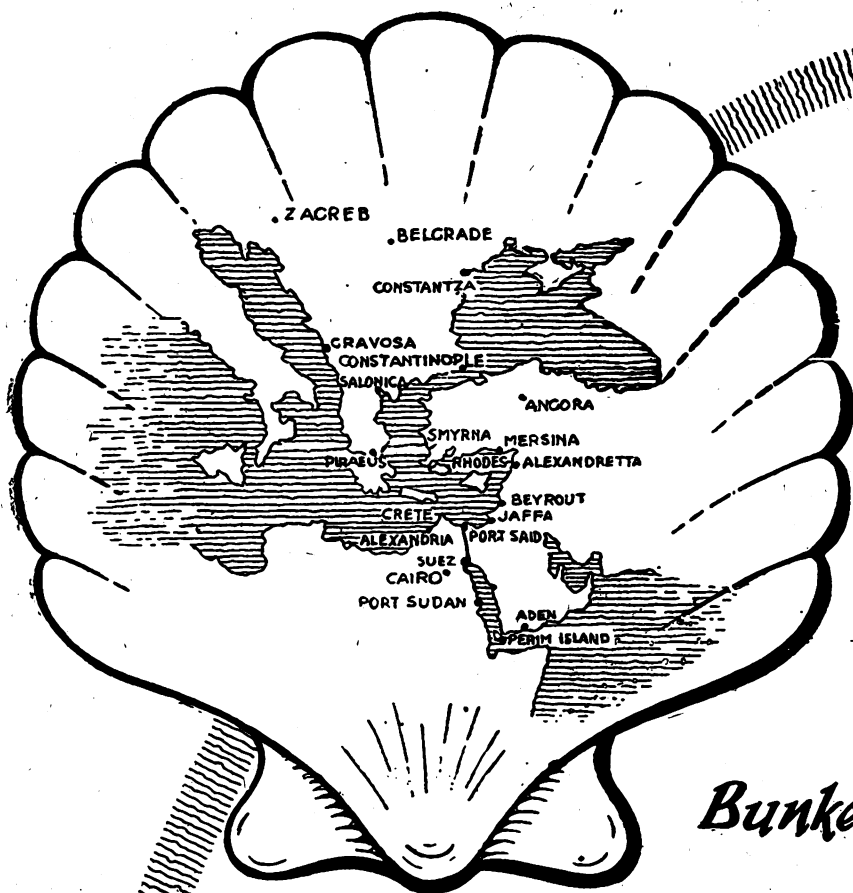
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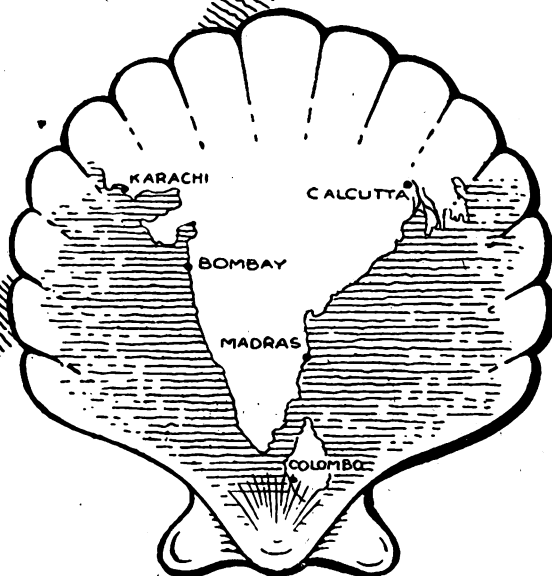
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PERSONAL AND GENERAL

TO-DAY

March 10, 1927 (New Style).
February 25, 1927 (Old Style).
Ramadan 6, 1345, A.H., of the Muslim Calendar.
Adar II, 29, 5687, of the Jewish Calendar.

The Roumanian Minister and Mme. Titulescu left London on March 4 for Geneva.

Lord and Lady Kinnaid have left England for Palestine and expect to be away about six weeks.

Sir John Shuckbrugh is at present in Jerusalem and is the guest of the High Commissioner.

Sir Victor Warrender, Bt., M.P., and Lady Warrender will return on March 12 to 18, Upper Grosvenor Street, from India.

Hassan Nashaat Pasha, Egyptian Minister to Spain, left Claridge's Hotel last week for Madrid after a short stay in London.

Lord and Lady Montagu of Beaulieu are expected to arrive at Valescure on their way home from Persia tomorrow (Friday).

Captain and Mrs. Vincent Copland Griffiths sailed in the Orama on March 5 for Egypt. They will be away until the middle of April.

Mr. Stephen Meredyth Edwardes, C.V.O., C.S.I. (53), of Meraldine, Felden, Boxmoor, late of the Indian Civil Service, and formerly Commissioner of Police for Bombay (unsettled) (net personality £488) left £1,382.

Mr. Robert Greg (His Majesty's Envoy Extraordinary and Minister Plenipotentiary at Bucharest) had an audience of The King at Buckingham Palace on March 5, and General Sir Walter Braithwaite had the honour of being received by His Majesty upon relinquishing his appointment as General Officer Commanding-in-Chief, Eastern Command, and upon his appointment as Adjutant-General to the Forces.

The Hon. Sir Stanley and Lady Jackson gave a dinner party on March 4 at Claridge's Hotel. Their guests included: the Earl and Countess of Birkenhead, Lady Eleanor Smith, General Sir Reginald and Lady Wingate, Sir Archibald and Lady Weigall, Viscount Younger, Mr. and Mrs. Craven, Miss Beddard, Mr. Stanley Jackson, Sir Arthur and Lady Hirtzel, Dr. Williams, and Mrs. Wilson.

The High Commissioner for India and Lady Chatterjee gave a luncheon party on March 4 at Claridge's, at which the guests included the Hon. Sir Stanley Jackson (Governor-Designate of Bengal) and the Hon. Lady Jackson, the Earl of Meath, Lady Swaythling, Sir Russell and Lady Scott, Sir Richard and Lady Redmayne, Sir Gregory and Lady Foster, Sir Howard d'Egville, Lady Seton, Mr. Drake, Miss Baden-Powell, Mr. and Mrs. Ghosh, Mr. Brown, Mr. and Mrs. Mallik, Mrs. Palit, Mrs. Cambier, Captain Banerji, and Mr. Iswar Saran.

The Hon. Sir Stanley Jackson, who leaves England to-day (Thursday) to take up his duties as Governor of Bengal, was entertained at lunch on March 4 by the Shipwrights' Company at Barbers' Hall. The Right Hon. Walter Runciman, M.P., Master of the Company, presided, and other present included Viscount Inchcape, Mrs. Runciman, Professor Sir John and Lady Biles, and Sir Alfred and Lady Yarrow. He was entertained at dinner on March 2 by the officers of the Great Northern Railway Co. at King's Cross Hotel. Sir Stanley was a director of the Great Northern Railway Co. before the amalgamation.

Mr. and Mrs. Surendra Nath Mallik gave a reception on March 4 at the rooms of the British-Indian Union in Grosvenor Gardens, to meet Sir Hugh Stephenson, Governor-Designate of Bihar and Orissa, and Lady Stephenson. The company included the High Commissioner for India and Lady Chatterjee, Sir George Hume, M.P., Lady Hirtzel, Sir Reginald and Lady Mant, Sir Albert Gait, Lady (Thomas) Holland, Mr. and Mrs. H. A. F. Lindsay, Sir Ewart Greaves, Mr. and Mrs. Frederick Palmer, Sir Thomas and Lady Richardson, Mr. Kunning, Mr. and Mrs. N. C. Sen and the Misses Sen, Sir Herbert and Lady Holmwood, and Mr. J. C. B. Drake.

GENERAL SIR WALTER CONGREVE.

General Sir Walter Congreve, whose death was announced in our last issue, was born in 1862. He served with great distinction in the South African War, in which he gained the Victoria Cross. In the Great War he served in France until the spring of 1918, when he was invalided home. In August 1919, he was appointed Commander of the British Forces in Syria and Palestine. A month or so afterwards he was appointed to the command of the troops in Egypt, with whom he remained until April 1923. A year later he was chosen to succeed Field-Marshal Lord Plumer as Governor and Commander-in-Chief in Malta. In that island, as everywhere else, his popularity was immense. By his own wishes he was buried at sea last week. A Memorial Service was held at St. Margaret's, Westminster, on March 7.

NEAR AND MIDDLE EAST ASSOCIATION.

A lecture was given to the Near and Middle East Association on March 4 by Sir Henry Penson, K.B.E., on "The Economic Background of World Politics," at 53, Seymour Street, W.1, by kind permission of Mrs. Geoffrey Mander. The Viscountess Dunedin was in the Chair.

Commander Williams also spoke.

The following among others accepted invitations: Viscountess Dunedin, Viscountess Dupplin, Lord Meston, Baron Rubido-Zichy, The Albanian Chargé d'Affaires, M. and Mme. de Uggla, M. and Mme. Biega, M. Naumoff, Baroness Beck Friis, Constance Lady Boyle, Sir Edward Boyle, Sir Harry Eyres, Sir Griffith Boynton, Lady Tighe, Lady Penson, Sir William Clark, Hon. Mrs. Chetwynd, Hon. Mrs. E. C. Feilden, Hon. Katherine Thring, Hon. Mrs. Yorke Bevan, Dr. Ernest Griffin, Mr. Roland Michell, Brig.-Gen. Campbell, Rev. Chancellor G. Ponsonby, Miss May Mond, Miss Joan Stavridi, Mr. and Mrs. Bruce Dick, Mrs. Margaret Hasluck, and Mrs. Beauchamp Tufnell.

EGYPT EXPLORATION SOCIETY.

A lantern lecture on Naucratis will be given by Dr. D. G. Hogarth on Wednesday, March 16, at 8.30 p.m., in the Meeting Room of the Royal Society, Burlington House (by kind permission of the Council).

The lecture is the fourth of a series arranged by the Egypt Exploration Society, and a few free tickets are available for non-members upon application to the Secretary, 13, Tavistock Square, W.C.1.

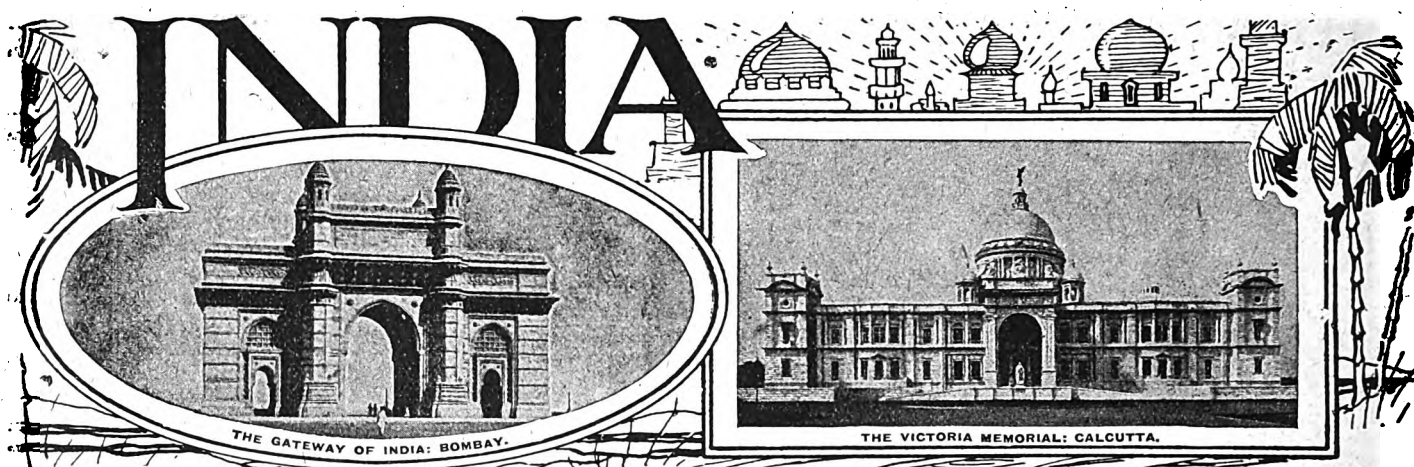
A recent Turkish statement puts the number of foreigners in Angora at 2,339, of whom 659 were Hungarians, 140 Bulgarians, 105 Germans, 83 Italians, 79 Austrians, 76 Albanians, 63 Czechoslovaks, 49 Russians, 52 French, 17 Yugoslavs, 13 Greek, and ten English. It will be recalled that the total population in the capital was recently returned at 58,849.

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THE BUDGET.

The outstanding feature of the Indian Budget that was presented at Delhi on February 28 is the remission of the Provincial contributions to the Central Government. These, which originally totalled 983 lakhs of rupees, had by last year been reduced to 545 lakhs: and the final remission of this large sum is now contemplated. The realised surplus of the Central revenues, for the financial year that closes on March 31, will be 310 lakhs of rupees: and, out of this sum, 28 lakhs—half the amount of her existing contribution—is being handed back to Bombay, whose finances are in a bad way. As Sir Basil Blackett said, her deficit “on other than Development transactions” is expected to amount this year to 51 lakhs. The net surplus remaining, 282 lakhs, will be transferred to the Government of India’s reserve, instead of being used for the reduction or avoidance of debt: a diversion that the Finance Member defended on the ground that the “complete liquidation of the Central Government’s liabilities to the Provinces is a very big prize justifying a very special effort,” the gaining of which has been made possible by the fact that a succession of realised surpluses has enabled the fixed programme of the redemption of debt to be out-distanced during the last few years, and that it still remains unmodified for the future. If the Provincial contributions had continued, the estimated surplus for the financial year 1927-28 would have been 364 lakhs: a surplus that Sir Basil Blackett said could be considered as a recurrent one. He proposes, therefore, that, to that extent, the Provincial contributions shall be permanently abolished: and that, in the year 1927-28, the remaining amount shall also be remitted, by the transfer, from the Central reserve to the Central revenue, of 181 lakhs out of the 282 lakhs now to be placed in the former. The balance of 101 lakhs will be kept in the reserve “as a nest egg for use in connexion with the inauguration of the new gold bullion standard and the Reserve Bank.” The net result is, therefore, that, in the financial year 1927-28, the Provinces will pay no contributions to the Central Government at all: and that, in later years, the maximum contribution payable, by all of them together, will be 181 lakhs. The Finance Member obviously hopes that India is entering upon a period of largely expanding surpluses; for, whatever the arrangements made on paper for the resumption of payments of contribution after 1927-28, it is undeniable that the Provinces, having once been relieved of the obligation to pay any contribution at all, will never expect to be called upon to resume payments, however much reduced in amount. It is necessary to remember that Indian Budgets always have been, and must always remain, a “gamble on rain”: and any break in the long succession of favourable monsoons with which India has lately been blessed would be likely seriously to upset Sir Basil Blackett’s forecast; but the gigantic irrigation schemes now on the tapis, which will inevitably be followed by others, will, it may confidently be hoped, reduce this danger to a minimum.

Though overshadowed by the central fact of the re-

mission of the Provincial contributions, the Budget statement contains several other features of great importance. Among these are the abolition of the export duties on hides and on tea, and the reduction of the import duty on motor cars and tires, from the existing figure of 30 per cent. *ad valorem*, in each case, to 20 per cent. in the case of the former and 15 per cent. in that of the latter. The export duty on hides and skins has been repeatedly condemned, and it is certainly a great pity that it was not found possible to remove it long ago; for it is to be feared that the present removal has come too late. It was originally imposed under the mistaken idea that the trade was so nearly an Indian monopoly that the imposition of the duty, while valuable as a revenue-producing scheme, would not in any way affect the trade; but, in fact, for some years past, prices have ceased to be regulated by India, and her pride of place in the trade has passed from her, to all appearances definitely. The export duty on jute remains, for here India really has a monopoly: and it may confidently be expected that, if ever any indication of possibly successful competition arises, the melancholy experiences of the trade in hides and skins will ensure prompt measures being taken to combat it. As for the abolition of the export duty on tea, the Budget proposals put back on the growers, with one hand, the burden which they take off with the other; or, at any rate, they appear to do so. For the basis of assessment on tea companies will be altered from 25 to 50 per cent. of their profits: a change that is expected to produce, in a full year, 50 lakhs of rupees—the sum which will be lost to the revenue by the abolition of the export duty. In fact, however, its abolition should be of definite value to the tea-growers: since it will not only allow a larger margin of profit on the existing production, but should prove to be a considerable stimulus to an increase in sales. As for the reduction in the import duty on motor cars and tires, it is doubtful whether this will prove of much benefit to the owners of cars; for it is to be expected that it will provide an incentive to Provincial Governments to increase their scales of local taxation, at present kept in some sort of bounds by the heavy import duty. It is, however, to be welcomed as an official recognition of the fact that there is a great future for the motor car in India, and it should certainly stimulate sales; for, in India as elsewhere, the prospective motor owner is apt to consider only the cost of the article that he proposes to buy, and to overlook the recurring expense of keeping it on the road. The realisation of the latter comes to him later; but only after he has bought his car.

Finally, the Budget statement shows the extraordinary advance that the finances of India have made under Sir Basil Blackett’s guidance. His conversion arrangements have been so remarkably successful that the interest on India’s dead-weight debt has been reduced by 550 lakhs from what it was in 1923-24. The rate of interest at which the Government was able to borrow in 1926 was 4.69, subject to income tax, compared with 6 per cent. tax free in 1922: a fact that has, incidentally, led to a quite

appreciable increase in the revenue from income tax, mainly due to the substitution of tax-subject for tax-free Government securities. Altogether, the outlook is very bright, and a quite extraordinary contrast to what it was before the occurrence of what history will probably record as the two outstanding successes of Lord Reading's Vice-royalty—its synchronisation with five successive favourable monsoons, and the placing of the control of India's finances in the hands of Sir Basil Blackett.

CURRENT TOPICS.

The Steel Tariff.

The announcement, cabled on February 21, that the Steel Tariff Bill has been passed in the Legislative Assembly by 52 votes to 40, is a matter of some surprise. Strong opposition has developed against the Bill from at least three different standpoints. There were those who objected to the continued subsidisation of the Tata business, to which "the people of India have contributed in two years £1½ million in hard cash, besides the unestimated sum that they have paid on all steel, including Indian steel, in consequence of the rise in price brought about by the steel duties." To these the Government reply was, that the protective duties were now being lowered and that it was hoped that, after the seven years for which the new tariff was to be current, it would be possible to abolish it altogether—an expectation which, in view of similar experiments elsewhere, is hardly likely to have carried conviction. The two other quarters from which opposition developed both concentrated on the same point—the clause under which the basic rate of import duty is calculated on standard (British) steel, and a higher rate is imposed on non-standard (Continental) steel, whereby the imported price of both is approximately equalised. It was explained that this is not a measure of Imperial preference, but one purely economic: since, if the basic rate were applied to all steel alike, the protection to the Indian industry would be insufficient and, if it were calculated on the lowest price of imported foreign steel, it would be excessive. But this disclaimer is not accepted by the two classes of objectors mentioned: one of which, while admitting the justice of the proposed differentiation between standard and non-standard steel, fear that, if accepted, it may be used as a precedent for a similar differentiation in circumstances less justifiable, to the ultimate detriment of Indian industries. The other views the matter from a wholly political point of view: one speaker in the Assembly going so far as to say that he "would rather the Indian steel industry went down and under, than that any preference should be given to Britain." He and his friends are congratulated by the "Congress" Press for having "thoroughly foiled the insidious attempt to get the Assembly to sign a blank cheque for Imperial preference" and for their complete "exposure of the Britishers' surreptitious plans for the revival of their steel industry" at the expense of India. With protectionists, anti-protectionists and politicians all arrayed against it, the Bill seemed certain to meet with a rough passage, if not with shipwreck: and the explanation of how these expectations came to be falsified will be awaited with some interest.

Imperial Preference.

Rather more than two years ago Lord Lloyd, in an article in the Empire Number of *The Times*, expressed the opinion that arrangements for a modified form of Imperial Preference with India were a probability of the future that would not be distasteful to the Indian commercial community. Unfortunately, this community is largely non-vocal, as indeed are the saner elements among Indian politicians: and the violent opposition developed in the Legislative Assembly to an apparent—though not real—move in the direction of Imperial Preference, in the matter of the Steel Tariff Bill, provides evidence of the fate that any such proposal would be likely to meet at present. Yet,

though it is entirely one-sided, a very considerable grant of preference to India has already been made by Great Britain. For many years the self-governing Dominions had given preference to British goods without return: and it is only recently that Great Britain has responded. In doing so, she has favoured Indian goods as well as other Empire products: and figures recently published in several of the leading English newspapers of India show that, under the British tariff, the gain of India in the shape of preference was 226½ lakhs in the financial year 1924-5; 212½ lakhs in 1925-26, and 200 lakhs in the first eight months of 1926-27. This is chiefly due to tea and tobacco: and while, as an article in the *Times of India* points out, it may be argued that practically all the tea-gardens in India belong to British owners, no such argument can be put forward in the case of tobacco, which is nothing but an ordinary crop of the Indian agriculturist. During the first eight months of the current financial year, the preferential advantage gained by Indian tea amounted to 79 lakhs, and by Indian tobacco to 120½ lakhs. As the *Times of India* remarks, the development of their own manufactures was as important to the Dominions as it is to India, and to let British manufactures in under a lower tariff than foreign articles gave them no material benefit. But they saw that their freedom rested upon the strength of the Empire of which England is the nerve-centre, just as India's does. With such facts and such an example before them, how long, asks the paper, will reasonable people in India follow the lead of politicians who proudly worship what their accepted leader advertises as "not an intellectual but an emotional proposition." Not, it hopes, until in self-defence Great Britain is tempted to reconsider her position and, in the interests of her hard-pressed Exchequer, refuses any longer to sacrifice the 2½ crores of rupees that she now gives to India for the sake of Imperial sentiment, and so pays India back in her own coin.

An "intellectual" proposition, such as this, will not, of course, appeal to the "emotional" politicians of India; but, if India is to progress towards the nationhood and equal partnership that her politicians profess to desire, the saner elements must come into their own before long. In anticipation of the time when they will do so, it would be worth their while to take a note of the facts, and to ponder the advantages likely to accrue to India from a well-considered scheme of Imperial Preference.

Indo-Chinese Trade.

The opinion held in India on the effect that the troubles in China are likely to have on India's trade is that it will be negligible. The value of India's total trade with China was, in 1925-26, 18 crores of rupees: which, incidentally, was nearly half as much again as it had been in the previous year, the difference being practically entirely due to increased takings by China of Indian cotton and rice. Of these two commodities, China in 1925-26 imported 96,000 tons and 150,000 tons respectively, the value of the former being 1200 lakhs of rupees and that of the latter 220 lakhs. Though these figures sound impressive, China's share in the total overseas export trade of India only amounted, in the year mentioned, to 4 per cent.: and to less than 1½ per cent. in the import trade. The chief product that China supplies to India is silk, her share in India's imports of that commodity amounting to 37 per cent.; but, as a correspondent writing on this subject to the *Statesman* points out, silk is a luxury that India can, if she wants to, obtain without difficulty from other sources, notably from Japan, France and Italy. China's normal export of tea amounts to about one-eighth of the world's requirements: and any reduction in her ability to keep up her supplies would offer a good opportunity for India to increase her own. The only market that is likely to be seriously affected is the silver market.

The dispatch of Indian troops to China, though viewed with suspicion and dislike by the politicians—particularly by those among them who, as the *Statesman* puts it, "make a practice of having their suspicions aroused"—will result in a gain to India's exchequer, since the Home

Government will bear the whole expenses of their employment, including their pay during absence from India. It is also worth remembering that China has been in a state of chronic disorder for years past, of a kind that, in the case of any other country, would be considered hopeless: and yet her Customs receipts, so far from falling off, have actually increased. The virtual closing to trade of the great waterway of the Yangtze is, however, a new feature that may have unfortunate results on the trade of China with the world at large, though even here it would be unsafe to dogmatise; but, even if this does happen, it seems unlikely that the trade of India will suffer from it to any appreciable degree.

CALCUTTA LETTER.

(From Our Own Correspondent.)

Calcutta, February 7.

The Swarajist Split.

The eruption in the Bengal Congress Camp has produced a fissure which shows no signs of closing. Following a vote of "No Confidence," the executive, including the newly-elected President, who had only held office for about a couple of weeks, was stated to have resigned; this now appears to have been premature, and throughout the week there has been a stream of Press attacks and counter-attacks. The matter appears to be resolving itself into a struggle for power between the Calcutta Extremists and those from outside, especially Eastern Bengal, and the real bone of contention is the right of distributing patronage in the Calcutta Corporation. If moderate opinion were better organised, it might well be a case of the premature counting of chickens but, things being as they are, there appears to be little hope of anything else than another Swarajist Corporation after the election next month; meanwhile party personalities will presumably increase, but with the change that the Swarajists will be slanging each other.

"Mr. Speaker."

The Extremists have wasted no time in getting to work to show their indifference to British parliamentary traditions. *Forward* is making violent attacks upon the new President of the Council, whose position corresponds to that of the Speaker in the House of Commons, and accuses him of seeking to muzzle the Swarajists and to establish a complete autocracy in regard to the subjects which he will allow to be debated in the Council Chamber. This presumably is merely another line of attack upon the new constitutional system in revenge for the Swarajists not being able to elect their nominee as President. It is, however, not only another example of the general political irresponsibility of the Extremist: it illustrates the fate of practically every Indian public man who succeeds, and then for that reason alone immediately becomes the object of attack, not only of his unsuccessful rivals, but also of his former supporters.

"Forward" and China.

In spite of the fact that a sentence of imprisonment is hanging over the head of its Editor, the tone of *Forward* shows no improvement in its comments on the China situation, and it would seem to be emulating the spirit of that well-known body of amateur cavalry who were said "to learn nothing and to salute nobody." The depredations of Chinese bandits and unpaid soldiery along the borders where the Burmese frontier runs with that of the old Chinese Empire, have been the subject of considerable anxiety, and it has been known for months past that the garrison has been strengthened and certain action of a police nature initiated. *Forward* now chooses to see in this part of a deeply-laid plot of the Home Government to assist in working up a first-class crisis in conjunction with events at Hankow, and it heads its comment "Pilfering from Behind." The leading article which follows im-

partially abuses all the English political leaders and finishes off with a scarcely veiled impertinence to His Majesty the King-Emperor. It is difficult for the most moderate of men to see why this irresponsible mischief-making is not put down with a heavy hand.

The Bengal-Nagpur Railway Strike.

The greater part of the labour force at Khargpur, the headquarters of the B.N. Railway, is on strike and strenuous efforts are being made by the so-called Labour Union to organise a general strike throughout the whole of the system. It is difficult to form an independent judgment without independent information in regard to the point of view of the strikers, and at a distance it is almost impossible to obtain this. Certainly some of the demands made in their name, such as an increase of 150 per cent. in all wages, are absurd, and there is little doubt that it would be found that a large proportion of the strikers have no idea as to why they have stopped work. Notice was given of a question in the Assembly from Extremist quarters, but this has been dropped—which is rather significant. As a general comment upon strikes of this kind, it may be observed that as a rule the difficulty of large employers of labour in India is not to find work, but to find labourers, and unless pay, housing and social organisation are such as to be more attractive than the normal conditions that the agriculturist finds in his village, he will not leave his land to work in an industry. It is also found that a higher rate of pay does not by any means ensure greater prosperity for the worker; not only has he the habit of working shorter time, if he can earn as much money by doing so, but the shopkeeper, the moneylender and the land-owning lawyer all conspire to obtain anything he may have in the nature of a surplus, and it may be noted that the Labour Unions are also exclusively officered and run by members of these classes.

Steel Duties.

The recommendations of the Committee in regard to the proposed revision of steel duties are now under debate in the Assembly, and it is expected that a final decision will be made in the course of the present week. A preliminary tussle took place on a motion to refer the recommendations back for further consideration, the debate being principally upon the proposal to impose a lower tariff rate upon British standard sections as compared with Continental steel; it was suggested that this was actually a form of preference for British manufacturers. A division took place on this, and, thanks to the firm stand taken by Bombay industrial interests, Government was able to defeat the motion. It is generally anticipated that this indicates that the Tariff Board's recommendations will be carried in spite of the implacable hostility of the Extremist group to anything which may even remotely benefit British trade.

Men and Things.

The mails are still delayed in delivery and letters are being sent out at least half a day later than was the case before the War. Questions in the Assembly this week revealed the fact that the Council Member in charge of the matter, an Indian, had only considered the complaints a week before, although agitation has been going on for three months past; an illuminating comment upon the effect of the Delhi isolation upon the official mind.

The annual meeting of the District Charitable Society was held this week; Mr. T. Edelston, of Begg Dunlop's, the retiring President, stated that poverty and distress, particularly amongst the Anglo-Indian community, showed no signs of diminution; he also stated that no progress had been made towards co-ordinating charities, but regular conferences were now reducing the overlapping of distribution of casual relief to permanent beggars.

Another annual meeting in the week was that of the Kalimpong Homes, at which Dr. Graham stated that they were continuing their good work and appealed for more public support; an interesting point was that the children

who had been emigrated out of India were in every case making good. It would seem that the only solution of the Anglo-Indian problem lies in this direction.

In spite of official opposition, the Legislative Assembly this week decided to appoint a Committee to consider various points arising out of income tax administration. Sir John Bell made a very pointed speech to show that both officials and taxpayers were equally at sea in trying to settle their liabilities, and in face of this the official spokesman did not dare to persist in his objection to the Committee's appointment.

The report of the Special Committee appointed by the Corporation to inquire into the conduct of the Deputy Mayor was considered by a special meeting of that body this week, but the debate was adjourned; the meeting was held *in camera*, but a pointer in regard to its deliberations was given by the fact that the conduct of the Collector of the Corporation has also been included in the Committee's investigations.

The names of the new Committee of the Bengal Chamber of Commerce have been published and universal regret is felt that illness has made it necessary for Mr. R. B. Wilson, of Birkmyre's, again to go Home and so lose his well-deserved Presidentship; Mr. Basil Eddis, of Gillander's, is the new President and Mr. J. A. Tassie, of James Finlay's, the Vice-President.

The action of the Imperial Bank in raising the Bank rate to 7 per cent. was the subject of a volley of questions in the Assembly; Sir Basil Blackett's replies went near to admitting that Government had put up the borrowing rate against the Imperial Bank, in order to handicap the financing of exchange speculators in Bombay.

A Press announcement states that well-informed quarters anticipate the release of a number of *détenus* in the near future on medical grounds; the importunate widow has again succeeded!

The Trivial Round.

Racing at headquarters was carried out under much more pleasant conditions on Saturday last, thanks to a storm the day before, which materially lowered the temperature; financial considerations, however, stood in the way of complete enjoyment, and daily racing correspondents have been seeking to explain that the proportion of equine rogues is unduly high on the Calcutta tracks! Incidentally Calcutta owners have done well in the Lucknow meeting, and Mr. Mein Austin won both the Civil Service Cup and the Governor's Cup with T.A.B. Congratulations.

The paperchase had to be postponed owing to the rain-storm and it was run off yesterday morning; the course makers had worked out a short but tricky course and they had also increased the height of the jumps, presumably in order to take advantage of the soft ground. Ian Maitland Heriot just beat Captain Leetham for first place; G. S. Johnstone had bad luck at a water jump at which "Bright Future" picked up a strain which may spoil him for the Cup; hard luck for a really hard goer.

Cricket dies hard and there was a full programme of matches at the week-end; Calcutta and Ballygunge played returns, and there were exciting finishes on both grounds; in the first team game Ballygunge just managed to hold off defeat until time saved them, while their second string were beaten in the last over, Calcutta gathering 208 in two hours to do this.

In addition to the Tennis Leagues of the Mills, minor clubs are now holding their meetings. Hockey is just beginning with practice games and the rest of the Maidan seems to be taken up with the sports meetings, which are more numerous than ever.

The attraction this week at the Empire has been the A.D.C. cold weather production—"Outward Bound." Brilliant is a restrained word for this, one of the finest productions ever seen in India; the Society and the caste can congratulate themselves not only on their own ability, but also on the genius of their producer, Mrs. Milly Deane.

Markets.

There is little of interest to report in the jute and gunny markets during the past week; apart from a fair amount of buying of hessians for covering purposes, business has continued to be on a small scale, but rates have remained very steady. Conditions in the piece-goods market have brightened still further since the last review; demand from up-country centres is increasing, and with stocks steadily declining, dealers are asking higher prices. Business for forward delivery has also been done on a much more extensive scale in almost all lines. The increase in the price of the raw material has been a big factor in strengthening the market, and there is more confidence than there has been for some time; inquiry is expected to increase still further during the coming weeks. The tea sale here this week is probably the last but one of this season's crop, and the tendency was almost similar to that of last week when good qualities fetched satisfactory prices but common kinds displayed a further weakening. According to the reports from London, the market there is improving and this is in accordance with the opinion of those who should be in a position to know here.

As a result of the rise in the Bank rate to 7 per cent., Government Securities displayed a further easing off, and there are now more sellers than buyers in this section; investment stocks have been quieter in sympathy. Jutes, on the other hand, have advanced on the week; there does not appear to be any justification for this apart from the difficulty of finding other sources of investment offering equal security together with the prospect of capital appreciation. The speculative favourites, Clives and Howrahs, advanced a Re.1 on the week. Cotton shares, after opening quiet, firmed up slightly later, Dunbar being in keen request up to Rs.210; coals have given way further. Few shares changed hands in the tea section, and the business done was at a lower level of prices. Dealings in the rubber section dwindled at the beginning of the week, but on advices from the Straits of a stronger market there, more business has been put through and prices have tended upwards.

The Exchange market has been dully steady at Rs. 5 31-32d. for Ready T.T. throughout the week, but forward positions have been somewhat quieter, and the rate for the monsoon months is quoted at Rs. 5 25-32d. Money has been in good demand and rates may be quoted call and short notice 6 per cent., one month 5½ per cent., two months 5¼ per cent., and three months 5 per cent.

DELHI LETTER.

(From Our Own Correspondent.)

Delhi, February 17.

The Legislative Assembly.

Our new Legislative Assembly elected last November is now in session, and it is very difficult to see where it is an improvement on its predecessor. Before and during the elections we heard a good deal about Responsive Co-operation and the intention of certain groups of Indian politicians to work the existing Constitution and thus to compel Parliament to grant further reforms to India. But really now that the Responsive Co-operators, Independent Congressmen and so forth are in our midst there seems to be very little difference between them and the Swarajists. The Responsive Co-operators, Independent Congressmen, Hindu Mahasabha Party and others have united themselves into one "Nationalist" Party, numbering about seventeen, in the Legislative Assembly. Hitherto this party has voted solidly against the Government at every division and the speeches delivered by its members have been quite as pungent as those delivered by the Swarajists. It is said that the Nationalist Party will not join the Swarajists when the latter attempt to throw out the Budget next month, but it would not surprise me if some

of them, at any rate, attempted to join in this useless act of folly.

The New Building and Chamber.

The Legislative Assembly, of course, is now housed in the splendid new Legislative Building, which was opened by Lord Irwin on January 18, and which holds also the Council of State Chamber and the magnificent room in which the Chamber of Princes will meet henceforth. The Legislative Assembly Chamber is in the shape of a horse-shoe. On the left of the Presidential Chair sit the Swarajists between 35 and 40 strong. Next to them come the Nationalists, then the shrunken remnant of the old Independent Party led by Mr. Jinnah—a mere handful four or five strong. It is true that a number of Muhammadans, perhaps eight or ten, sit on the benches behind Mr. Jinnah, but they do not really belong to his party. They and the other Muhammadan members of the House have not yet formed themselves into a definite party, but act as a very loosely organised group with leanings towards the elected Europeans and the official benches. Continuing our journey round the horse-shoe we come next to the elected European benches, to the Muhammadan and nominated non-official members and, lastly, to the official benches on the right of the Presidential Chair, which complete the horse-shoe.

The Programme of the Session.

The session, which is now about three weeks old, has not been without excitement. There has been a lively debate on the subject of political prisoners, a brisk passage of arms on a motion for adjournment to censure the Government for not bringing in their Currency Bill before the Budget, and an attempt to move a motion of adjournment over the dispatch of Indian troops to China. Until this week Government lost all the divisions, but yesterday, after a very animated debate on a Bill to protect the Indian Steel Industry, the Independents and Muhammadans threw in their lot with Government and inflicted a respectable defeat on the Swarajists and Nationalists, who were opposing the further progress of the Bill. But the greatest battle of all is yet to come, namely, the battle over the rupee ratio. Tremendous propaganda has been going on in favour of the 1s. 4d. ratio—propaganda directed from Bombay and taken up by the Swarajists as a political move. Echoes of this to-do have reached England and most people are familiar with the main points at issue. As things are at present, it seems as though Government will win the fight which is staged for March 7 and succeeding days. Perhaps at the very moment when these words appear in print, the battle will be in progress on the floor of the Legislative Assembly Chamber and the keen blade of Sir Basil Blackett's dialectic will be performing that operation, so much more difficult than the carving asunder of steel casques and stout bucklers, namely, the scission of a fine spun web—the web of skilfully concocted misrepresentation and appeals to prejudice.

TAVOY.

The destruction of the town of Tavoy, recorded in the telegrams of the week, is not likely to affect in any way the mining industries of that district. The bazaar and old town, which lie on the bank of the river, are a singularly ramshackle collection of inflammable buildings, even for an Eastern town: but during the mining boom of the later years of the War the firms which were attracted to mine wolfram and tin built residences and offices on the comparatively high ground behind the town, and it is most unlikely that they have been touched by the fire.

During the War, when wolfram became of national importance for the production of tungsten for high-speed tool steel, the Tavoy district, as the chief source of wolfram in the British Empire, attracted very great attention. The Government invited the leading firms in Burma to co-operate in the production, and gave them all the assist-

ance in its power: and for some years Tavoy was a most active mining centre. In the last year of the War, however, large and cheap supplies of wolfram came forward from China: the demand for wolfram fell off, and a year or two ago the mineral, which the Ministry of Munitions took at £210 per ton, did not fetch more than £35. At this price there is no profit in the production, and Tavoy wolfram mines are not likely to be re-opened.

With the steady advance in tin prices, however, and modern facilities of working low-grade alluvials, there has been a considerable development in tin workings. Several companies are already working with great success, and the very wild and broken hill country is being continually explored and prospected. Attempts are being made to develop the planting of rubber and other field products, and it is possible that eventually the district will become of some importance in that respect. But for the present the communications are so bad that the supply of cheap labour is a very great difficulty, and until the country has been opened up by the extension of the railway from Moulmein, the province of Tinasserim must progress very slowly.

One of the companies operating in the district has already found it necessary to advise its shareholders that the fire has in no way affected its interests: and indeed the destruction of the very insanitary bazaars of Tavoy is not likely to impede for a moment such development as is possible.

THE ARABIC HISTORY OF GUJARAT.—III.*

The Story of a Lost Manuscript.

BY SIR E. DENISON ROSS, C.I.E., Ph.D.

"To make a long story short, after morning prayers were summoned to the Amin's court (*majlis*) in the Mosque at the gate of Safa, where we found assembled the Turkish officials and the chief men of Mecca."

"First of all the Amin's letter was read out, then the Amin turned to me as if to ask my permission to action in the orders therein received. Whereupon I rose and handed him the letter I had received. This he took from me with evident disapproval of my audacity in handing him a letter: but when he examined it and recognised the handwriting, he rose out of respect to the writer and read its contents. And behold! it was a cancellation of the orders he had himself received!"

"He then handed my letter to the chief Qazi and the Amin al-Bayt, who were both amazed. After some discussion among the notables and imams, the Qazi mounted the pulpit and read out the second letter, mentioning the date it bore, and when he had descended from the pulpit again the *majlis* terminated."

In 1548 Asaf Khan was recalled to India and Siraj ud-Din was left in charge of what remained of his treasure, much of which had been expended in securing the safety of the women. In 1553 the Sultan of Gujarat and his wise counsellor, Asaf Khan, were both murdered, and two years later Siraj ud-Din returned to India, bringing with him his son Abdullah, the author of our History, then sixteen years of age. They settled in Ahmadabad, and in 1558 Hajji Dabir entered the service of his first master, Muhammad Ulugh Khan, after whom he took the title Ulughkhani. He thus describes how he first obtained employment:—

"One day I was present at an audience held by Muhammad Ulugh Khan and the sun was about to set. The Khan had before him a book, a sheet of paper and a qalamdan. His vizier, Khayrat Khan, asked me if I knew how to write: and as I thought that he was wanting me to copy what was in his book, I replied, "Yes." He thereupon ordered me to write a letter to his brother noble,

*The Sir George Birdwood Memorial Lecture read before the Royal Society of Arts (Indian Section) on February 11; Sir William Foster, C.I.E., in the chair.

Chingiz Khan, to thank him for sending back a subordinate official who had left him in anger, and this troubled me and I tried to devise some way out of the difficulty; I could only think of waiting till he should go out when the Muezzin called to Maghrib prayers from the camp mosque. So I occupied myself with cutting my pen: and ere I had finished cutting it, the Muezzin began his call, and the two went out from the private audience chamber into the portico. Then I put down my pen and followed them, and I went out into the portico with the intention of escaping to my house. But when I reached the office-room (*kachari*), which was empty, it occurred to me to perform my Maghrib prayer, lest I should be too late to do so if I waited till I got home. So I began to pray: and while I was finishing the prescribed 'sunna,' the Khan returned to his audience hall and found me flown. So he said: 'Go and fetch Hajji Dabir.' Now I was not known by this name, but was commonly called by my name, Muhammad. And the servants were busy seeking me, and while they were asking for me, one who knew me followed after them. And he stood where he was, encouraging them in their search. And suddenly he saw me and called them back and said: 'This is Hajji Dabir, and when he has finished his prayer, take him in.' And they did so, and I entered and I wrote the letter and it was a very poor effort. And I went away determined not to return and I kept in my house for several days. Then I was again sent for and I hesitated, but my father ordered me to obey. And I was told to write a letter to the Captain of the port of Diu thanking him for an Arab horse which he had given the Khan."

Shortly after this Khayrat Khan went over to the side of I'timad, the great rival chieftain of Imad and became an independent Amir. And in his new position was evidently anxious to retain his close association with the Hajji. For in the Hajji's own words we read:

"Now when Khayrat Khan Bilal became an Amir, I wandered out one day to I'timad's camp, for amusement: and while I was standing in the divan, and was gazing on the good things which God had bestowed on I'timad Khan, in the way of tents and carpets, which for the most part were in gold work and embroidery, all towering to the sky: and my eyes were also turned heavenwards in admiration, so that I did not notice who came in or went out. Suddenly I found my hand was in the hand of Khayrat Khan, and I turned round and saw him and kissed his hand. And he took me with him to his camp, and would not allow me to be separated from him. And I submitted to the command: and he presented me with a horse and a camel and a tent and two hundred mahmudis. And when my patron, Ulugh Khan, joined I'timad Khan—and he had been gracious to me—I found it hard that he should see me in someone's else's house: and yet my obligations forbade that I should leave the Amir for no reason at all, and so I returned to the town.

"Now Badr ud Din Hasan ad Daylamani, who was vazir to Jahangir Khan, was also inclined to employ me: firstly, because of his kindness and, secondly, because he was in constant correspondence with the merchants living in the sea-ports, the majority of whom at that time were Arabs, and I was competent to help him in this matter. And he took me to see Jahangir Khan, and said to him: 'Our divan cannot do without a man of this sort, and he is to-day in our hands.' And he asked me how much I had received from Khayrat Khan, and I replied, 'Two hundred mahmudis.' Then he said: 'How many of them do you actually receive each month?' I replied: 'So many and the rest are due.' He said: 'These last hang between despair and hope, but from me you will receive one hundred month by month. This will be a little always and not much curtailed!' To which I replied: 'Your little cannot be called little.' And I remained with him until the time when my Patron and Benefactor Ulugh Khan said to me: 'I have ordered you a horse and a camel. By dawn you must be there!' He then took off his coat, which was a jubba of Alexandrian qumash, and put it on me; and then let me go back to my house and bid farewell

to my people. I then went to Hasan ad Daylamani and told him what had happened, and said: 'By a fortunate chance I have not taken any of my pay: and in spite of your urging me to take an advance. For I left my pay untouched for fear of such a day as this arriving. Indeed, he (Ulugh) was always in my thoughts, and I was anxious lest something should happen which would cause a breach between myself and the Khan. And as soon as it was dawn I was at the Khan's door.'

In 1571, when Akbar entered Ahmadabad, Ulugh Khan entered his service, and Hajji Dabir received an appointment in connexion with Akbar's religious endowments in Mecca; and thus in 1572 he made the pilgrimage to Mecca in an official capacity.

He remained with Ulugh Khan down to 1576, when he entered the service of his second master, Sayf ul-Muluk, where he remained for the next twenty years. In 1595 he entered the service of Fulad Khan, who died in 1605. This is the latest date mentioned by the author, and we know nothing of his movements or his activities after that.

In the first place the author seems to have obtained employment, thanks to his knowledge of Arabic. Persian he acquired only after his arrival in India. He was not, however, exclusively engaged in clerical work, for he speaks of his own participation in several engagements, and in 1559 he so greatly distinguished himself in a battle at Baroda that he was rewarded with the gift of two villages. It is only to be regretted that a man who was both a scholar and a soldier, and who lived through fifty years of continuous adventure, should not have seen fit to write an autobiography. For his life faithfully recorded would probably have offered one of the most thrilling personal narratives. Possibly something more like an autobiography was contained in the special memoir he wrote of his patron, Muhammad Ulugh Khan under the title of "*Fawatih ul-Iqbal wa Fawa'id ul-Intiqal*," to which he refers twice in his history, and which may still turn up some day on the shelves of an Indian library.

AN INDIAN BIBLIOGRAPHY.

The Library of the Royal Colonial Institute has rendered a good service to students, public men and others who have reason to be interested in Indian affairs in compiling a Bibliography relating to India. This list, which contains books printed in English and published since 1900, may not be exhaustive, but with over four hundred separate entries, can claim to be comprehensive. It does not include technical works, and books having a purely local application have for the most part not been incorporated. Indian Art is the subject of a separate leaflet. The headings under which the books are grouped include the following:—(1) General Description, (2) Administration and Politics, (3) Economics, (4) Finance, (5) Frontiers and Foreign Relations, (6) History and Biography, (7) Literature, (8) Religion, (9) Reminiscences, (10) Travel. The sub-headings number about sixty. The Bibliography, which can be purchased from the Librarian of the Royal Colonial Institute, Northumberland Avenue, London, W.C.2., for threepence has been compiled for the Institute and the School of Oriental Studies by Sir John Cumming, K.C.I.E., C.S.I.

In this connexion it is of interest to note that the Leeds Commercial and Technical Library has also issued a special Bulletin giving a list of its books on India. A supplementary notice states:—

In addition to the books listed in this Bulletin particular attention is drawn to the fund of detailed and specialised information which is stored in the *File of Current Data*. In this file the material is arranged by subject. The following subjects, chosen at random, will suggest the type of material the file contains, all with special reference to India: Advertising; Coal Mining; Commercial Travelling; Cotton Growing; Maps of Countries; Tariffs; Textile Industry; Trade Openings.

INDIAN MAIL.

The Bengal Ministry.

It would seem that the difficulties of the Governor of Bengal have by no means come to an end with the acceptance of office by a Hindu and a Muhammadan Minister. A leading Hindu publicist complains that Lord Lytton had practically abdicated in favour of Sir Abdur Rahim by asking him to nominate his own Hindu colleague; though Sir Abdur Rahim himself apparently considers that he was nominated as a sort of Prime Minister and that there was therefore every justification for entrusting him with the task of selecting his own partner; who, by this implication would have been a junior one. Perhaps this idea was partly responsible for his failure to persuade any Hindu to serve with him; and that section of Moslem opinion in Bengal, that supports Sir Abdur Rahim, voices the counter complaint that the Hindus practically dictated to the Governor which Moslem Minister he could be allowed to choose. The Hindus urged that, Sir Abdur Rahim having been given a free hand to find a Hindu colleague, Lord Lytton's proper procedure, after his resignation, would have been to select a Hindu and give him the same powers; and this, indeed, at any rate in substance if not in form, seems to be what has been done. A determined attempt to intimidate Mr. Ghaznavi, the newly appointed Moslem Minister, is being made by a number of quite irresponsible Muhammadan students, who have discovered that "the honour of Islam" is bound up with the retention of Sir Abdur Rahim in the Ministry; by not allowing which, "the Hindus and the Government have insulted the Moslems of Bengal," with Mr. Ghaznavi as an accessory after the fact. The Muhammadan Deputy President of the Bengal Council has "issued a statement to the Press," the wording of which is by no means calculated to pour oil on the troubled waters. It says that the personal ambition of an individual, however great, should not be allowed to stand in the way of a great experiment in political development: that, if Sir Abdur Rahim sincerely desires to carry out the mandate of the Moslem electorate of Bengal, to work the Reforms, he should subordinate his personal pique and disappointment and should not be a party to silly agitation inimical to Muhammadan interests; and that it is time that he realised that "the Moslems of Bengal will not be extinct like Dodo in Madagascar without his lead. If Sir Abdur Rahim really harbours the feelings with which the Deputy President credits him, he is not likely to abandon them in deference to an "appeal" of this kind; but rather, having the will to make himself unpleasant, to look round for the power to put it into operation.

Indian Troops for China.

The "popular" protests against the despatch of Indian troops to China seem to be dying down; though the objectors will probably claim that the return of two Punjab battalions to Hongkong, and their replacement by British troops, has been directly due to their efforts. The malicious suggestion that this change was due to disaffection among the Indian soldiers has been flatly contradicted by the Foreign Secretary in Parliament; though it is to be expected that Indians of the agitator class will none the less repeat it. One of the latest pronouncements on the subject of the Concessions, made in a public meeting at Delhi, reads strangely in view of the insistence that the Union of South Africa shall honour the debt incurred towards Indian immigrants by Natal when that Colony was a separate entity: the speaker said that treaties signed by the Chinese Emperor were not binding on the Chinese people who had got rid of the Imperial Government. Another speaker offered an inspiring suggestion for a "practical demonstration against the decision to send troops, by lying on the railway lines when the troop-trains passed on their way to China." The latter speaker made a special appeal, to the Moslems among his audience, to realise "the threat of subjection of the Muhammadan population" of India inherent in the similar "threat" to the Chinese. A reasonable audience

would merely laugh at balderdash pushed to such a pitch of insane absurdity; but audiences in India are generally far from reasonable, and are apt to accept pernicious nonsense such as this at its apparent face value.

American Citizenship.

Reference was recently made in these columns to the refusal of the United States to admit the eligibility of caste Hindus for naturalisation, which had been claimed by them on the ground of Aryan descent. It appears that what the claimant has to prove is that, in the eye of American law, he is a "free white citizen": and this claim is now, after a preliminary success before the lower Courts, being sustained by an Indian, practising as a barrister in California, before the United States Supreme Court. An appeal for money to help to fight the case has been sent to India; and it is argued that the matter is one of vital importance to India's self-respect and that, in fighting for his rights, the claimant is in fact fighting for "the honour and recognition of his Motherland before the bar of American justice." Previous refusals of citizenship have, it is asserted, inflicted disgrace on the Indian nation, which should now raise a united voice in order to maintain the dignity and prestige of India and of her sons and daughters; and it is suggested that, if this is not done, "the world will treat Indians as helots."

This strikes one as a curious and characteristic example of Indian mentality. The American Courts have always recognised Indians to be "free citizens": the only question in debate is whether they can be classed as "white." In spite of its proverbial fondness for fictions, the law has an inconvenient way of taking account of facts; and it is as difficult to guess why, on a claim to original Aryan ancestry—more often than not entirely fictitious—the judges should be expected to deny the evidence of their own eyes, as it is to imagine why it should be thought worth while to ask them to do so.

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NOTES AND NEWS.

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Tuesday Morning.

Roumania's Transport Plight.

The figures our Bucharest Correspondent quotes this week with regard to Roumania's rolling stock illustrates very plainly the extent of the country's transport problem, and explain better than reams of writing could do why the country's recovery since the War has been so appallingly slow. As a matter of fact, the transport position instead of getting better has become worse. In the table given on another page, the figures of rolling stock for 1926 and 1922 are compared, and it will be seen that the situation of the railways last year was infinitely inferior to what it was four years before. In only one class of rolling stock—tank wagons—is an improvement shown, and that is due to very special efforts made last year, on account of the imperative need for the development of the export trade in oil. Nothing is said as to the condition of the lines themselves, but there is no reason for believing that they are in much better case, and the statistics show, if they show anything, that if Roumania's transport system is to be placed in a position which will enable it to meet the country's extensive needs at an early date it can only be through foreign assistance. Left to her own resources it is quite evident that Roumania cannot cope with the situation.

The Leu—A Paradox.

With the transport in this deplorable condition, it is something of a paradox that the exchange, as I recorded in a recent issue, should have improved so greatly—it has gone in a few weeks from about 950 to the pound sterling to 814½ at which it stands at the time of writing—a paradox because it is indicative of economic development and yet in the organism which is essential for commercial progress there is no improvement. The rise in the leu is nevertheless an index of the very substantial advance that the country has made towards the normal, and may perhaps be taken as a not unreliable indication of what would have happened if the development of transport had kept pace with the country's other activities. It is due to a number of factors among which, as I said, are the favourable balance of trade, and last year's good harvest which means a large surplus available for export. The trade balance in Roumania's favour is just under four milliard lei, while of the maize crop alone there are 2,000,000 tons available for export. These things, combined with the development of the oil industry, and reduced purchases abroad—the latter a very important factor—explain the present exchange movement. He would be a bold individual, however, who would expect the improvement of the leu to continue much further, for the country is still far from approaching that state of stabilisation which is the essential of a steady exchange. The transport problem, once solved, other things would settle themselves. Its present unsatisfactory state is the crux of the situation in Roumania to-day.

Bulgaria's Financial Position.

A summary of the Budget debate in the Sobranye is given this week by our Sofia Correspondent. Reading between the lines it is a little difficult to avoid the impression that the difficulties with which Bulgaria is faced are being stressed unduly for the benefit of foreign consumption. No one conversant with the facts could imagine that Bulgaria will have anything but an adverse financial road to travel for a long time, but the speeches

in the Sobranye suggest an unwillingness to venture far along the road at all. In order to obtain the Refugee Loan Bulgaria had to put her financial house in order, one of the principal steps being to make the National Bank an independent institution. That means in plain terms that the State has to rely on itself, for if the receipts are incommensurate with the expenditure there is no easy recourse to the Bank. That brings the question down to one of economy—the problem which is, in fact, the ruling factor in the finance of every State affected by the War. As everyone knows, economy is apparently an elusive element in Governmental policy, being too dependent on factors from without, but it is a problem which has to be solved, by Bulgaria as well as by every other country, and on the extent of Bulgaria's success in grappling with her individual problem will depend the sympathy and support for which she looks from outside.

Success of the Fair.

It is eminently satisfactory to be able to state that the expectations entertained that this year's British Industries Fair would be an outstanding success have been amply fulfilled. The figures for the White City are most illuminating. Among the crowds of buyers, who showed an increase of 26 per cent. on the attendance of the previous year, were representatives of 61 countries, and it is significant of the reputation the Fair has made for itself in its short existence that there were 100 buyers from Australia. The Near and Middle East, it may be noted, was much more strongly represented than before, there being a contingent of buyers from the Balkans, Persia, and elsewhere. The success of the Fair is not, however, to be measured in terms of buyers or of the number of countries represented, but by the business actually transacted, and here the position leaves nothing to be desired. The report of substantial orders is forthcoming from firm after firm represented at the Fair; in this connexion it is of special interest that some good business has been done with Persia. It will doubtless be a great encouragement to those regions which did not take part in the display of Empire goods to come forward on the next occasion to know that the trade done in this section was particularly satisfactory. The results attained by the exhibition of India's products are stated to have been most gratifying, inquiries having been forthcoming from many countries. Next time it may be hoped that regions like Cyprus, who are seeking enlarged outlets for their products will take the opportunity which the Fair unquestionably affords of establishing new business connexions.

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Southern Punjab Railway.

At the general meeting of the Southern Punjab Railway, a report of which will be found in another column, the Chairman, Mr. J. M. Rendel, pointed out that the past year's results from a revenue finding point of view were much the same as those of the previous twelve months. The disposable balance amounted to £170,006 which compares with £166,167 for the previous year, and the distribution was maintained at the previous rate. During the year the Sutlej Valley line was reopened, and from November 23, 1925, to the end of the twelve months the gross earnings amounted to just under Rs. 100 a mile a week, which Mr. Rendel stated was a not unpromising beginning. As regards the current year Mr. Rendel was able to state that the earnings of the main line and the Ludhiana extension are so far not unsatisfactory if not quite equal to those of the corresponding period of last year.

Recovery in Rubber.

Events in the Rubber market in the past week call for a passing notice. While stocks of rubber in London have continued to increase and now stand just below 60,000 tons, the price of the commodity has begun to firm up in an unmistakeable way, and at the moment is now in the neighbourhood of 1s. 8½d. per lb. The average for the quarter, however, is no more than a mere fraction above 1s. 7d., so that if an average of 1s. 9d. is to be attained the price for the remainder of the quarter must average slightly over 1s. 10d. It looks as if there will not be much in it when May 1 comes, but whether there is a further reduction in the export quota or whether it remains the same for the ensuing quarter the price of the commodity is likely to improve. The only difference is that with a reduction to 60 per cent. the upward price movement will be rapid, whereas in the other case it will be gradual. The situation as I have outlined it fully explains the recovery in the share market now taking place.

COMMENTATOR.

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ROUMANIAN FINANCES.

Cables have been received from Bucharest reporting that, after lengthy negotiations, an agreement has been entered into, under which the Skoda Works, and Messrs. Ringhoffer (the well-known manufacturers of rolling stock in Czecho-Slovakia) have accepted Bonds of the Roumanian Government 4 per cent External Loan 1922, and Bonds of the Roumanian Government 4 per cent Consolidation Loan 1922 (calculated at present prices ruling in the market) in settlement of their claims against the Roumanian Government. These payments, amounting to about 310,000,000 Czecho-Slovakia crowns (approx. £1,900,000) plus interest, were due in four instalments payable in 1927, 1928, 1929, and 1930.

By this arrangement, Roumania is converting a short term debt, payable in a currency which may be subject to appreciation, into a long term debt, payable in a gold currency, thereby relieving herself of a possible exchange risk, and lightening her Budget and her requirements in foreign exchange for the next four years, by about 500 million lei (over £500,000) per annum. It is understood that the agreement will be submitted shortly for ratification by the Roumanian Chambers.

COMPANY NOTES AND REPORTS.

Steaua Romana (British), Ltd., are advised that the production of the Steaua Romana Company, Bucharest, for the month of February was 35,900 tons.

The Nundydroog Mines announce a balance dividend for 1926 of 9d. per share, payable April 12. This makes the distribution for the year 1s. 3d. per share, less tax.

The traffic receipts of the Egyptian Delta Light Railways for the ten days ended February 10 amounted to £E8,959, making the total from April 1 £E271,803.

A White Paper dealing with the Ottoman Guaranteed Loan of 1855 shows that in 1926 £40,753 17s. was paid out by the Treasury in interest and management, making the total sums issued £477,424 18s.

The profit of the Constantinople Land and Building Company for 1926 amounted to £2,337, and £2,041 was brought forward. A dividend of 3 per cent., less tax, is proposed, leaving £2,378 to be carried forward.

The Balaghat Gold Mines announce a balance dividend of 3d. per share on both preference and ordinary shares, payable April 7, making the dividends for 1926 1s. 3d. per share on the preference and 3d. per share on the ordinary shares.

The traffic receipts of the South Indian Railway Company for the week ended February 5 amounted to Rs.9,71,615, making the total from April 1 Rs.4,41,31,958. The figures for the corresponding periods of the previous twelve months were Rs.9,40,507 and Rs.4,41,86,008.

FOREIGN EXCHANGES.

Country.	Method of Quoting.	Parity of Exchange.	Latest Quotations.
Alexandria.....	Piastre to £	97½	97½
Athens	Drachmæ to £ ...	25.22½	376
Belgrade.....	Dinars to £	25.22½	276
Berlin	Marks to £	20.43	20.46½
Berne	Francs to £.....	25.22½	25.23
Bombay	Sterling to Rupee	24d.	17 57/64—59/64
Brussels	Belga to £.....	35	84.90
Bucharest	Lei to £	25.22½	814½
Budapest	Peu to £	27.82	27.77½
Calcutta	Sterling to Rupee	24d.	17 57/64—59/64
Constantinople	Piastres to £	110	955—970
New York	Dollars to £	4.86 2-3	4.85½
Paris	Francs to £.....	25.22½	124.07—.12
Prague	Kronen to £.....	24.02	163½
Rome	Lire to £	25.22½	110½
Sofia	Leva to £	25.22½	668—675
Teheran	Krans to £	52	50½
Vienna	Sch to £	34.56½	34.46—34.50
Warsaw	Zloty to £	25.22½	42—45

THE YUGOSLAV MARKET FOR MOTOR CARS.

(By Our Liubliana Correspondent.)

The Yugoslav market for motor vehicles covers in the main two wide regions, viz., the north-western part of the kingdom—alpine country, but provided with decent roads; and the south-eastern part, where the roads are bad and the terrain—level limestone formation—is not too favourable. Therefore the north, i.e., Slovenia and Croatia, prefers to buy light, inexpensive, and economical cars, whereas in other parts there is a demand for large and heavy cars. Even in Slovenia the terrain is not easy. Some of the roads have gradients of 25 per cent., which means that small cars can scarcely negotiate them.

There are no motor car works in Yugoslavia and no shops for assembling cars. If one takes a map of Yugoslavia and goes through the adjoining States, one finds Hungary, Roumania, Bulgaria, Greece, and Albania all without any motor car industry (the Hungarian motor industry cannot be counted, since it does not suffice even for home needs); and then Italy and Austria, whose great motor car works are world-famous. Importation from both into Yugoslavia is direct and easy, by land or by the Adriatic through Dalmatia.

The Yugoslav market is supplied above all with French cars, but this can only be a temporary feature. Taking advantage of the low rate of the franc French manufacturers established large numbers of agencies in all towns of any size, and these agencies in their turn established sub-agencies. Although French cars have sold readily, and a sound foundation for further business has been laid, it is obvious that conditions must change now that the franc is rising again. Agents will not work except on a dollar or pound sterling basis. Views on the outlook differ. Some optimistic importers believe that French industry will continue to hold its own against competition in spite of the rehabilitation of the franc. All the same it is doubtful whether French manufacturers will be able to compete successfully with American and Italian goods.

The motor car works nearest in point of distance to Yugoslavia are in Austria, and the nearest works for assembling cars are Ford's in Trieste. The Austrian factories in question are Daimler's in Wiener Neustadt, and "Steyr" in Upper Austria. Yet so far Austrian goods have failed in the Yugoslav market. The cars, which are excellent in quality, are too heavy for the northern regions and too expensive for the southern. Italian cars are far more widely used. There is not an Italian make that is not met with in Yugoslavia; and although the import duty is heavy—20 per cent. of the invoice value for the trade, and 25 to 26 per cent. for private purchasers—Italian cars are nevertheless, thanks to the low cost of transport and their type, pretty well the cheapest in the market after the French. Of course, so far they have not been able to compete with French prices. In what por-

tion Yugoslavia imports motor cars from other states is shown by the following table, the figures representing percentages:—

	1924.	1925.
Great Britain	2	1
France	28	34
Germany	6	4
Czecho-Slovakia	4	1
Italy	23	21
U.S.A.	36	38
Other countries	0	1

These figures, which are only approximate, because they refer only to new cars, and, in fact, only to private cars, show how the French and American motor car industries have practically captured the whole Yugoslav market. America, moreover, does a good trade in motor tractors for agricultural purposes, which paves the way for the introduction of other American machinery as well into Yugoslavia.

It is difficult to say how far individual makes of cars may or may not be suited to the terrain, which differs so widely in the different regions of the kingdom. At the motor trial races at Liubelye last summer there was only one French car, an Amilcar. American cars with their elastic engines are able to negotiate the worst of roads and are therefore very popular. Generally speaking, Yugoslavia requires strongly-built cars, so-called rough country cars. A city car easily gets out of order, or indeed refuses to move. Almost all European cars have higher gears than American, and are more economical, but also far more delicate.

I do not know what is the reason why so few British cars are on the Yugoslav market. High initial cost is certainly not to blame, because first-class Italian cars—Isotta, Tracchino, Alfa Romeo, Lancia—are high-priced and yet find a ready sale. It is more likely that the difficulty of obtaining spare parts for repairs constitutes an obstacle. Few of the Yugoslav firms are sufficiently enterprising to send mechanics over to England to study the construction and working of British cars. Further, it is not worth while to lay in a big stock of spare parts for a small series of cars, because the goods are apt to get left on one's hands. That the British motor car industry might do well over here is proved by the popularity of British motor bicycles, e.g., the B.S.A., A.T.S., Matchless, Douglas, Rudge, and others, which are in evidence both on the road and at races.

A serious obstacle to the free development of the motor car trade may be found in high taxation. Then petrol is very expensive, owing to the enormous import duty on petrol and raw oils. Transport costs almost nothing, as all the petrol comes from Roumania up the Danube and Sava.

North-western Yugoslavia—Slovenia—has good roads and is readily accessible to foreigners at several points. Industry is comparatively well developed there, and consequently also motor traffic. Motor tractors for agricultural purposes are not practical, however, except here and there, as the greater part of the region is mountainous.

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Similar conditions obtain in the Dalmatian coastlands. The mainland of Dalmatia and Bosnia has good roads, but too few of them, and for this reason it is difficult to make use of small cars only. In Bosnia most of the motor traffic is done with Ford cars. Looking at the plains along the Danube, Drava, and Sava, it will be realised that the heavy fertile soil of those parts is not conducive to good roads. Therefore the cars met with there are heavily engined—over 50 h.p. This part of the country, on the other hand, makes the most use of agricultural machinery. There remains the southern part of Serbia. Here, too, only powerful cars are of any use, because, with very few exceptions, the roads are in a wretched condition, or altogether non-existent. Long centuries of Turkish misrule, the devastation of the World War, and lack of interest on the part of the powers that be, have all set their mark upon the land. Here, too, the Ford is the car most in use.

COTTON GROWING IN IRAQ.

At the monthly meeting of the Council of the British Cotton Growing Association held at Manchester on March 1, it was reported that in Iraq a total of 3,100 bales have been purchased to date, and the total crop is expected to show an increase over the previous season of about 1,000 bales, which is most satisfactory in view of the lower values now ruling for cotton.

The Egyptian Minister of Agriculture has established a temporary department at Cairo for the execution of the law restricting the area under cotton to one third of the acreage.

A contract has been given by the Egyptian State Railways to the Metropolitan Carriage, Waggon, and Finance Company, Birmingham, for 250 steel box trucks.

Ransomes and Rapier, Ipswich, have received a contract for lock-gates for the new Kafir-Bulin regulator, midway between Cairo and Alexandria.

Mr. W. E. Rootes, who is investigating the prospects for the export of British motor cars to the Dominions and foreign countries, left Cairo on February 24 for India.

At the forthcoming meeting of the Banque de Salonique the directors will propose the repurchase of the founders' shares, which are entitled to 10 per cent. of the bank's net profit.

The Hon. Alexander Shaw, who has been a member of the Boards of the P. and O. and British India Companies for a number of years, has been appointed Deputy-Chairman of these companies.

It is announced that the date for submitting tenders in connexion with the offer made by the Greek Government to grant to salvage firms the work of raising vessels sunk in the Aegean and Ionian Seas has been extended to April 15 in the case of tenders submitted to the Greek Legation in London, and to May 5 if they are made in Athens.

TENDERS INVITED.

Tenders are invited for the following contracts, and must be made by the dates mentioned.

(Particulars of tenders marked D.O.T. are to be obtained from the Department of Overseas Trade, 55, Old Queen Street, S.W.)

EGYPT.

Centrifugal Pump, Etc.—The Director-General of Prisons, 43, Sharia El-Bustan, Cairo, invites tenders for the supply of high lift centrifugal pump, fire hydrants, chemical fire extinguishers and air-moistening machine required for the spinning machine workshop at Delta Barrage Prison, April 12.

Tents, Etc.—The Surveyor-General of Egypt, Giza (Mudiriya), invites tenders for the supply of tents and shamsias for same, April 29; document and map printing paper, May 3; calico and Shash, May 9.

Photographic Materials.—The Director, Equipment and Finance Department, Ministry of the Interior, Cairo, invites tenders for the supply of photographic materials. March 16.

Stationery Articles.—The General Management, Egyptian State Railways, Telegraphs and Telephones, Cairo Station, invites tenders for the supply of stationery articles for 1927-1928. Approximate cost between £E6,000-7,000. March 22.

Paper.—The Controller-General, Administration and General Stores, Ministry of Finance, invites tenders for the supply of paper, binding materials, and metals required by the Government Press for 1927-1928. March 17.

Photographic Material.—The Egyptian Ministry of the Interior invites tenders for the supply of photographic material, including apparatus and accessories, chemicals, plates and papers, and identification films required during the year ended March 31, 1928. March 16. (D.O.T.)

Tents, Etc.—The Surveyor-General of Egypt, Giza (Mudiriya), invites tenders for the supply of tents and shamsias for same. April 9; aluminium and zinc lithographic printing plates, April 27; and document and map printing paper. May 3.

Paper, Printing, and Bookbinding Material.—The Egyptian Government Press invites tenders for paper, boards, printing ink, cloth, etc. March 17. (D.O.T.)

ROUMANIA.

Naval Stores.—Tenders are invited for the supply of various goods required by the Naval Dockyard at Turnu-Severin, Roumania. (D.O.T.)

FORTHCOMING SAILINGS.

The following are the sailings for the Near East and India, the ports of departure and closing dates for cargo being given in parentheses:—

Anchor Line.—A steamer for Bombay (Birkenhead, March 26). (For passenger sailings and dates see advertisement.)

Anchor Brocklebank Line.—S.S. Manipur for Port Said, Colombo, and Calcutta (Birkenhead, March 19).

Bibby Line.—S.S. Oxfordshire for Port Said, Colombo, and Rangoon (Birkenhead, March 23).

British India Line.—S.S. Querimba for Bombay and Karachi (London, March 12); s.s. Movada for Colombo, Madras, and Calcutta (London, March 12).

Cunard Line.—S.S. Pavia for Gibraltar, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Corfu, Bari, Gruz, Venice, Trieste, and Fiume, also at Ancona if inducement (Liverpool March 19, Swansea March 22); s.s. Tyria for Gibraltar, Malta, Patras, Piræus, Salonika, Smyrna, Constantinople, Varna, and Constantza, also Algiers and Volo if inducement offers (Liverpool, Glasgow and Swansea, April 9).

Johnston Line.—S.S. Kenmore for Piræus, Volo, Salonika, Smyrna, Constantinople, Bourgas, Varna, Constantza, Sulina, Galatz, and Braila (Liverpool, March 12).

P. and O. Line.—S.S. Rajputana for Bombay (London, March 18); s.s. Nankin for Colombo, Madras, and Calcutta (London, April 2).

Prince Line.—S.S. Egyptian Prince for Tunis, Malta, Alexandria, Syrian Coast, and Cyprus (Manchester, March 19).

Ellerman and Papayanni Lines.—S.S. Manchurian for Gibraltar, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Gravosa, Ancona*, Venice, Trieste, and Fiume (Swansea, March 11); s.s. Egyptian for Malta, Alexandria, Jaffa*, and Haifa* (Newport March 8, Liverpool March 16); s.s. Algerian for Gibraltar, Malta, Patras, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza (Liverpool March 19, Swansea March 19); A steamer for Gibraltar, Malta, Alexandria, Jaffa*, and Haifa* (Glasgow, 21); s.s. Dido for Gibraltar, Malta, Alexandria, Jaffa*, and Haifa* (Liverpool, March 23); s.s. Mardinian for Algiers*, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza (Liverpool, April 2); s.s. Roumelian for Gibraltar, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Gravosa, Ancona*, Venice, Trieste, and Fiume (Liverpool April 2, Swansea April 5).

* Subject to sufficient inducement. Transhipments.—Algerian ports via Algiers; Moroccan ports via Gibraltar; Tripoli (Barbary) via Malta; Syria and Cyprus via Alexandria; Greek outports via Piræus or other convenient port; Fiume via Trieste.

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THE WEEK'S FINANCE.

(By Our Financial Expert.)

London, March 8.

The outstanding feature in the Stock Markets during the past week has been the recovery in gilt-edged stocks and particularly in the new 4 per cent. Consols. This change is apparently due to the cessation of selling which has of late depressed the markets for high-class investment stocks, and to the advent of a little buying, some of which is said to be on behalf of the Government. It is suggested that some of the buying of gilt-edged stocks is prompted by hopeful views of lower money rates later on, but a reduction in Bank rate before the end of the financial year is hardly to be expected. The decision to introduce the Budget a fortnight earlier than usual is generally welcomed as shortening the period of uncertainty which always acts as a restraining influence upon Stock Market activity. In other directions markets have been somewhat irregular. Home rails are quiet, but Canadian Pacifics continued to advance. The oil share market, after its recent activity, has become erratic without any definite tendency, and public interest has very much waned. The Kaffir market has been lively but this is mostly due to professional buying from South Africa.

The Tax Outlook.

The issue of the Colwyn Committee's Report with its advocacy of orthodox, or even heroic, finance, is of peculiar interest to the taxpayer at the moment. For such data as are available at present suggest that Mr. Churchill can only balance his 1927-8 Budget either by increasing taxation or by "raiding" the Sinking Fund. This expert Committee finds that even the present level of allocation out of revenue for debt redemption is too low, and recommends that it be increased to £75 millions in the next five years and then to £100 millions. At the same time it deprecates the common idea that high taxation severely restricts business activity and enterprise. Among financial theorists both these views find strong support; but they are not acceptable to industrialists. Mr. Churchill would therefore appear to be on the horns of a dilemma, from which it will exercise all his ingenuity

to escape. Last year he quite unexpectedly produced a prospective surplus—since, of course, ruined by the coal strike—by introducing one or two minor axe measures and by producing "windfalls" through what he described as "a little judicious shaking of the tree." It is unlikely that the "tree shaking" process can be repeated. So, in spite of the Chancellor's cleverness and his obvious wish to avoid unpopular tax decisions, the rally of financial theorists to the support of "sound" policy will serve to heighten the fears which the ordinary taxpayer entertains regarding the budget prospects—fears, which, incidentally, the Civil Service and Army Estimates do nothing to allay. The period of anxiety is, however, shortened by the Government's decision to introduce the Budget earlier than usual, namely, April 11.

The Rubber Share Market.

The price of raw rubber has recently shown a tendency to harden and this has been quickly reflected in the share market, where a few buying orders are sufficient to emphasise the shortage of stock and to cause an improvement in prices which is rather out of proportion to the volume of business transacted. It has been suggested that rubber is replacing oil as the popular medium of speculative investment. The movement in the price of rubber in February suggests that a further reduction to 60 per cent. may be made in the exportable allowance under the Stevenson Restriction Scheme on May 1. If this happens the amount of rubber available for consumption may be expected to show a considerable reduction. The crux of the position, however, lies in the American demand, which is, of course, almost impossible to estimate. The future, indeed, is full of uncertainty, and there appears to be little in the immediate outlook to justify an outburst of strength in the rubber share market. But the good profits that are being made by the well managed companies may serve as the basis for an upward movement.

An Attractive Electrical Investment.

The electrical industry continues to be one of the bright spots of the British industrial world. Valuable orders have been secured, particularly on the export side. The index of activity in the electrical industry compiled by the British Electrical and Allied Manufacturers' Association shows an encouraging tendency. Thus taking 1920 as 100, the January figure for "home" was 95 and for "export" 152, giving a total of 109. Current industrial activity is described as highly satisfactory, most sections being busy, notably manufacturers of switchgear and transformers.

In these circumstances the ordinary shares of Mather and Platt, are worth consideration. At the meeting last week the chairman gave a very hopeful survey of business prospects for the current year. And the earnings for 1926 despite the adverse conditions, were only slightly below those of the previous year. Thus net profits have recently been as follows: 1924, £275,034; 1925, £260,885; and 1926, £251,636. Throughout this period the dividend has been maintained at the rate of 15 per cent. free of income tax. Moreover, the balance sheet disclosed a very strong position, there being a substantial reserve fund, while considerable sums are carried forward each year. At the present price the ordinary shares, of which there are 1,363,660 outstanding, give a return of £5 17s. per cent. free of income tax, and may be considered a fair industrial investment.

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DURBAN—Andrew Weir & Co.
EAST LONDON—Messrs. Dunn & Co.
PT. ELIZABETH—Mackie, Dunn & Co.

MOSSEL BAY—Messrs. E. Searle & Co.
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LONDON—ANDREW WEIR & CO., 21, Bury Street, E.C.3.

Mr. R. Davies, O.B.E., Acting Director of Intelligence, Sudan Government, has been appointed Director of Intelligence, to date January 1, 1927.

The Court of Directors of the Royal Exchange Assurance announces that the rate of interim bonus on life policies becoming claims either by death or maturity during the current quinquennium ending December 31, 1930, has been increased from 35s. per cent. to 37s. 6d. per cent., in respect of each full year's premium paid on or after January 1, 1927.

Company Meeting.

SOUTHERN PUNJAB RAILWAY.

Sutlej Valley Line Reopened.

The ordinary general meeting of the Southern Punjab Railway Co., Ltd., was held at the company's offices, 36, New Broad Street, E.C., on March 2, the Chairman, Mr. James M. Rendel, presiding.

The Secretary having read the notice convening the meeting and the auditors' report,

The Chairman, in moving the adoption of the report and accounts, said:—Gentlemen, I am sorry to say that Mr. Gladstone is unable to be present to-day. He is abroad, and kept there unfortunately by the indisposition of his wife, and I am sure that we all sympathise with his anxiety on that account; and I think also you will join with me in congratulating him on the triumphant vindication of his father's great name which he and his brother secured in the recent action.

With your permission I will, as usual, take the report with the accompanying accounts as read. In moving it let me, to begin with, say how much we all deplore the death of our late Chairman, Sir Bradford Leslie, which is referred to in the report, and which occurred only a few days after our last annual meeting. He was the founder of this company. He presided over its fortunes from the beginning for a period of over 30 years, and there is no doubt, as we have said, that its ultimate success has been largely due to his foresight, tenacity, and watchful care. He was, indeed, a very remarkable man; keen, versatile, and strenuous right up to the end of an unusually long life. But when we think of him it is not only his gifts of intellect and mind that we remember; we remember also a personality of singular gentleness and charm, which endeared him to all who came in contact with him, and will not soon be forgotten by those who worked with him and under him here.

The arrangements which in consequence of his death have been made in the constitution of the Board are also referred to in the report. My colleagues have done me the honour to elect me to the Chairmanship. Sir Henry Burt has accepted the position of deputy chairman. To fill the vacancy in the directorate we have been fortunate enough to secure the services of Sir Ernest Bell, whose experience and knowledge of Indian Railways as a former Manager of the North Western Railway Administration which works the company's lines, as ex-member of the Indian Railway Board, and finally as Government Director in this country of Indian railway companies, cannot fail to be of the greatest value to this company.

The year has been a normal one, the only circumstance of special interest being the reopening of the Sutlej Valley Line. This line, which was constructed by us and opened in 1910, was, as you will remember, closed and, indeed, taken up by the Government during the War, and for many years, during which the Government paid us interest on its capital cost, remained in whole or in part out of action. It has, however, at length been reconstructed by the Government, with a slight change in alignment, involving an increase of four miles in length. Work was completed on November 23, 1925, when the line was opened throughout for all classes of traffic. From that date to September 30, 1926—i.e., to the end of the year under review—its gross earnings amounted to Rs.9,50,643, or just under Rs.100 a mile a week, which may, I think, be regarded as a not unpromising beginning, though not enough to clear the line of dependence on rebate, or to add anything to the total net receipts of the company, in regard to which the general position is substantially the same as it was a year ago.

The net receipts in India from all sources, including rebate, amounted in the year under review to Rs.69,82,534, realising, at an average rate of 1s. 5½d. to the rupee, the sum of £516,274. Out of this we have to pay the Secretary of State as his share the very substantial sum of £177,483; to provide for Indian income-tax and Indian super-tax; all fixed charges, including the preference stock dividend, and administration expenses; the net result, after bringing in interest on investments and making some other adjustments, being what I may call a disposable balance of £170,006. The corresponding figures for the previous year were net receipts in India Rs.70,86,825, rate of exchange 1s. 6d., proceeds in sterling £526,933, Secretary of State's share £186,346, and disposable balance £166,167. The two years are thus, from a revenue-producing point of view, in much the same position.

In these circumstances you will not be surprised if we adhere to the policy of caution, and we restrict our total distribution for the year to the £14 per cent. which of late years has become customary, and which, subject to any extraordinary variation in the rate of exchange, we hope to maintain. We have decided to transfer a further sum of £50,000 to the contingencies account, bringing it to £150,000, and thus reduce the "carry forward" to £57,794. If, as many people expect, though I decline to express any opinion on the subject, the Secretary of State should determine to buy us out at the end of 1929, such a sum is amply sufficient to serve for so short a time all the purposes for which a margin of this kind is required. On the other hand, there is the possibility, which cannot be ignored, that the Secretary of State may elect not to exercise his option and may allow us to go on as we are for at least another five years. If so, as you may easily imagine, many contingencies may arise which may make it desirable for us to be in as strong a financial position as possible.

In any case if and when the line is bought out all reserves and accumulations will come back to the holders of ordinary stock as in effect part of the redemption price, as to which I should like to add a word to what I said last year. I thought it right then to point out that, in calculating the premium which the Government will have to pay us, it is not safe to assume, as some of the estimates which have appeared lately in certain financial papers unfortunately do, that premium will be earned on the whole of the capital expended.

With regard to the Jullundur Doab Railway the earnings continue to be disappointing, and the prospect of any premium being earned by December 31, 1929, must be regarded as remote. As to the Sutlej Valley Railway, we are distinctly more sanguine than we were a year ago. Everything will depend on the way the traffic develops, and the rate of exchange at which we are able to remit the earnings from India. A fall in the exchange would make a serious difference, but with reasonably good fortune it is by no means out of the question that some premium at any rate may be earned. As regards the main line and the Ludhiana extension another year only confirms our confidence that the full premium is secure. The earnings for the current year to date, if not quite equal to those of last year, are so far not unsatisfactory. It is, however, too early to make any forecast of the ultimate result.

The report was unanimously adopted.

The gross production of crude oil of the Phoenix Oil and Transport Company for February was 26,574 tons.

A provisional commercial agreement has been made between Greece and Bulgaria on the most-favoured-nation principle.

The British Overseas Bank announces that funds for the payment of the coupon due April 1, 1927, on the bonds of the Roumanian Four per Cent. Consolidation Loan, 1922, have now been received.

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ROUMANIA'S RAILWAY TRANSPORT PROBLEM.

(From Our Own Correspondent.)

Bucharest, March 2.

The all-engrossing subject of public preoccupation at present is the condition of the railways and the urgency of finding money both for their upkeep and for the increase of their capacity. According to a report published in the *Argus* of February 26 the following figures represent the situation of the rolling stock in 1926 as compared with 1922:—

		Total	In Service	Slightly defective	Need thorough repairs	To be destroyed
Passenger	1922	6,273	2,456	865	2,768	184
Carriages	1926	5,240	2,214	832	2,033	161
Covered Goods	1922	36,670	17,097	8,943	9,565	1,065
Wagons	1926	32,301	14,998	7,701	8,606	995
Open Goods	1922	44,000	21,308	11,590	10,656	1,918
Wagons	1926	39,405	16,112	9,977	11,999	1,325
Tank Wagons	1922	7,485	5,170	1,342	917	56
	1926	9,639	7,298	1,350	931	60
Total Wagons including luggage and Port Vans...	1926	88,975	40,522	20,350	24,342	2,775

As regards locomotives there is no great deficiency and if funds were available to repair 500 of those damaged there would be a total in service of 2,500, which represents 0.23 locomotives per kilometre of the railway lines.

It will be seen from the above table that the conditions as regards wagons of all kinds, except tanks, have grown considerably worse since 1922. The exception in the case of tank wagons is due to a special effort last year on the part of the Railway Administration to keep pace with the increasing petroleum production and export requirements, at the urgent request of the petroleum companies, and in view of the policy of the Government to encourage exports by all possible means.

In order to arrest this retrograde tendency, funds are urgently needed to increase the capacity of the repair shops so as to keep a greater number of the existing wagons and locomotives in constant service. If this were done, probably the immediate requirements of the industries could be adequately met, and a great deal of wastage and unnecessary deterioration would be avoided.

As mentioned in the last letter, efforts are now being made by the Roumanian Government to obtain a loan from Germany partly for this purpose and also for the supply of materials for current repairs.

H.E.H. the Nizam's Guaranteed State Railways have declared an interim dividend of 6 per cent., less tax, for the half-year ended September 30, payable on April 14.

NOTES FROM BULGARIA.

(From Our Own Correspondent.)

Sofia, March 1.

The Budget Debate.

The Sobranie has finished the general discussion on the Budget. The debate has been essentially of a critical character, and stress has been laid on the apprehensions—apparently well-founded—regarding the results of the next financial year, which, it is anticipated, will inevitably show a deficit, since in the opinion of competent speakers the expenditure maintained at a total of about seven milliards will exceed the receipts encashed by the Treasury. That view is supported by the fact that the present Budget will close with a considerable deficit of more than five hundred millions (some say a milliard), which proves the need for heroic economies, the country having reached the utmost limit of its fiscal yield. The Government explained that the deficit arises from the payment during the year of more than seven hundred million leva belonging to the previous Budget, but that does not alter the situation, for, in view of the lack of reserves and of the impossibility of having recourse henceforward to the National Bank—which has become independent of the State—it is necessary to carry forward the deficit of 1926-27 to 1927-28 thus compromising the balance of the Budget, the more so as there will be also an extraordinary Budget whose total will not be less than 500 millions and to meet which it is impossible to anticipate any extraordinary revenue. The position becomes still more menacing if one considers the payments already markedly increasing which Bulgaria will have to make in the approaching years on account of Reparations and the pre-War loans.

The difficulties of the Treasury have aggravated the situation, for after the reform of the National Bank the Treasury can only count upon the receipts to cover the current expenditure. As, owing to the economic crisis which prevails in the country, the taxes come in slowly that places the Treasury in a difficult position for the regular payment of its financial obligations and even for the salaries of the officials.

It is reported from Athens that the repayments by the refugees on account of the Greek Refugee Loan (1924) have been coming in very satisfactorily, and it is estimated that up to the end of 1926 a total sum of over £100,000 has been encashed by the Refugee Settlement Commission. Out of this over £75,000 has been handed to the International Financial Control Commission (in accordance with the conditions under which the Loan was issued) to be utilised for extra half-yearly drawings at par in addition to the ordinary half-yearly drawings carried out by means of the fixed $\frac{1}{2}$ per cent. per annum accumulative sinking fund. The sterling issue of £10,000,000 represents about 81 per cent. of the whole loan, and so far two extra half-yearly drawings, amounting in all to £23,000, have taken place.

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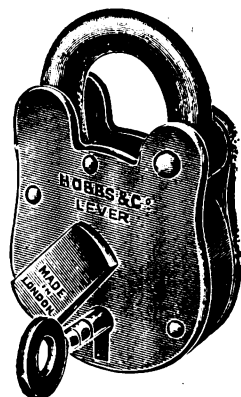
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Cotton and Cotton Goods.

THE LIVERPOOL COTTON MARKET.

Messrs. Reynolds and Gibson report as follows for the week ended March 2 :—

Egyptian Futures.—Sakel Contract.—No fresh features of particular importance have developed since we last wrote, but the market has continued to show a firmer undertone, and under the influence of trade covering, operations against "on call" cotton, helped by a moderate amount of outside speculative buying, prices have advanced 15 to 19 points for near positions, and 14 to 17 points for more distant options on the week. Whilst the statistical position still inclines to the heavy side, and acts as a deterrent to any material advance, there is no doubt that holders of Sakel cotton have latterly received a considerable measure of encouragement from the appreciation witnessed in the values of other varieties. On top of this, of course, spinners, both in this country and elsewhere, have undoubtedly experienced since the return of the year a very healthy off-take for their production, and although, as we have written previously, the Fine section have not participated in the improvement to the extent expected, we have little doubt that their turn will shortly come round. After showing a comparative lukewarm reception to the firm tendency at this side during the early days of the week, the Alexandria market has latterly become obviously more impressed, and their contract has appreciated fairly sharply during the last two sessions.

Upper Contract.—Operations in this contract continue to be confined to a few isolated transactions, values, in sympathy with hardening American rates, and in a greater degree with the steady appreciation witnessed in the Alexandria market, have advanced 26 points to 30 points on the week. Trade reports in this branch continue to be quite satisfactory, although it is asserted in some quarters that the advance has been too rapid, and that competitive growths at their ruling basis are a more attractive proposition.

Egyptian Spot.—A fair inquiry has been present, but much of it has been concerned with low grade cotton and Sudans. Interest in Egyptian Sakel cotton, which a week or two ago showed some signs of a revival, appears to be difficult to maintain and nothing short of the most drastic reductions in price seems likely, under existing conditions, to restore this growth to favour amongst spinners. Cotton at from 13.00d. to 14.00d. has attracted more attention than the other qualities, and prices have been steady with a slightly advancing tendency. Uppers, in sympathy with the advancing American markets, have been strong, and the higher prices being asked have had the effect of temporarily checking business in this growth. Opinions as to the merits of the recent advance in Uppers are evidently divided, as here and there some very reasonable cotton has been picked up. Brown, White,

and even Pilion, have been rather neglected. Prices for the last named have remained stiff. In Sudans, a very fair business has been reported, and on one day a line of approximately 1,500 bales of American seed cotton was put down. A fresh spurt of activity in the inferior grades has been witnessed, and rather more business than usual has been transacted within a range of 4.00d. to 8.50d.

C.i.f. business has been officially reported as "Fair" throughout the week—a somewhat unusual phenomenon on our market. Manchester reports, whilst remaining full of promise, have latterly carried with them, more than once, a hint that buyers were gradually becoming satiated. Forwardings for the week ending 25th ulto. were returned at 8,265 bales Egyptians and 1,127 bales Sudan. Estimated sales 1,200 Egyptians and 3,950 bales Sudan. Quotations of Sakel have been advanced 10 points, and those of Upper 45 points (Extra Fine Upper exceptionally 80 points. F.G.F. Sakel to-day 13.90d. F.G.F. Upper to-day 11.15d.

THE DRIED FRUIT MARKET.

Messrs. J. C. Houghton and Co., of Liverpool, report as follows for the past month :—

Currants.—The past month opened with a certain amount of buoyancy, but unfortunately the interest dwindled away as the weeks passed by, with the result that the volume of business transacted fell very much below expectations and, in fact, approximated only to the small amount which is customary at this season of the year. A policy of extreme caution has been adopted by most buyers, and consequently the tone of the market has been very slow. Stocks on hand are moderate, and any slight increase in the consumption would undoubtedly have a strengthening effect on prices. Merchants have great confidence in the position, and see nothing to justify undesirable forcing tactics, being quite content to await the renewal of activity. This attitude is confirmed, for the closing days of the month witnessed a renewal of interest, with a firmer undertone, in sympathy with advice of strong markets in Greece, Pyrgos for shipment being quoted at 36s. 6d. c.i.f. Stocks are now exceedingly light, and as we have had only one steamer, s.s. Polo, during the past month, and no further supplies will come to hand before the middle of March, prospects seem to point to a higher range of values in the near future. Business completed, comprised, Pyrgos 38s. 3d. to 38s. 9d., Amalias and Patras 39s. to 40s. 6d., Zante 40s. to 41s., Gulf 42s. to 46s., Vostizza, ordinary, 46s. to 48s., good, 50s. to 55s., few fine 58s., one parcel of outstanding merit 63s. Smalls 42s. to 49s. Latest Quotations: Pyrgos, 39s.; Amalias and Patras, 39s. 6d. to 41s.; Zante, 41s. to 42s.; Gulf and Panariti, 42s. to 48s.; Vostizza, 42s. to 56s.

Sultanias.—General steadiness characterised the market, but business has not broadened as it was hoped, and only a moderate clearance in spot parcels has resulted, trading on the whole being distinctly disappointing. Prices are shillings below the parity of those ruling in Smyrna, where stocks are reported to be almost exhausted, the fruit remaining being of a quality below the standard suitable

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for the English markets. Sales during the month have been quite insignificant. Quotations are as follows: Ordinary (3s., good 66s. to 70s. fine 78s. to 82s. 6d., Cretans 65s. to 72s., Greeks, dragging sale, and very little movement, 63s. 6d to 72s. 6d.

Australians.—In sympathy with the Smyrna fruit, this line has also been practically neglected, except for the fact that a small arrival, per s.s. Anchises, provided our buyers with a range of fruit at lower values, and this filled a demand that existed for that class of sultana. Sales were completed at 60s. to 63s., a few coloury lots making up to 66s., but the total weight disposed of was well below the expectations of holders.

Afghan.—A small quantity came to hand, and was partly sold at 50s. for Red, and 60s. for Yellow.

Figs.—A little trade was possible in pulled at 40s. to 42s., skeleton cases being neglected. A few Locoums sold at 70s., and bags are pressed for sale, genuine at 30s. to 31s.

The Department of Overseas Trade announces that the Government, in view of the success of the present British Industries Fair, has again granted £25,000 for overseas publicity for the next Fair, which opens in London and Birmingham on the third Monday in February, 1928.

GREEK REFUGEE LOAN, 1924.

Hambros Bank states that the revenues for the month of December assigned to the service of the Greek Government Seven per Cent. Refugee Loan, 1924, are as follows:—

	New Revenues.	Old Revenues.
	Drachmæ.	Drachmæ.
December, 1926 ...	56,816,375	209,419,808
Increase or decrease ...	+ 13,852,969	- 2,355,323
Jan.-Dec., 1926 ...	650,085,087	2,347,847,901
Increase or decrease ...	- 57,787,631	+ 520,809,228

The loan has a first charge upon the new revenues and also upon the surplus from the old revenues after satisfying prior charges. The decline in the new revenues is due to a reduction of Dr.99,902,497 in the receipts from tobacco in the New Provinces, but this has been much more than offset by increased tobacco receipts in Old Greece of Dr.359,793,485. The average rate of exchange in 1926 was about Dr.387 per £1, and at this rate the Ordinary service of the loan required about Dr.357,000,000, whereas the net revenues available were about Dr.2,000,000,000.

In the introduction to the report on the work done by the International Cotton Congress while in Egypt, which has been presented to the Egyptian Minister of Agriculture, the Committee pays a warm tribute to the interest taken in the Congress by H.M. King Fuad. It is further stated that the success of the Congress was greater even than was hoped and that it cannot but result in great improvements in the methods of cotton cultivation and manufacture.

Stock and Share Markets.

LONDON EXCHANGE		Prices on Mar. 7		Prices on Mar. 7		Prices on Feb. 16	
Government Stocks.							
Egyptian 4 p.c. Unified Debt ...	83	Assam-Bengal ...	...	80 1/2	...	Baraboni ...	31/16
Do. Pref. 3 1/2 p.c. 1890 ...	73	Bengal Nagpur ...	...	95 1/2	...	Bengal ...	480
Do. Turk 4 p.c. 1891 ...	86	Egypt Delta Light Rly. ...	...	4 15/16	...	Burrakur ...	18 1/2
Do. 3 1/2 p.c. Eg. Trib. Bonds '94 ...	78 1/2	Southern Punjab ...	...	195 1/2	...	East Indian ...	22 1/2
Greek 5 p.c. 1881 ...	56	Rubber.				Equitable ...	19 9/16
Do. 5 p.c. 1884 ...	56	Ceylon Para Rubber Ord. ...	...	15/9	...	Pench Valley ...	24 1/2
Do. 4 p.c. Rentes, 1889 ...	46 1/2	Doolgalla (Ceylon) Rub. Est. ...	...	20/-	...	Raneegunge ...	31 1/2
Do. 5 p.c. 1890 ...	55 1/2	Grand Cent. (Ceylon) Rubber ...	...	49/-	...	Standard ...	52 1/2
Do. 5 p.c. Funding Loan, 1893 ...	55 1/2	Hewagum Rubber Co. ...	...	26/9	...	Cotton.	
Do. 4 p.c. Rents, Loan, 1902 ...	53	Keptigalla Rubber Estates ...	...	3/3	...	Bengal Nagpur ...	25
Do. 4 p.c. Loan, 1910 ...	53 1/2	Malayalam Rub. and Produce ...	...	41/6	...	Bombay Dyeing, etc. ...	94 1/2
Do. 5 p.c. Loan, 1914 (Lon. issue) ...	65 1/2	Shipping.				Bowreah ...	394
Do. 7 p.c. 1924 ...	97 1/2	Anchor 5 1/2 p.c. Prf. ...	...	89/32	...	Buckingham and Carnatic ...	200
Persia 5 p.c. 1911 ...	80 1/2	Cunard ...	...	19/-	...	Cawnpore Textiles ...	33
Roumania 4 p.c. Ext. ...	70 1/2	Furness Withy ...	...	36/8	...	Century ...	431 1/2
Do. 4 p.c. Consolidation ...	46 1/2	Khedivial Mail Ord. ...	...	1	...	Central India ...	52 1/2
Sudan 5 1/2 p.c. Guar. Bds. ...	108 1/2	P. and O. Deferred ...	...	25 1/2	...	Elgin ...	92
India 3 1/2 p.c. ...	68 1/2	Tea.				Khatau Makanji ...	105
Do. 3 p.c. ...	59 1/2	Assam Co. ...	...	41/6	...	Muir ...	292
Do. 2 1/2 p.c. ...	49 1/2	Bengal United Tea Ord. ...	...	2 13/16	...	New Ring ...	307
Do. 5 1/2 p.c. ...	101 9/16	Bramapootra ...	...	34	...	Phoenix ...	430
Do. 4 1/2 p.c. ...	91 1/2	British Indian Tea Ord. ...	...	215/16	...	Svadeshi ...	530
Turkish 4 p.c. Unified ...	23 1/2	Cachar and Dooars Tea Ord. ...	...	315/16	...	Jute.	
Banks.		Ceylon Tea Plantations Ord. ...	...	6 1/2	...	Alliance ...	620
Agri. Bank of Egypt ...	7 1/2	Consolidated Estates ...	...	4 5/16	...	Barnagore ...	235
Bank of British West Africa ...	4	Darjeeling Co. ...	...	29/32	...	Budge Budge ...	553
Bank of Roumania ...	80/3	Dimbula Valley (Ceylon) Ord. ...	...	319/32	...	Clive ...	40 7/16
Barclays Dom. Col. Pf. ...	29/9	Dooars Tea Ord. ...	...	321/32	...	Dalhousie ...	476
Lloyds ...	61/3	Dooloogram Tea ...	...	1 1/2	...	Delta ...	621 1/2
P. and O. Banking ...	10	Doom Dooma ...	...	4 1/16	...	Fort Gloster ...	990
Eastern ...	63/16	East Assam ...	...	3 1/2	...	Gourepore ...	775
Chartered Bank of India ...	19 1/2	Empire of Ind. ...	...	27/16	...	Howrah ...	47 1/2
Ottoman Bank ...	10	Halem Tea ...	...	2 1/2	...	Kamarhatti ...	775
Imperial Bank of Persia ...	9 1/2	Jhanzie Tea Association ...	...	4 5/32	...	Kanknarrah ...	541
Land Bank of Egypt Ord. ...	12 1/2	Jokai (Assam) Tea Ord. ...	...	4 1/2	...	Khardah ...	503
Westminster ...	18 1/2	Lanka Plantations Ord. ...	...	2 7/16	...	Kinnison ...	1,070
National Bank of Egypt ...	37 1/2	Lungla (Sylhet) Tea Ord. ...	...	19/32	...	National ...	34 1/2
National Bank of India ...	48	Nuwara Eliya Tea Estates Ord. ...	...	55/32	...	Standard ...	490
Land.		Pabjojan ...	...	6 15/16	...	Union ...	643 1/2
Kassala Cotton ...	10/-	Scottish Assam ...	...	1 25/32	...	Miscellaneous.	
Sudan Plantations ...	4 1/2	Upper Assam ...	...	2 1/2	...	British India Corporation ...	4 11/16
Mines.		Insurance.				Bengal Paper Mills ...	37 1/2
Balaghat Gold Mining ...	3/-	General Accident Fire and Life (£5, £1 1/2 paid) ...	...	85/16	...	Bengal Timber Trading ...	140
Burma Corp. ...	13 1/4	London & Lancs (£5, £1 paid) ...	...	22 1/16	...	Burn and Co. ...	206 1/2
Champion Reef Gold ...	12/-	Royal Exchange (£1) ...	...	7 1/2	...	Cawnpore Sugar ...	24 1/2
Mysore ...	15/3	Sun Fire £10 (£2 paid) ...	...	24 1/2	...	Champaran Sugar ...	12 1/2
Nundydroog ...	10/-	Trade Indemnity (£10) ...	...	14 1/2	...	Howrah Oil Mills ...	...
Ooregum Gold Mining Ord. ...	15/6	Miscellaneous.				ALEXANDRIA	
OIL.		Alexandria Water Co. ...	...	14	...	Prices on Feb. 25, supplied by G. L. Mortera, Alexandria & Cairo.	
Anglo-Egyptian B ...	15 1/16	Associated Cotton Ginners ...	...	3	...	Agricultural Bank of Egypt ...	£7 23/32
Anglo-Persian Ord. ...	57/32	Egyptian Hotels ...	...	7 1/2	...	Alexandria Water Co. ...	£651
Do. 8 p.c. Cum. 1st Pf. ...	25/6	Do. Markets Ord. ...	...	25/6	...	Assoc. Cotton Ginners ...	£141
Do. 9 p.c. Cum. 2nd Pf. ...	27/10 1/2	Do. Salt and Soda ...	...	22/-	...	B&Hera Ord. ...	£2
Do. 5 p.c. Debs. ...	95	Mortgage Co. of Egypt 5 p.c. Pref. ...	...	83/16	...	Ciments d'Egypte ...	£816
Brit. Burmah ...	8/6	INDIAN EXCHANGES.				Div. ...	Frs. 132
Burmah Oil Co. Ord. ...	71/16	Government Loans.				Comptoir Fin. & Com. d'Egypte ...	184
Do. 8% Cum. Pref. ...	26/9	3 1/2% Government Paper ...	...	75/16	...	Credit Foncier Egyptien ...	£5 1/16
Phoenix Oil and Transport ...	26/-	Banks				Fondateur ...	Frs. 1,014
Steaua Romana ...	15/-	Imperial Bank of India ...	...	1,442	...	Crown Brewery Priv. ...	£5 1/2
		Bank of India ...	...	7 1/2	...	Filature Nationale d'Egypte ...	£5 1/2
		Central Bank of India ...	...	30 1/2	...	Frigorifique d'Egypte ...	£6
					...	Immeubles d'Egypte Soc. An. des. ...	£15 1/2
					...	Land Bank of Egypt Actions ...	£13 1/2
					...	Parts de Fond ...	£150
					...	Menzaleh Canal Navigation ...	Pt. 340

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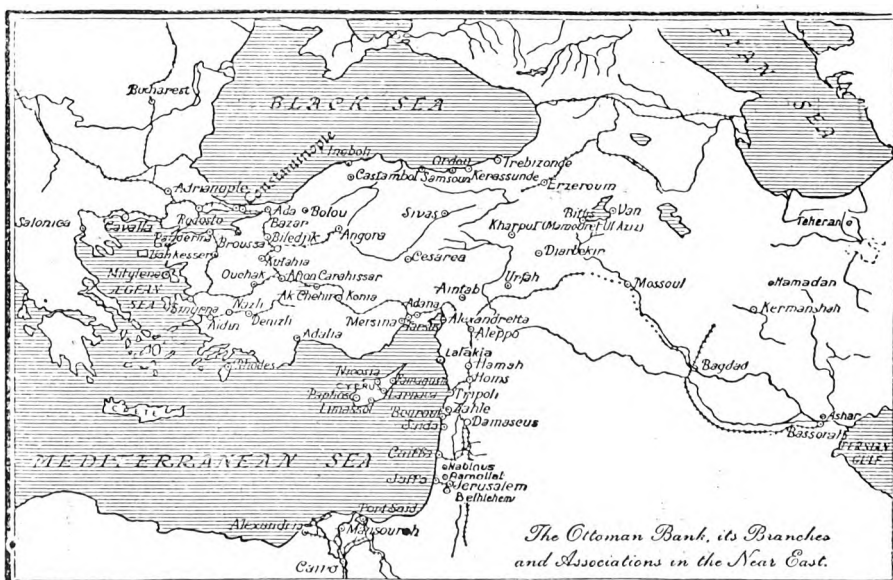
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The NEAR EAST AND INDIA

No. 826.—VOL. XXXI.

THURSDAY, MARCH 17, 1927.

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Northern Persia and the Soviets

No surprise will have been caused if the report be true that the efforts to bring about a Soviet-Persian Commercial agreement have once more failed. For it has been fairly obvious that success could be obtained only at the price of the complete submission on the part of Persia to Russian demands. Ever since the Soviet Government, more than a year ago, declared an embargo upon the entry of almost all Persian goods into Russia, relations between the two countries have, to say the least, been strained. Repeated efforts have been made by the Soviets either to coerce or to persuade the Teheran Government to their way of thinking, but as often the Persian authorities have rejected the one-sided bargain. Last summer, it will be recalled, the Shah even sent to Moscow a high Court official, Sardar Muazzam Taimur Tash, to negotiate upon the increasingly urgent problems of the Caspian Sea concession, the question of tariffs, and the embargo on Persian exports. This mission, after approaching an agreement, seems now to have failed.

But even the Soviets appear to have thought that negotiations were becoming too protracted. These stubborn Persians, they may have argued, are strangely deaf to considerations of material loss; let us try them again with considerations of material gain. And so, last January, they graciously stated that the import of Persian merchandise, such as wool, cotton, rice, fruits, would be allowed for the Baku Fair. This concession, as our Teheran Correspondent pointed out, would have been of great benefit to merchants in Resht and Pahlavi; but—what happened? These same Persian merchants, their self-respect and self-resource now having been thoroughly stirred, decided on their part to boycott all Russian goods and to have no dealings with the Russians. So is the "biter bit." It will be profoundly interesting to watch the next move. Report is that the Teheran Government will shortly give official recognition to this boycott of Russian goods, unless the Soviets relax their present intransigent attitude.

It were heartening to think that the Persians could hold out indefinitely against Russian economic pressure, but, for all the courage of the Majlis in resisting certain

Soviet claims, there can, it would seem, be but one end to these economic disputes and crises. Taimur Tash, it is stated, came back to Teheran with the basis of an agreement, and this agreement, after it had been exhaustively discussed by the Teheran Cabinet and Majlis, had approached signature. Hopes of signature were, however, abruptly dashed because of the arrest early this year of Persian merchants in Baku by Soviet authorities. But that was patently a local Russian affair, not a matter of Russo-Persian relations, and is possibly capable of quite plausible if still unsatisfactory explanation. In these circumstances, it is not unnatural to suppose that the basis of a commercial agreement still holds good, and that it is merely local incidents and ebullitions of feeling which delay signature.

The whole history of Bolshevik-Persian trade relations is impressive. We will not enter here into the question of whether the fundamentals of those relations are political or economic, but it is at least patent that, in renouncing Imperialist designs upon Northern Persia, the Bolsheviks did not wholly renounce the weapon of *force majeure*. Either the economic boycott of Persian goods was an attempt to coerce the Majlis into granting the concession desired of the Soviets, or, as the Russians claim, it was dictated by internal necessity. If the latter hypothesis be true, then the rejected invitation by Persian merchants to assist at the Baku Fair was also the outcome of internal necessity. But why should the Soviets' own peculiar anxieties drive them to such measures towards a people the complete independence of which is professedly one of their heart's desires? Is it internal necessity that impels the Russians to demand a customs duty on their goods many times lower than that which other nations trading with Persians have to pay?

No doubt the Russians are acting towards Persia in what they consider their own best interests, but to the impartial observer it would appear that these methods of successive coercion, cajolery, and force would have the probable result of stimulating the Persians even more to the discovery and provision of other markets for their trade.

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THURSDAY, MARCH 17, 1927.

BESSARABIA.

Once again Signor Mussolini has set the world guessing—this time as to his reasons for deciding to ratify the Treaty between the Principal Allied Powers and Roumania respecting Bessarabia, which was originally signed in Paris in October, 1920. When, last September, a Treaty of Friendship and Arbitration was concluded between Italy and Roumania, it was stated in a letter from Signor Mussolini to General Averescu that, whereas the question of the Bessarabian Treaty had been examined in the course of their conversation, no mention of that Treaty was made in the Pact for reasons that had been submitted to the Roumanian Prime Minister; and it was added that ratification of the Treaty on the part of the Italian Government would take place only when this could be done without prejudicing the general interests of Italy. Within six months the Italian Government finds that there is no longer any obstacle to ratification, and Roumania, to whom Italy's failure to ratify the Treaty had long been a sore point, has the satisfaction, without any further *quid pro quo* on her part, of having the status of Bessarabia regularised, as far as possible in the circumstances, from an international point of view. After the advent of the Bolsheviks to power in Russia in 1917 an independent Moldavian Republic was proclaimed in Bessarabia by a Supreme Council appointed by a Bessarabian Military Congress, and Roumania was invited to send troops into the country to preserve order. By an agreement with Russia in the following March, Roumania undertook to withdraw her troops, but before she had carried out this step the Bessarabian Council voted for political union with Roumania. The Soviet Government has steadily refused to recognise the validity of this measure or of the subsequent incorporation of Bessarabia in Greater Roumania. The Treaty by which the Principal Allied Powers recognised the sovereignty of Roumania over Bessarabia has suffered from a lack of conviction on the part of the signatories. It was ratified by Great Britain only in April 1922; when France in March, 1924, took the same step the Soviet Government protested against her action in identifying herself with "a violation of the rights of the population of Bessarabia and of the Soviet Union," and it has probably looked upon the non-ratification by India as offering the best guarantee that the Bessarabian question should still be regarded as open. Its irritation over Signor Mussolini's action is, therefore, profound.

The annoyance of Moscow is more likely to turn on the effect of the ratification on the Soviet Government's international position than on any special solicitude for Bessarabia. If it had felt very strongly on the subject and had been satisfied with the condition of the Red Army, it would hardly have allowed the Bessarabian question to drift on without an effective challenge until such time as the ratification of the Bessarabian Treaty by all the Powers concerned had brought the province within the scope of the League of Nations. In its preamble the Treaty lays down that "from geographic, ethnographic, historic and economic points of view, the re-union of Bessarabia with Roumania is fully justified," and records that the population has given proof of its desire

for such re-union. Unless, therefore, exception is to be taken on other grounds, Roumania can now claim in respect of Bessarabia the fulfilment of Article 10 of the Covenant of the League of Nations, by which the Members undertake to respect and preserve as against external aggression the territorial integrity and existing political independence of all Members of the League. The Soviet Government will thus have to explain away not only the change in regard to the Bessarabian question, but also the fact that Italy has seen fit to record her indifference to any economic advantages that the policy of leaving the door of Russo-Italian relations open may have offered. To judge by recent events in Russia, these explanations are becoming increasingly difficult for the Moscow Government. The attempt will be made to attribute each fresh development prejudicial to the Soviets to British machinations; but in the present instance Signor Mussolini could, no doubt, if he were so minded, point to a sufficiently clear policy that Italy under his guidance is adopting in foreign affairs to free him from the charge of taking anti-Soviet chestnuts out of the fire for anyone else. A more likely explanation, if Moscow could view the situation dispassionately, is that one by one the countries of the world are deciding, after varying experiences of the Soviets and their ways, that the system is one that is quite unworkable in any community of nations.

While Soviet exasperation is easily explained, it is difficult to understand why Yugoslavia should have been betrayed into a display of annoyance over the Italian ratification of the Bessarabian Treaty. Political instinct, it would have been thought, required rather a great parade of satisfaction, both for the sake of the Little Entente, and also to avoid occasion for any *Schadenfreude* on Italy's part. One of the difficulties that the Little Entente has had to gloss over in the past is the difference in the attitude of the three members towards Soviet Russia. Czechoslovakia is committed to relatively close relations for the sake of trade; Yugoslavia has hitherto been indifferent, with a bias towards a non-committal tolerance; Roumania has by force of circumstances been openly hostile, and has occasionally embarrassed her partners by trying to enlist the sympathy of the Little Entente with her peculiar position. Now that she can claim, if necessary, the support of the League of Nations for the protection of her Bessarabian frontier, the Little Entente will be spared further reference to the subject, and Yugoslavia might find reason to congratulate herself on this fact, especially if there is to be a movement from Belgrade in the direction of emphasising the traditional ties between the two branches of Slavdom, now unhappily obscured by the Bolshevik usurpation. In regard to Italy it is clearly bad politics for Yugoslavia to interpret every Italian action on the international stage as one more bullet on the Yugoslav shield. Even if Italy's intention were to isolate Yugoslavia with a ring of treaties, the use that they would be to her for Yugoslavia's detriment must remain in the present state of world opinion and in the face of the League of Nations, quite problematical. On the other hand the better way to counter any such action on Italy's part is to strengthen the ties that bind Yugoslavia to her neighbours instead of trying to weaken them. The annoyance shown over the Italian ratification of the Bessarabian Treaty was by way of being an aspersion on Roumania as a partner of the Little Entente and a Balkan neighbour. King Alexander has shown more statesmanship in paying a hurried visit to Bucharest without troubling himself overmuch about the lack of political instinct shown by the public and press of Belgrade. At this time more than at any other, it behoves Yugoslavia to cultivate not only Roumanian friendship, but also the friendship of every single Balkan State. The Italian bogey is far from being all that it is painted in Belgrade, but there is no reason why the movement towards a Balkan federation should be sidetracked by the flattering attentions of Italy to the different peoples of the Peninsula.

Notes of the Week.

The Troubles of Yugoslavia.

There would seem to be some justice in the contention of a Yugoslav newspaper that no one in that country can complain of living in a time of humdrum and boring monotony, but that, on the contrary, public opinion is more than satiated with alarms and sensations. "Even if a fortnight or so passes without a Ministerial crisis," there will be some incident in foreign affairs, or, if that should not materialise, the economic situation in the country is sure to supply its excitement. Possibly as a reflexion of this feeling of satiety, the Skupshtina appears to have decided to damp down political controversy for the moment and to press on with the work of discussing the Budget, which has to be passed by the end of the month. For the general debate on the Budget scheme the Government secured a majority of forty-two, and the Chamber has now settled down to the committee stage. Unfortunately, two disturbing factors have followed hard upon these counsels of perfection. The first was the ratification by Italy of the Bessarabian Treaty; the second, the indiscretion of a prominent Radical, Dr. Lazar Markovitch, who, after a visit to Budapest, returned to Belgrade to disclose the existence of a draft agreement, that had not been signed, between Hungary and Yugoslavia, drawn up by Dr. Nintchitch, Minister for Foreign Affairs in a previous Ouzounovitch Cabinet. In regard to Italy's action the early feelings of exasperation have yielded to a more philosophical outlook, as a result of the discovery that Signor Mussolini may have been more concerned to do Great Britain a good turn than to do Yugoslavia a bad one. From this attitude it should not be a difficult step to deciding that the ratification of the Bessarabian Treaty has no significance at all for Yugoslavia. As to Dr. Markovitch's disclosures, they are probably more a domestic concern of the Radical party than of international importance. Their object was probably to further the quarrel between the two wings of the party, and to this extent they may well be an embarrassment to a Government composed mainly of Radical members.

High Rents in Athens.

The cost of living in Athens to-day, according to the Index Number published by the National Bank of Greece, is nearly nineteen times higher than it was in 1914. In Bulgaria it is over twenty-six times; but, probably owing to the difference in the character of the two States, the incidence of the increase weighs more heavily in Greece, where, as far as the capital is concerned, there is a greater aggregation of people than anywhere in Bulgaria. Concerted action on the part of the Athens shopkeepers having failed to bring about by agreement any reduction of rents, a strike was declared last week and shops were closed. The step does not appear to have been taken with much conviction and, in the face of a firm attitude on the part of the Government, the strike was called off later in the day. A demonstration in the streets caused troops to be called out, and the inevitable shooting followed. It will be a happy day for Greece when it occurs to someone, in calling upon the military to supplement the civil arm, to insist that the troops shall leave their barracks with blank ammunition only. Athens is small enough to allow reinforcements to be hurried up to the "front," wherever it is, in about five minutes, and these supplementary troops can bring with them all the impedimenta of war required to wipe out the "hot-headed youths" on whom responsibility for the rioting is generally said to rest. The trouble in the present instance is not political, but social. The prolonged economic crisis provides a favourable ground for the Communists to work upon, and they can be relied upon to make the most of each turn of the economic screw. The Coalition Government of M. Zaimis is doing its best to deal with the problem, but time is required for its measures to take effect, and meanwhile the Index Number

has a tendency to rise. The people have confidence in the Government's ability, and it is probable that for the time being the manufacture of Communists had ceased. Last Friday's shooting, however, is likely to add a score of recruits to their ranks for every Communist killed.

British Policy.

In addressing representatives of the Press in Geneva last week Sir Austen Chamberlain gave a very straightforward statement regarding British policy, which it is to be hoped will be studied and taken to heart in a number of countries. At the present time the Soviet game is being played in several unexpected quarters on the Continent. The Moscow Government, committed to a system which aims at upsetting the established order of things in the world, is very active in complaining to its own people that the world is hostile to Russia, and it is careful to add that the hostility is inspired and directed by Great Britain. The statement is duly echoed elsewhere, and even countries which have every reason to be grateful to the services rendered to them by Great Britain in the past sedulously enlarge upon the theme. "There are no secrets," Sir Austen Chamberlain said, "in British foreign policy," which can be summed up in the one word—peace. A moment's reflexion will show the truth of this statement. Every virile country may be expected to set itself some aim. Before the Great War Germany, having reached the status of a World Power late in the day, was concerned to make up for lost time by conquest; her phenomenal trade success did not satisfy her rulers. Italy to-day cannot ignore her pressing need for outlets for her superfluous population and for her industrial products, and her policy is likely to be conditioned by this need. By no effort of the imagination can Great Britain be credited at the present time with any other desire than markets, however much the extension of her Empire in the past be attributed to fell purpose rather than to successful use of opportunity. Her one object, therefore, must be peace. Even in the case of Russia it would be idle to imagine that she can bring about a change of heart by force from without. She has carried tolerance of the Soviets to the farthest extreme, and only when the latter have provoked a serious challenge to British interests in China has the British Government felt obliged to say that the limit of Soviet intrigue has been reached. If *Realpolitik* were indulged in by Great Britain, she would prefer to see the Bessarabian Treaty still unratified by Italy and to encourage the Soviets to become embroiled on their western frontier so as to have their attention distracted from the East.

The R.A.F. in the East.

In his introductory speech to the discussion of the Air Estimates in the House of Commons, Sir Samuel Hoare, Secretary of State for Air, added some interesting details to the Memorandum on the Air Estimates to which reference was made in these pages last week. The whole speech was, indeed, a stimulating tribute to the efficacy of the new arm. Last week witnessed the departure from Baghdad of the last English battalion of the Iraq garrison. It is interesting to recall that six years ago, when the decision was taken to transfer control to the Air Force, there were in Iraq thirty-three infantry battalions, six Cavalry regiments, and sixteen batteries in addition to five squadrons of the Royal Air Force. To-day there are five Air squadrons—increased to eight and since reduced in the interval—and one Indian battalion. The change is due to improved conditions in Iraq, but it is also due to the increasing efficiency of the Air arm for the protection of, and for the maintenance of law and order in, a country of great distances. Sir Samuel Hoare referred also to the work that has been carried out in very difficult conditions on the Indian frontier. Not long ago the moun-

tainous character of the country was held to make effective air work impossible. To-day "the Air Force are taking most effectively an integral share in the defence of the country. They are patrolling country and using landing-grounds in the midst of rugged and high mountains that only the high skill and training of the British pilot could render possible."

Aviation in Persia.

In Persia, as in all Eastern countries, things move slowly, and accomplishment only casually follows promise. Thus it is that, although the rivalry between German and French firms for the inauguration and running of air lines in Persia long ago ended in the victory of the former, it is but recently that the successful Company, Junkers, could actually start planes running on one of their three lines. Those lines are, it will be recalled, Teheran-Pahlavi (Enzeli), Teheran-Bushire, and Teheran-Qaraitu. At last a beginning has been made on the first route, and it is stated that planes leave the Persian capital every Tuesday at 8 a.m., and reach Baku at 4 p.m. on the same day. There a link is effected with the Baku-Moscow train express. This service will enable the mails from Northern Persia to Europe to arrive even more quickly than before—and the Russian route has generally beaten all other routes for speed. As for the other aviation routes, to the Iraq frontier, and to the Gulf, it is said that they also will be started this month. If this promise is really fulfilled, passengers to and from Persia will be able to link up with the system of Imperial Airways, and it is estimated that the London-Teheran journey via Cairo and Baghdad should be accomplished in about eleven days. If, however, the Russians ever get their air service going between Moscow and Baku, it would be possible, by this northern route, to get to Teheran from London in fewer than six days. That is a fact, incidentally, which no amount of road or railway construction can ever destroy.

Capitulations in Egypt.

The prominence which is being given in the Egyptian Press to the subject of Capitulations has been reflected in the Press outside Egypt, so that we make no apology, having mentioned the matter last week, for returning to it. It is instructive to note the arguments that are being used by some of the Egyptian papers. One journal, which expresses the hope that Britain will work with Egypt for the abolition of the Capitulations, admits that the Capitulations last century served "to give the

Egyptian cause an international character," but argues that, "since the Powers have agreed with England that the question is a national one between England and Egypt, the Capitulations have ceased to be of any use." Another journal remarks that the abolition of the Capitulations would favour the British, who reserved to themselves, in the Declaration of February 28, 1922, the right of protecting the interests of foreigners in Egypt. Yet another paper points out that "all other States which formerly had Capitulations have abolished them; the attitude of the Turks and the present fighting in China are examples."

The "Haj."

It is of peculiar interest to the greatest Islamic Empire in the world to note that the Muslim subjects of two other European Powers, Holland and France, are now preparing to do their best to restore the *haj* to its former position in the eyes of Islam. Our Jidda Correspondent has supplied the number of pilgrims from the Dutch East Indies who have already reached the Holy Land of Islam, and comments upon the favourable reception among Muslims of the provision by the French Government for the welfare of pilgrims from French colonies and protectorates. Last week we recorded the fact that so many pilgrims from Malaya and the Dutch East Indies were waiting at Singapore for vessels to Mecca as to outnumber the capacity of the ships available. How far this is due to the prosperity deriving from the rubber industry, and how far from the political relations existing between Holland and the Hijaz, it is difficult to determine; but it must be highly satisfactory to the leader of the Wahhabis, who, as King of the Hijaz, realises that the prosperity and content of the people of his newly won domain depend perhaps as much on the visit of distant Mussulmans as upon his own sagacious rule, to know that the signs so far are favourable. As our Jidda Correspondent, from whom we print two extremely interesting letters this week, points out, the Indian and the Egyptian pilgrims are an unknown quantity, and from the material aspect their participation is a most important factor, but should the maulvis and ulema of these countries encourage the *haj*, there appears to be a prospect of the 1927 pilgrimage attaining to figures even above the average of 100,000. If these hopes are realised, those Western observers who had reckoned upon the progressive decline of the pilgrimage may have radically to modify their opinions. It may indeed be that the *haj* is still the chief concreting agent of Islam.

The Defence of Iraq.

On March 10, the tenth anniversary of General Maude's capture of the city from the Turks, the last English regiment, the King's Liverpools, left Baghdad. There remains now in Iraq, of all the numerous infantry which once was required to defend the country, but one Indian infantry battalion. The fact is significant. The reduction, particulars of which were published last week, in the R.A.F. in Iraq, was in itself an unmistakable sign that the Imperial authorities have begun upon the progressive decrease of British arms in Iraq, which was an assured result of the Turko-Iraqi Treaty, and for which certain taxpayers in this country have so long been clamouring and certain Iraqis so long been hoping. To other Iraqis, however, this departure of the Kings will but freshly turn their thoughts to the defence of their country. It was not to be supposed that the ideas which the Prime Minister of Iraq, Jaafar Pasha, entertains upon the need of an Army in Iraq, would meet with ready acceptance. His opponents include those who argue on the basis that, since it is manifestly impossible to defend the whole of Iraq's long frontier line, any sort of Army becomes a luxury, and those to whom the conception of Iraq as a national State worth defending has not yet appealed.

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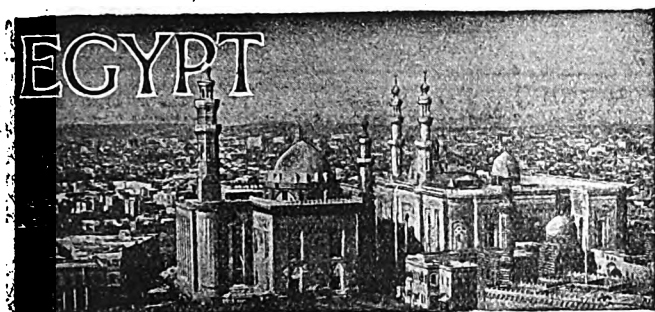
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The Near and Middle East*

From Our Own Correspondents.



Cairo, March 6.

Crime in Cairo.

Before Cairo had ceased talking about the sensational murder of the jeweller Bercovitz, and his son, in the middle of the day in one of the city's busiest streets, another abominable crime has been committed and now monopolizes conversation. Mr. Solomon Cicurel, senior partner in one of the biggest department stores in the country was stabbed to death in his bed shortly after midnight on the night of March 3 and 4, and £6,000 worth of jewellery stolen from his wife's dressing table. The crime was a peculiarly savage one, for it was committed in the presence of his wife and was entirely unnecessary even from the criminals' point of view, had their motives in breaking into his house been exclusively connected with robbery, for Mr. Cicurel was entirely at their mercy and they had with them chloroform with which he could have been rendered unconscious until they had made good their escape. It is known that four men were concerned in the murder and everything points to the fact that, although some members of the gang may have intended only to possess themselves of Mrs. Cicurel's jewels, at least one participated in the affair with the deliberate intention of killing her husband.

Happily, the criminals are not to benefit by their foul deed, for within twelve hours of the committing of the crime the police had placed safely under lock and key four men whom they have every reason to believe to have been the members of the gang concerned. All, indeed, have made more or less complete confessions, though none has up to now admitted to having done the killing.

It is hardly necessary to say that the crime, following so closely upon the killing of the two Bercovitzes, has caused a profound sensation here. Many of the leading business men of Cairo live, as did Mr. Cicurel, in houses in the suburbs of the city and many of these residences also contain considerable quantities of valuables. A feeling of insecurity has naturally been created amongst the owners. On the other hand, the prompt and efficient action of the police who, it should be said, were given most valuable help by the Italian Consular authorities—the arrested men including three Italian subjects—and especially by the Italian Consular Judge, Signor Impalomeni, is warmly praised. But the horror which the brutal murder has aroused is increased by the fact that Mr. Cicurel, in addition to being a very successful business man, was also a model employer. The hundreds of employees of his establishment swelled the huge funeral procession on Friday afternoon, and it was obvious that their attendance was not a mere formality, for Mr. Cicurel took a personal interest in all his assistants and his kindness and consideration for any of them who found themselves in difficulties or ill-health were proverbial.

"The 'City of Cairo.'"

Practically the whole of the British Community in Cairo was present at the Imperial Airways' aerodrome at

Heliopolis on Thursday afternoon to see King Fuad perform the naming ceremony of the air-liner "City of Cairo." Lord Lloyd, in asking His Majesty to carry out the naming, made one of his forthright and pertinent little speeches, while after King Fuad had pulled the cord displacing the canvas screen which had until then covered the liner's name, Colonel Burchall, representing Imperial Airways Ltd., presented His Majesty with a beautifully made model of the "City of Cairo." King Fuad did not take the opportunity of making a flight in the "City of Cairo," but the Premier and other Ministers did, accompanying Lord and Lady Lloyd on the first exhibition flight after the ceremony had been performed. The "City of Cairo" left on the following morning for Baghdad and has now been taken into regular service on the Cairo-Karachi route.

Insurance Companies.

Insurance companies operating in Egypt have been the subject of fierce criticism in the Arabic Press of late, and a great deal of misconception of the nature of insurance and of the profits to be made from it has been revealed. As always when discussing the operations of foreign companies here, the vernacular newspapers have assumed that huge profits are being made out of the insurance business in Egypt. So far from this being so, it may be said that, with the exception of the firms which do a large cotton insurance business in Alexandria, neither the business nor the profit is huge. There is fierce competition amongst a large number of companies for a comparatively small amount of business, and this is especially so where life insurance is concerned. Insurance in Egypt was introduced and has been developed mainly by British companies. It was a British company which first came to this country, at the request of Lord Cromer, and began operations in a large way, with a view to breaking the power of the money-lenders in the villages. The same company took steps to remove religious prejudice against insurance by obtaining from the Shaikh ul Islam at Constantinople and the Grand Mufti fatwas declaring that insurance was not opposed to the principles of the Muslim faith.

In regard to life insurance, which has been the branch of the business most discussed in Arabic journals, the point to which attention has been directed has been securing the interests of policy-holders. A number of Egyptian policy-holders have lost considerable sums since the War through the depreciation of the currency of countries wherein are situated the insurance companies with which those policy-holders had insured themselves. More recently, a British company, practically unknown in the life insurance business in England, but which has transacted this form of business abroad, has gone into liquidation. The losses which have necessitated this step have been mainly due, it is understood, to marine insurance. What will be the position of the life policy-holders remains to be seen, but, in the meantime, those in Egypt are not unnaturally, fearing the worst. It is little consolation to them to be told now that they have only themselves to blame for not choosing a better known company with which to insure their lives and that the concern with which they did business had been long regarded by other companies as unsound. This is cold comfort now, and the policy-holders concerned have been inducing the Arabic Press to air their grievances.

The local Press has taken the matter up strongly and has been demanding the enactment of legislation to compel foreign insurance companies to invest in the country sufficient funds to secure all local policy-holders. The system proposed is, in fact, very similar to that in force in Canada. To introduce such a plan here would involve meeting considerable difficulties. In the first place the assent of the Mixed Courts would have to be obtained. In the second there would be serious practical

*Under this heading appear weekly or at regular intervals, communications from correspondents in Egypt, the Sudan, Roumania, Yugoslavia, Greece, Bulgaria, Albania, Turkey, Cyprus, Palestine, Iraq, and Persia.

obstacles, such as the fact that there is not a single Egyptian actuary, so that foreign officials would have to be engaged to carry out the provisions of such a law. Finally, it is argued that the enactment of such legislation would seriously hamper the operations of the large and sound companies, by compelling them to tie up large funds in the country, often with resultant loss of profit-earning possibilities, while not affecting the smaller concerns, for whom the required deposits would be so small as to afford no real guarantee of safety for policy-holders. At the present time there is no company operating here on a large scale which is not perfectly sound, as may be ascertained by anyone who cares to inspect the annual reports and balance sheets, so that the proposed law would not, it is argued, ensure greater safety to anyone, while it might result in decreased profits, and also, possibly, in serious economic difficulties if it suddenly became compulsory to invest vast sums of money in local securities.

The plan favoured by most of the insurance companies working here is for the Egyptian Government to require substantial initial deposits, of say, £E25,000 or £E30,000, before permitting any company to operate in the insurance business and also to insist upon foreign companies following the course already adopted by most of them in electing domicile here i.e., accepting the jurisdiction of the Mixed Courts in any disputes which might arise between them and their policy-holders. These two safeguards would, it is felt, be ample. It is probable that a good deal more will be heard of this question in the near future, in both Parliament and the Press, and it may be that some solution on these lines will be reached.

IRAQ.

Baghdad, March 4.

Trans-Desert Motor Service.

With Imperial Airways as a now formidable rival, it is unfortunate for the motor transport companies that the French Government considers the direct route by Damascus once more unsafe. The building of the police post and rest-house at Rutbah has greatly mitigated the rigours of the journey for motorists, but the longer Homs-Palmyra route makes it necessary to spend two nights instead of only one between Baghdad and Beyrout.

The severe weather lately experienced in Syria has considerably delayed the mails of the last two weeks, the road across the Lebanon being blocked by heavy falls of snow. The outward mail was dispatched last week by the Imperial Airways liner. Unusually cold weather has been experienced in Baghdad, but no snow has fallen. Rain is still seriously needed by the crops.

An Arab company, the property of one Kuwatly Tawil, has lately emerged from the welter of local enterprise in desert transport, and by reliability and punctuality has attracted a following of many whose loyalty to the European companies has been shaken by their continuing high prices. The Kuwatly Tawil company, which is now being run by a British agent, charges £10 instead of £30 for a single passage to Beyrout.

Excavations at Ur.

Mr. C. Leonard Woolley lectured on March 3 to a large British and Arab audience on the results of his season's excavating at Ur of the Chaldees. The lecture was illustrated by lantern slides which showed the very interesting discoveries made this year on the subject of domestic architecture in the time of Abraham. The plan and general design of private houses were surprisingly similar to those used in Baghdad to-day, while the burnt brick employed in building was a great deal better than that now produced by local kilns. In the graves found under the houses—for the people of Ur buried their dead under the floor, sometimes of the private chapel, sometimes of any other room, of their own houses—were found many beautiful jewels and ornaments, showing artistic skill and workmanship of a very high order.

In accordance with their agreement with the Iraq Government, the British Museum and the University of Pennsylvania divide between themselves half the "finds" of the archaeological expedition which they are financing, the other half going to the Baghdad Museum. Mr. Woolley concluded his lecture with a very earnest appeal to the Iraq Government for the appointment of a qualified curator to the Baghdad Museum. He emphasised the intense regret with which the excavator sees the often priceless treasures unearthed by his work given over to the swift and certain decay which awaits them if they are not given the skilful and specialised treatment which alone can ensure their preservation.

A hearty vote of thanks to Mr. Woolley was proposed by the High Commissioner, who promised to do all in his power to secure the appointment of a curator.

HIJAZ.

Jidda, February 18.

The Pilgrimage.

The number of pilgrims already arrived for the great pilgrimage of next June has up to date reached the respectable total of 33,371, and as many more are expected during the next six weeks. So far fortune has favoured the arrangements made by the various authorities concerned, both here and at the ports of departure (for the most part either Singapore or one of the ports of the Dutch East Indies); and though, as might be presumed from the fact that pilgrims once determined on the journey embark on it regardless of their physical condition at the time, the starting numbers are slightly reduced by deaths on the voyage and restored by births, up to date every consignment has arrived with a clean bill of health and there has been no need of landing the new-comers at the two quarantine islands which lie, ever ready to receive them in case of need, at a distance of about seven miles south of the town.

Quarantine Islands.

A visit to those islands is enough to convince the most sceptical that the medical department of the Hijaz Govern-

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ment is not only fully alive to a sense of its responsibilities in the matter of quarantine, but is eminently capable of catering both for the welfare of the pilgrims and for the safety of the Hijaz population. The first island, known as Abu Sad, is a circular coral atoll fenced round against the lapping waves by a low masonry wall from which project, star-fish-wise, a central landing wharf and the many latrines of the various dormitories or barracks. The latter are four in number, with ample cubic dimensions for the 250 pilgrims which each is calculated to accommodate—clean, single-storeyed buildings, each enclosed within a wire-fenced compound of white coral-sand to facilitate the segregation of sick pilgrims when needed. At the quayside entrance to this group of buildings stand two large engine-rooms—one with the disinfecting apparatus designed to kill any microbe the pilgrims may bring in on their persons, their clothes, or their baggage, and the other containing a sea-water condenser capable of producing an average of five tons of distilled water daily—this supply being reinforced when necessary by a water barge capable of taking 100 tons of water from the two condensers in the town. A small engine provides electric illumination for the island, whose buildings are completed by the two-storeyed residence and dispensary of the doctor in charge and a small building containing kitchen and servants' quarters. The second island, Wasita by name, is primarily intended as a reserve dépôt to receive pilgrims, who have undergone disinfection and segregation in the first, in the case of a large visitation. With eight barracks the accommodation is double that of the sister island, but, as it is intended for "clean" cases only, it has not been equipped with the disinfecting apparatus necessary there, and it is also without a condenser, thus depending for its water supply on Abu Sad and the shore. The cleanliness of both islands and the complete absence of flies and other pests do credit to the staff of the department.

Cold in Jidda.

Jidda during the past week has been experiencing the rare phenomenon of a cold spell, and a biting north wind, blowing without respite for many days, reminds one of less temperate climes. A minimum temperature of 60 degrees Fahr. is always regarded here as something extraordinary, but the daily minimum of the last six days has been as low as 55.5 degrees and has not exceeded 57 degrees, while the maximum temperature of the same period has not been more than 77 degrees and has once been as low as 72 degrees. The local population has suffered somewhat in consequence, for the houses are built to invite rather than to exclude such breezes as may be blowing, but there is no serious illness to be recorded and the influenza epidemic, rampant elsewhere, seems to have drawn the line at Jidda.

Port Sudan-Jidda Cable Repaired.

The only event of importance to be recorded by this mail is the completion a few days ago of the long-promised repairs to the cable, whose restoration to working order places Jidda once more in permanent touch with the outer world. There is also active talk of the reduction of the present somewhat high cable charges, which would be generally welcomed by the commercial community.

General News.

A further change in the British population of Jidda has to be recorded in the transfer of Mr. C. McKinlay to Port Sudan after three years' service here in charge of the local branch of Messrs. Gellatly, Hankey and Co. He is succeeded by Mr. E. Mackinnon, from the Sudan, who is not new to Jidda, and whose arrival keeps the numbers of the British community up to its now normal number of eight, including one lady.

It is regarded now as improbable that the King will return to the Hijaz before the end of Ramadhan, which begins on March 5, and which he will presumably celebrate in his family circle at Riyadh. He will certainly be back

here in good time for the pilgrimage, which promises to be a large one, though it is difficult to judge yet how many pilgrims will come from India and Egypt. Great satisfaction is felt at the news that the French Government are taking steps to facilitate a pilgrimage this year from their North African colonies and dependencies.

February 23.

The King's Visit to the Interior.

The date of the King's return to the Hijaz is still in doubt and opinions are about equally divided on whether he will celebrate the fast of Ramadhan here or in the bosom of his family at Riyadh. It is quite on the cards that he may split the difference and spend the month partly there and partly at Mecca, thereby earning a much-needed respite from the fast during the few days that the journey will take. The outward journey, of which some details have now come to hand, occupied seven days, during which some 500 miles were covered without any attempt to set up an unassailable record. The first three days of the journey lay over ground apparently unvisited by any European traveller and therefore uncharted, with the result that the names of the few wells at which halts were made cannot be found on the map. At Abraqiya, however, the cavalcade of motor cars came into better known country in close proximity to routes previously traversed by Doughty and Hüber, and thence the journey lay by way of Shaara and Marrat to the barrier of the Tuwaiq plateau, which was ascended by the easy pass of Haisiya. And so to Riyadh, where the King had a most enthusiastic welcome, having previously been met by the Amir Saoud at Marrat. Among his visitors was a deputation from the Shaikh of Kuwait—doubtless to discuss matters arising out of recent Shammar raids in his territory and also perhaps the economic situation arising from the transfer of the bulk of the Central Arabian trade from Kuwait to King Ibn Saoud's own ports in the Hasa. It is difficult to see how Kuwait can prosper, unless and until it comes fully within the orbit of the Empire which the Wahhabi monarch has built up for himself, and in this connexion the sojourn there of Hafidh Wahba, former chief of the Hijaz administration staff, since last November may not be without significance.

Arabia and Europe.

Much speculation is rife here on the object and outcome of the recent Clayton-Gasparini conversations at Rome, which appear to have been concluded before the publication

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of the "Treaty of Mecca" between the Idrisi and King Ibn Saoud. This treaty, undoubtedly, introduces a welcome element of stability into the situation on the Yaman frontier, where, with the elimination of a weak buffer principality, the "two strong men" of Arabia "stand face to face." And so far as King Ibn Saoud is concerned it can be said with confidence that he seeks no extension by force of the *de facto* frontiers between his own and his neighbours' territories. It is for the Imam and his Italian advisers to reciprocate this feeling in the interests of Arabian peace, but the appearance of imperialistic tendencies in the Yaman on the part of the Italian Government is much deprecated here.

It is assumed that the British Government is actuated by friendly motives towards the Hijaz-Najd State, but some practical demonstration of that sentiment would be welcomed in place of the diplomatic arguments occasioned by the Maan-Aqaba and Hijaz Railway problems. And the prospective renewal of the negotiations suspended at Madina two months ago occasions a lively hope that Sir Gilbert Clayton, now fortified presumably with full knowledge of Italian policy in the Yaman, may be deputed to put the finishing touches on the Madina discussions with plenipotentiary powers to dispose of all the outstanding problems.

The Hijaz Railway.

As regards the Hijaz Railway, King Ibn Saoud has deputed a representative to visit Palestine and Syria for the purpose of making a complete study of the problem in all its aspects. In this matter King Ibn Saoud is not in the least likely to be intransigent, and, if the British and French Governments are desirous of a redistribution of the existing locomotives and rolling-stock of the line on the basis of the actual requirements of the various sections, it should not be difficult to arrive at a satisfactory formula provided that the pilgrimage season (for which that section was built) be taken as the standard of the requirements of the Maan-Madina section. King Ibn Saoud's aim is the practical one of restoring this section to order for the pilgrim traffic, and any arrangement which will enable him to do this will meet with his ready acceptance. But he will not surrender the Administration of the line in his territories to a foreign Power—much less to a Christian Power.

Pilgrims' Suffering in Cold.

The number of pilgrims arrived up to date is approximately 36,000. The recent spell of cold weather mentioned in my last letter has occasioned considerable hardship to the scantily-clothed Javanese, who certainly did not come prepared to find the Hijaz numbered among the cold countries of the world. Several casualties have inevitably resulted, especially among those who ventured out on the journey from Mecca to Madina during the cold period, and it is said (though the news is not yet confirmed) that one caravan of 50 pilgrims lost no fewer than 40 souls before it reached the half-way station of Rabigh. The cold spell is now over, and the daily minimum temperatures are back again in the neighbourhood of 70 degrees Fahr.

Affairs in the Yaman.

The German Minister at Addis Ababa, Herr F. Weiss, has recently been on a short visit to Jidda, having previously with his wife visited Sana, his sojourn at which

place coincided with that of Mr. Charles Crane and the American Consul at Aden, who, having travelled up from Hudaïda continued their journey to Aden by the land route. The *Imam*, as the recently-instituted monthly newspaper of the Yaman is named, has now reached its third number (January) and reports among other things the exchange of ratifications of the Italo-Yamanite treaty between the Imam and Commandant Cezano, envoy of the Italian Government. Apart from a few Greeks, Italian subjects, some twenty-five of them all told, are the sole resident representatives of Europe in the Yaman, but they are for the most part engaged in commercial and other peaceful pursuits. A single Italian aviator, acting as instructor to the Imam's Army, appears to be the only remnant of the various Italian politico-military missions which have visited the country during the past six months. One of the Imam's sons has recently enjoyed the novel experience of an aeroplane flight, but the only other noteworthy events in the Yaman recorded in the *Imam* are the execution of a death sentence (by beheading) on a murderer and the public amputation of the hand of a convicted thief.



Sofia, March 1.

The Population of Bulgaria.

According to the definitive results of the last census Bulgaria's population numbers 5,484,143 inhabitants, of whom 2,747,983 are males and 2,736,160 females. The increase in the number of deputies in the next Sobranye will now be not 15 (as I had predicted in a previous letter at the time when the approximate preliminary results were known), but 30, on the basis of one deputy per 20,000 inhabitants. The Sobranye to be elected in May will, therefore, comprise 275 members, to the joy of the candidates who are over numerous in the country.

The Economic Conference.

After discussing the question in the Cabinet, the Bulgarian Government has decided to participate in the economic conference convened by the League of Nations. Bulgaria will be represented by a delegation at the head of which will be the ex-Minister M. Danailoff, Professor of Political Economy at Sofia University, and the eminent Bulgarian economist, M. Cyril Popoff, Director-General of the Bulgarian Statistical Institute. The Delegation will lay before the conference a detailed account of Bulgaria's economic situation.

Turco-Bulgarian Commercial Relations.

Following the official re-establishment of Turco-Bulgarian intercourse, a provisional convention was concluded last year between Bulgaria and Turkey with a view to regulating their commercial relations. This convention was postponed for a period of six months, during which time it was hoped to be able to begin and complete negotiations for the conclusion of a commercial treaty. The postponement having expired on March 1, and the commercial treaty not having yet been negotiated, the Turkish and Bulgarian Governments have agreed to prolong the convention for a further six months, while awaiting the nomination of a Bulgarian Minister Plenipotentiary at Angora, who will confer with the respective Turkish Ministers.

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The Macedonian Congress.

For some time past there has been evident a recrudescence of organised activity among the numerous Macedonians who emigrated to Bulgaria, where they have formed brotherhoods or associations of people originating from the same region in the abandoned country. These brotherhoods, which grow incessantly in number and which are grouped into a powerful union, recently held an impressive Congress in Sofia. It passed a series of political resolutions, the most important of which are as follows:—

(1) A resolution addressed to the Great Powers asking them to intervene in order to secure autonomy for Macedonia, as being the only solution of the problem which can bring peace to the Balkans.

(2) Two resolutions addressed to the League of Nations setting forth the oppressive measures adopted by the Greek and Yugoslav authorities in their respective portions of Macedonia, and urging the necessity of an effective protection of Macedonians, and the expediency of an international inquiry and the creation of a special body charged with the repatriation of the many Macedonians exiled from their homes, and with the superintendence of the effective application of cultural autonomy in Macedonia.

(3) A resolution addressed "to Bulgarian opinion and to Bulgarian Governments," declaring that the Macedonians are engaged in a sacred struggle for the preservation of their nationality; that in this struggle they have never lost sight of the vital interests of Bulgaria, in which country they have found hospitality and refuge; that they have never opposed the realisation of an inter-Balkan or even a Bulgaro-Yugoslav entente, which would guarantee the national liberties of the nationalities and the provinces which it would unite; that no Bulgarian Government ought to hesitate to intervene in favour of the ethnic rights of oppressed Bulgarians, as such a defence constitutes their duty as much from the point of view of national solidarity as from the point of view of Bulgaria's vital interests.

(4) A resolution directed against the Greco-Bulgarian Emigration Commission by reason of that Commission's decision to proceed also to the liquidation of ecclesiastical and scholastic buildings belonging to former Bulgarian and Macedonian religious communities in Greek Macedonia, a liquidation which the Congress declares to be an unjustifiable attack on popular, sacred and inalienable property.

(5) A resolution of solidarity with Yugoslavia's oppressed nationalities, struggling against the pan-Serbianism of Belgrade.

(6) A resolution of gratitude towards the defenders of the Macedonian cause in Europe and America.

CORRESPONDENCE

The columns of THE NEAR EAST AND INDIA are open for the discussion of subjects of general interest to its readers. The publication of such letters must not be taken, however, as indicating that the views expressed by the writers are those of THE NEAR EAST AND INDIA.

THE LATE PROFESSOR CVIYITCH.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—In your issue of February 10, M. A. Melik has paid to the general scientific work of the late Professor Cviyitch a hearty homage in which everyone must join. But I think he is wrongly inspired in adding to the merits of the late Serbian scholar, his contribution to the ethnography of Macedonia. It is unfortunately true that in dealing with the problem of the races in Macedonia, Cviyitch subordinated scientific judgment to political opportunism and to the national prejudices of the moment. His inconsistency on the question of nationality of the Slavs in Macedonia is familiar to all students of Slavonic ethnography. Let us remember the episode in which this inconsistency took the most striking form.

It is a well-known fact that until 1878 the Serbs considered Macedonia as a Bulgarian country. That year, Bosnia-Herzegovina having been occupied by Austria-Hungary, the Serbian Government began to look for compensation in Macedonia. But the new Serbian claims lacked the basis of facts. Serbian science was greatly embarrassed. Finally Cviyitch went to the help of the Serbian propaganda: he invented the theory that the Macedonian Slavs had no definite national consciousness and were capable of turning, according to circumstances, into Bulgarians or Serbians.

During many years Cviyitch defended this theory by a large display of scientific arguments. But meanwhile an event occurred which obliged the patriotism of Cviyitch to have recourse to another hypothesis on Macedonia. In October 1912 the Allied Christian Powers in the Balkans declared war on Turkey. This war was preceded by a secret Serbo-Bulgarian treaty which divided Macedonia into two zones: a large zone which both parties agreed to consider as incontestably Bulgarian, and a smaller one upon which Bulgaria and Serbia pledged themselves to accept the arbitration of the Russian Emperor.

The duty fell again on Cviyitch to explain this territorial agreement and to justify it from the standpoint of the ethnography of Macedonia. In fact, as war against Turkey began, he published in the London *Review of Reviews*, an article for that purpose.

"In what region of Turkey," asked Cviyitch, "do Serbian interests lie?" And he gave the following positive answer: "The region in question is known as old Serbia. . . . The Southern frontier of Old Serbia or the boundary which divides the Serbian and the Bulgarian spheres of interest starts from the Bulgarian frontier at Kustendil, with the dividing line between Petchine and Krilje, so that Kriva-Palanka and Kratovo remain in the Bulgarian sphere, Uskub and Koumanovo in the Serbian. The southern frontier lies through Ovce-Polje with the dividing line between Bregalnitsa and Pchinja and it crosses the Vardar River north of Velles. From there it follows the offshoots of the mountains of Yakoubitsa, and by a further dividing line on the mountain of Baba to the lake of Okhrida, so that Prilep, Kroushevo and Okhrida are in the Bulgarian sphere and Struga, Debar and Tetovo in the Serbian."

After having drafted in that clear way the future Serbo-Bulgarian frontier in Macedonia Cviyitch added, "Thus we see that a territorial and ethnographical understanding has been arrived at between Serbia and Bulgaria." (Page 515).

Such was the opinion of Cviyitch on Macedonia in November 1912. Shortly after his article from the *Review of Reviews* appeared in a Serbian translation. "But at that time, says the report of the Carnegie Commission, Serbian claims had already increased and the pamphlet was banned." (Page 44.) What did Cviyitch do in face of the new current started in Belgrade by the nationalist and military circles? He renounced his opinion. "In a second edition," continues the Report of the Carnegie Commission, "the passage describing the frontiers was simply omitted." Meanwhile the Serbs increased still more their claims. Irrespective of the treaty with Bulgaria which Cviyitch was so zealous in explaining in 1912, the Serbs decided in 1913 to keep for themselves all the Macedonian territory occupied by their Army. The Serbian Government needed now a scientific theory for supporting before public opinion abroad its new policy. Cviyitch provided for it. In the issues for March and April 1913 of *Petterman's Mitteilungen* he published a new ethnographic map of Macedonia substantially different from his article in the *Review of Reviews* and elaborated with the evident purpose of giving an appearance of reason to the increasing territorial aspirations of Serbia. Turning around Cviyitch went with great facility back to the theory he already preached about Macedonia before the Serbo-Bulgarian Treaty of 1912.

M. Melik admires greatly this theory. He says of it that it has brought "the light of unbiased criticism on the complicated dispute over the nationality of the Mace-

donian Slavs." I will not contest the right of M. Melik to appreciate in that way the work of the Serbian scientist on Macedonia. The only thing I wish to point out is that the foreign specialists on Slavonic ethnography are unanimous in professing about the Macedonia Slavs an opposite view. I shall quote but one of them: a Croatian Professor, Yagitch, who according to universally admitted opinion is in our time the greatest authority on Slavonic philology and ethnography. Writing to Professor Miletitch, in a letter which the *Macedonia Review* published recently in fac-simile, Yagitch expressed on Cvijitch the following judgment: "Prof. Cvijitch is writing and printing a large anthro-geo-graphic work on the Balkan lands, and towards the end of it he has touched upon the ethnographic question of Macedonia. He sent me some advanced sheets of his work to read and to tell him my opinion. I hold to the rule of calling a spade a spade. I told him that all this is unworthy of the scientific high position of Cvijitch: that, in neglecting the principal thing, namely the language, he has stuck to unimportant matters, as for example, that the Macedonian Slavs have no national consciousness, that they could be easily won over to the pan-Bulgarian or the pan-Serbian idea, etc. Perhaps my outspokenness has offended him; but it does not matter. I would gladly agree to Serbia putting in her programme her need of an outlet on the sea and her desire to have some authority over a part of Macedonia that leads to the sea. This would be a question of political necessity; but we ought not to mix politics with science, i.e., dialectology. We ought not to try to prove something that cannot be proved by honest arguments. We will see if he will reply to me. For me it is a sad proof how even a great learned man like Cvijitch does not understand to be objective, or, as the late Mommsen used to say, *voraussetzungslos* (free from preconceptions)."

It is useless to add any comment to this letter; it settles definitely the question about the scientific value of the publications of Cvijitch on the nationality of the Macedonia Slavs.—I am, etc.,

A BULGARIAN.

FROM VENICE TO SCUTARI.

BY ARTHUR E. READE.

Wembley, Hollywood *et hoc genus omne* have done so much to "bring romance home" to us fog-dwellers that the real thing has come to seem very garish. "Venice beneath the stars"—the words read like a cheap subtitle, and one's tongue almost cleaves to the roof of the mouth rather than utter them. Still, it was Venice beneath the stars in May, and, as I lay in my gondola listening to the *serenata* on the lagoon I heard a loud English voice exclaim: "This is unbearably touristy." A somewhat subjective attitude of criticism reflecting a very self-conscious traveller's state of mind—there was the cart perfectly hitched before the horse. But that is the worst of efficiently organised travel. We cannot remember whether the tourists come for the sake of Venice, or whether Venice has been provided for the sake of tourists. So we end by judging Venice as we might a scenario or the arrangements at Blackpool, and, being sophisticated men, we suggest to the management that it should not lay on the atmosphere of illusion too thickly, lest it cloy. No matter. Next day I fled the advertising world, leaving behind the *serenata*, and the slums, of Venice.

So exalted a being as an Englishman in "plus fours" is expected to travel down the Adriatic as a first-class passenger on a Lloyd boat or not at all; and had it not been for the services of the large lady wearing an inter-

preter's armlet, who, uninvited, and to my great humiliation, took charge of the arrangements, I doubt whether it would have been possible to persuade the Italian cabby to drive from Trieste station to the quay where the Serbian boat of the Jadranska Providba line was in harbour. For so remote was this quay from the business of the port that neither passport officer, nor customs officials, nor porters were present to officiate at the embarkation, though the first arrived by an afterthought when we were already on board. Once aboard the s.s. Beograd one felt already in the Balkans: the electric light was out of order—had been for a long time apparently; and as the steamer put off it was called back by agitated cries—some cargo, destined for Cettigne, had been left behind.

It is a dreadful thing to be tapped on the shoulder by an armed man who beckons silently: Come along with me. That is what happens at Sebenico (Shibenik) to give it the Croatian name by which it is now officially known) to the passenger who lands for a short stroll while the ship is in harbour without first surrendering himself at the customs shed. There the visitor passes in through one door which is locked behind while at the end of a passage an aged hag unbolts double doors and unpadlocks a gate of iron bars through which it is permissible to walk on to the waterside once more. That is precisely all. What magic significance attaches to a silent and uninterrupted passage through a small shed I know not, but bureaucracy is satisfied, and at the hour of re-embarkation a bayonet bars the gangway until the traveller can hand the sentry a small rubber-stamped square of paper obtainable inside the shed to certify that the procedure has been repeated reversewise. The authorities may well suspect the purpose of strangers who bother to visit the little place they guard so carefully, for there is nothing really very striking about either the domed cathedral (completed in 1555, entirely of stone and marble, with no brick or wood in its construction that it might be the more enduring a monument) or about the XVI century Venetian ruins—the triple Fort of St. Nicholas, which guards the channel leading into the harbour formed by the estuary of the River Krka, and the Castle of St. Giovanni, which crowns the city and was besieged by the Turks in 1647.

At the next port of call, Split, officialdom was so refreshingly negligent of its usual duties that, for once in a way, it did conform to the Foreign Secretary's demand, which buoys up such false hopes in the hearts of tyros with their first passports, and "allow the bearer to pass freely without let or hindrance." Not even a rubber stamp, symbol of officiousness masquerading as efficiency, fondest toy of self-conscious civilisation in its schoolroom stage of development, was brought into action to testify to a twenty-four hours' stay.

Since August 1925, Split has become marked as the terminus of the Adriatic-Danube railway line proceeding via Sarajevo to Belgrade, and the Yugoslav Government has offered to provide Hungary with a "free zone" in the harbour after the fashion of the Yugoslav free zone at Salonika. A discouraging Germanic exterior hides one of the most enchanting towns of Dalmatia, Venetian Spalato, the ancient Aspalathos, some three thousand of whose inhabitants still live within the walls of the palace, covering an area of 420,000 square feet, that the invalid Emperor Diocletian built himself for his retirement sixteen centuries ago. Hither, in the year 639, to make themselves their new city came the population of the neighbouring town of Salona sacked by the Avars. The red-tiled temple which Diocletian built, some say as a mausoleum for himself, some in honour of Diana (from the frieze representing hunting scenes which still survives within) is now the Cathedral, and the former Temple of Jupiter serves as a baptistry. One of the XVII century Archbishops of Spalato, Mark Anthony de Dominis, quarrelled with the Papacy and became a Master of Savoy and a Dean of Windsor. However, he found abuses in the Church of England, too, which did not suit him. As a result he retired to Italy—and eventually to prison.

And here there are clocks which strike each hour over twice—once for the living and once for the dead, or so

I imagined, but a fellow-traveller when I ventured the information drily replied that he thought the works must be out of order, because Baedeker said nothing about it.

What Mr. G., the Armenian merchant from Belgrade, who has lost two fortunes and is now well on the way to making a third, was doing in company of an Albanian Commissioner of Police (whom he introduced as the Minister for War), and what the latter had been doing at Belgrade I do not know. I only know that the Armenian was feeling very bucked with himself over a deal to supply the Albanian gendarmerie with uniforms of British surplus khaki at a rate of profit which would give a very substantial leg-up to that third fortune! They came on board at Gravosa, the port of Ragusa (which we must now try to remember to call Dubrovnik) Mr. G. travelling first-class, the "Minister of War" second, and the latter's escort third-class. Only Mr. G. and the two English first-class passengers were admitted to the privilege of dining at the Captain's table, the other first-class passengers being relegated to a far corner of the saloon. Among these was an extremely stout and polite young Czech who said that he was going to Tirana, the capital of Albania, to recover from a nervous breakdown (Heaven help him!). I subsequently met him there and he introduced me to the Czech Consul who had the largest black beard I have ever seen. By way of polite conversation I mentioned that the works of Karel Kapek were much appreciated in England. Whereat the two Czechs looked at each other and hastily changed the subject, much as I imagine the Duke of Northumberland and Mrs. Nesta Webster might have done if a foreigner were to have complimented them on H. G. Wells or Bernard Shaw. . .

At lunch and dinner on board the Beograd everyone had his half-bottle of *vin compris* set before him, and the captain glanced at us curiously as Mr. G. insisted that a dash from his bottle should be mixed in the glass of each diner at the table. Nor would the Armenian raise his glass until we too would drink from our own. If it was some ordinary form of courtesy, it was quite unlike both in manner and fastidiousness any that I have ever since witnessed in the course of nearly two years' residence in different Balkan countries. Was it perhaps some half-instinctive precaution conventionalised into a matter of form? There are doubtless many drinking customs which can be traced back to the days of the venom-taster, but this one struck me as startlingly direct. Mr. G. carried much gold on his person. . . . And, incidentally, when one of the second-class passengers, a Moslem merchant from Bosnia, bid a few thousand dinars for my portable typewriter, all the Armenian instincts were aroused; he laid a higher bid and offered to pay in gold. And who, even though the advance estimates of the cost of the journey were not being gravely upset by the actuality, could resist lightening his luggage in return for a glittering handful of 20-franc pieces? However, Mr. G. subsequently found an opportunity to exchange some of these for paper and to rook me neatly on the exchange in the process!

Down amid the islands we steamed, while the dolphins performed their foolish somersaults around the ship and so to the Boka Kotorska, the Gulf of Cattaro, lovely southern fjord.

As Mr. G. stepped off the gangway at Cattaro, the Yugoslav officials on the quay raised their hands and saluted. Here we parted to meet again, Mr. G. re-embarking with his companions to continue by sea the journey to Albania, where he was to visit his friend, the dictator, Ahmed Bey Zogu himself, while I was bound thitherward overland.

In 1813 the British Fleet besieged the French in Cattaro for three months, but the town's Venetian walls still remain whole, bearing their emblem, the winged lion of St. Mark. In the days of the Austrian occupation Cattaro stood as the last outpost of European civilisation down the Adriatic, and the little town, its name now Serbised to Kotor, is still a heavily garrisoned fortress where one lives in an atmosphere of alarms and excursions. One night the guard was called out and came tearing over the quay with fixed bayonets to board a small

steamer moored there. The officer, holding a light in one hand and a revolver in the other, proceeded cautiously from hatch to hatch. Were there armed smugglers aboard about to land a cargo of high explosives for some treasonable purpose? Nothing so sinister. Apparently nothing at all, and the party proceeded back to barracks.

The only other incident during a few days' stay was the disappearance of a prim party of elderly English ladies who were caught in a sudden storm while out boating on the Bocche.

The motor post-bus which runs from Kotor to-day is impressively provided with the protection of an armed escort. The old Austrian military road zig-zags up the side of the black mountain of Lovchen, that rampart, 5,770 feet high, which relieved the Montenegrin warriors from the need of any artificial fortifications during the five centuries they maintained their independence; their opposition frustrated Napoleon's plan, which would have anticipated the present road.

After a last glimpse of the green waters of the Bocche below, what was once the old Montenegrin frontier station is reached and the pass descends through a desolation of grey rocks until we see the red roofs of the township of three thousand souls that until a few years ago was the capital of the last of the medieval kingdoms of Europe.

(To be continued.)

Five bridges are shortly to be built across the Jordan in the valley of Al Huleb.

Mr. Leonard G. Montefiore, President of the Anglo-Jewish Association, left London last week for Palestine.

As from April Mr. L. M. Crump, the Resident at Gwalior, is to act temporarily as Resident at Hyderabad, during the absence of Sir William Barton on leave.

President Masaryk, of Czechoslovakia, will pay an unofficial visit to Athens in April on his way to spend his holiday in Egypt. It is stated that he intends to visit Palestine.

The appointment of His Highness Jigme Wangchuk, Maharaja of Bhutan, to be a Companion of the Most Eminent Order of the Indian Empire has been published in the *London Gazette*.

The Turkish political police in Constantinople last week arrested a certain Akounoff, one of the chief officials of the Soviet-Turkish Trade Corporation in Constantinople.



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Book Reviews

A MINIATURE HISTORY OF THE WORLD.

"*THE ADVENTURES OF MAN.*" By F. C. Happold. (London: Christophers. 4s. 6d.).

We owe much to Mr. Wells. And one of our debts to him is the realisation that it is possible to set forth the essential facts of the history of the world in really short space, but in such a way as to make a continuous narrative and picture of the progress of the nations. Also, that by this means, the man of everyday life who reads but little history in detail, is at least enabled to fit his little pieces of knowledge in the larger scheme. Mr. Wells did the apparently impossible task with what looked like the greatest ease. But he made things easier for himself by taking definite sides in the secular conflicts. Some of his readers enjoyed the little spice so introduced. Others, like Mr. Belloc, "objected."

We now have Mr. Happold following in the master's footsteps. But he has carefully marked where the master walked in miry and boggy places and has avoided them. For he is writing for the young, and prefers that they should have their panoramic view through an atmosphere uncoloured by prejudice of any kind. Possibly some may think that the masterly colourlessness which is reached by Mr. Happold in his lines on the Birth of Our Lord is a little overdone. But, granted the desirability of this manner of presentation, we may well congratulate our author on the success with which he has achieved the telling of the world's history in some 35,000 words. He carries his learning easily; tells his story well and preserves his sense of proportion in circumstances of great danger. The one bad instance to the contrary noticed by us occurs on page 100, where he wastes some precious lines in bringing home to the reader the great impression left on the minds of his contemporaries by Frederick Barbarossa. But, of course, the legend he tells referred not to this great Emperor, but to his grandson, Frederick II. The pious fraud of Ruckert and Grim in transferring the old tale to a more appropriate Emperor is little over a century old.

This excellent little book is rendered even more useful by its numerous pictures and by its liberal supply of simple and cleverly designed maps. Some of the pictures are better than others. Only very few are not good enough for their job. The worst is the picture of the Taj Mahal. We suggest that the second edition should contain either a better attempt or omit it altogether. A good word must also be said for the ingenious summary of the book in its end-papers.

C. S-W.

COOK'S TRAVELLER'S HANDBOOKS.

"*COOK'S NORTHERN AND CENTRAL ITALY. INCLUDING ROME.*" By Roy Elston. (London: Simpkin, Marshall, Hamilton, Kent and Co., Ltd. Thos. Cook and Son, Ltd., Berkeley Street, W.1. 12s. 6d.)

The pre-eminence of "Baedeker" has long since been challenged as far as the English traveller is concerned, and now with the steady growth of Cook's Traveller's Handbooks it must have almost received its quietus. There are more than a score of these handbooks, and the series is too well-known to the travelling public to need extended reference, but in passing, it may be recalled that it includes "Constantinople, Gallipoli and Asia Minor," "Egypt and the Sudan," "Jerusalem and Judaea," and "Palestine and Syria." This last volume very wisely embodies within a single cover the smaller guides, previously published, to

Milan and the Italian Lakes, Venice and Venetia, Florence and Rome; for the majority of people who undertake the journey to Italy will try to cover the chief cities of the north, even if they cannot make a dash on Rome, and the single book, provided that it is not too bulky, will be more convenient.

It is, perhaps, enough to say of a guide-book that it contains all the information that the traveller needs. In the present case, we may add a word of commendation for the clear type—a feature of the series and an important matter often overlooked in books of this kind. The author is to be congratulated on the happy mean that he has pursued in the presentation of well-worn themes. It is very easy to overload introductory references to such places as Rome, Venice and other Italian cities. Mr. Elston has preferred to skim more lightly over his subject, culling from existing descriptions of outstanding merit, rather than attempting to break fresh ground himself. For this reason the volume is more readable in itself than many guide-books, without in any way sacrificing those serried details of the contents of Museums, etc., which custom prescribes for such publications. Having betrayed himself so far, the writer had better confess to being a thoroughly bad tourist, judged by the American standard. For instance, he is barbarian enough to think that the Fiat works are worthy of mention as a *Sehenswürdigkeit* of Turin, and to hope that others will find in the Colosseum much more of the atmosphere of Imperial Rome than might be inferred from the comparatively brief notice accorded to it. To all who travel to or from the Near East this volume is warmly commended as a travelling companion; for it will be strange indeed if many of its pages can be read without creating the firm resolve to break the journey in Italy or to pay the country a more extended visit at an early opportunity. Fortunately the possibilities of Italy as a summer resort are becoming better recognised.

NEWS IN BRIEF.

Mr. Rudyard Kipling arrived at Sao Paulo, Brazil, on March 10.

The King's Liverpool Regiment left Baghdad on March 10 *en route* for Basrah, where they embarked. This was the last English regiment in Iraq.

Sir Francis Humphreys, British Minister in Kabul, was due to sail for England on March 12. During his absence Mr. B. J. Gould will act as Chargé d'Affaires.

The death occurred last week at Ashford, Kent, of Charles Redman Bey, aged 91, who had had a career of thirty-three years as a Civil Servant in Egypt. He went to Egypt in the 'fifties.

The Vice-Chancellor of Oxford University announced in Congregation on March 8 that Classical Hebrew had been added to the languages which may be offered by Oriental candidates at Responsions.

During February a census was taken throughout Egypt, the provisional figures showing that Egypt's total population was 14,168,756, compared with 12,750,918 in 1917. The present population of Cairo is 1,060,000.

The death occurred on March 12 of Miss Felicia Rudolphina Scatcherd, daughter of the late Watson Scatcherd, of the Indian Civil Service. Miss Scatcherd was engaged on preparing a life of Sir William Crookes during her last illness, and she was at one time editor of the *Asiatic Review*.

During the present month Roumania will be issuing a set of five stamps to commemorate the jubilee of the Roumanian Geographical Society. The designs include a map of Roumania, portraits of Stephen the Great, Michael the Brave, the late King Carol, and the present King Ferdinand, and a monument to Adam Clisi.

It is announced by the Colonial Office that 13,056 Jews—5,932 men, 4,580 women, and 2,544 children—entered Palestine as immigrants during the 12 months ended December 31, 1926. During the same period 7,340 Jews emigrated from Palestine, so that the net increase of the Jewish population by immigration was 5,716.

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PERSONAL AND GENERAL

TO-DAY

March 17, 1927 (New Style).

March 4, 1927 (Old Style).

Ramadhan 13, 1345, A.H., of the Muslim Calendar.

Adar II, 13, 5687, of the Jewish Calendar.

The Bulgarian Minister returned to London last week from Paris.

Colonel and the Hon. Mrs. Lane-Fox have returned to 88, Eaton Square from India.

Lord and Lady Oranmore and Browne have returned to 21, Portland Place from Sicily.

Julia Countess of Dartrey arrived at 3, Eaton Place on March 12, on her return from India.

Mr. R. S. Hakim, of Liverpool, last week arrived in London, from his visit to the King of Iraq

The High Commissioner for Canada and Mrs. Larkin and Miss Larkin returned to London on March 10 from Egypt.

Sir Edward MacLagan, K.C.S.I., has joined the Board of Management of the Royal Hospital and Home for Incurables, Putney.

The Marquess and Marchioness of Linlithgow are expected to arrive in London at the end of this month on their return from India.

The Persian Minister in London will be at home on Tuesday, March 22, at 47, Bramham Gardens, from 4 to 7 o'clock, on the occasion of the Persian New Year.

Viscount Inchcape left London on March 9 for Glenapp to spend the week-end with Viscountess Inchcape, who is now almost restored to her usual good health.

Lady Morvyth Benson was a passenger in the Imperial Airways air-liner City of Cairo, which left Cairo at the beginning of March on its maiden flight for Baghdad.

The Hon. Mrs. Devereux sailed in the Orama on March 5 for Egypt. The Hon. R. C. Devereux and Miss Blanche Devereux are at 26, Bruton Street for the present.

Sir Joseph and Lady Isherwood, accompanied by Mr. William Isherwood and Miss Mary Isherwood, joined the Adriatic at Monaco on March 11 for Alexandria and Gibraltar.

The King has approved the appointment of Mr. Chettur Madhavan Nayar to be Puisne Judge of the High Court of Judicature at Madras in the vacancy created by the death of Sir Cheruvuri Krishnan.

Viscount and Viscountess Combermere and the Dowager Viscountess Mountgarret are among the recent arrivals at the Semiramis Hotel, Cairo, where Sir Stanley and the Hon. Lady Birkin are also staying.

King Fuad of Egypt has conferred the Grand Cordon of the Order of the Nile on Sir Ian Malcolm, President of the British delegation to the International Navigation Congress, which was recently held in Cairo.

Sir Daniel Stevenson arrived in London on March 9, from Paris. On his return from the Near East he spent a few days in Berlin, where he lunched with the Reichskanzler, Dr. Marx. He left for Glasgow on March 12.

Sir Hugh Stephenson was received in audience by the King at Buckingham Palace on March 11, and kissed hands upon his appointment as Governor of Bihar and Orissa, when His Majesty invested him with the Insignia of a Knight Commander of the Most Exalted Order of the Star of India.

Viscountess Cowdray and Mrs. Kinnell have left 16, Carlton House Terrace for Paris, Vienna, and Belgrade, and will be away until Easter.

Viscount and Viscountess Portman have left the Cataract Hotel, Assuan, and are staying in Cairo. They will leave Alexandria on March 18 in the Mauretania for Villefranche, *en route* for Cannes, and expect to return to England on April 9.

The King has approved the appointment of Mr. Charles Frederick Belcher, O.B.E., Judge of the High Court of Nyasaland, to be Chief Justice of the Supreme Court of Cyprus in succession to Sir Sydney Charles Nettleton, who has been promoted Chief Justice of Gibraltar.

A paper entitled "The Romance of the Indian Army and its Future" will be read under the auspices of the East India Association at Caxton Hall, Westminster, on Monday, March 21, at 3.30 p.m. by Lieut.-General Sir George MacMunn. General Sir Edmund Barrow will preside.

SIR STANLEY JACKSON.

Sir Stanley Jackson, Governor-General-Designate of Bengal, and Lady Jackson, left London on March 10 for India.

A large number of politicians and cricketers gathered at Victoria Station. The Prime Minister and Lord Hawke met Sir Stanley and Lady Jackson in the Royal waiting-room, where a reception was held.

Others present included Countess Winterton, Viscount Younger, Viscount Fitzalan, Lord Carson, Sir Arthur Steel-Maitland, Sir John Simon, Sir Archibald Weigall and Lady Weigall, Sir Lancelot Sanderson, Sir Robert Hutchison, Mr. J. C. C. Davidson (Sir Stanley's successor as Chairman of the Conservative Party Organisation), Mr. R. H. A. Carter (representing the Secretary of State for India), Mr. W. D. Tomkin (representing Earl Winterton, Under-Secretary for India), and Mr. Sen (representing the High Commissioner for India).

Air Vice-Marshal Sir Sefton Brancker, Director of Civil Aviation, landed at Nairobi from Kisumu on March 9.

The will of Major James Farquhar White Ogilvie, M.C. (late Guides Cavalry, Indian Army), of Limington House, Limington, Yeovil (net personalty £40,655), has been proved at £46,624.

A meeting of the provisional committee of the Air League of India held at Karachi on March 9 elected Sir Montagu Webb Chairman of the League, and also decided to form the Karachi Light Aeroplane Club—the first of its kind in India.

On the completion of ten years' ministry at Streatham Congregational Church the Rev. W. Charter Piggott has been granted three months' leave of absence in order that he may visit the Holy Land, Egypt, and Greece, and a cheque for £200 to defray the expenses of the trip.

The death of Sir Walter Congreve has, says *The Times*, brought forward the promotion to general of Sir Charles Harington, who otherwise would not have been promoted until June, when Sir Charles Munro reaches the age limit. Sir Charles Harington now reaches the rank of general before he is 55 years of age, and becomes another of the officers of that senior rank to hold the Northern Command.

The Athens Correspondent of *The Times* states that the Greek Government has conferred the Golden Cross of the Order of the Redeemer upon Mr. Robert Blackburn, founder and head of the Blackburn Aeroplane and Motor Company, Limited, in recognition of his services to aviation in this country. This honour is thoroughly well deserved, not only for what Mr. Blackburn himself has done here but also for the good work done by his representative, Major Buck, and his staff of British and Greeks at his aircraft factory at Phaleron, where he is turning out machines for the Greek Government.

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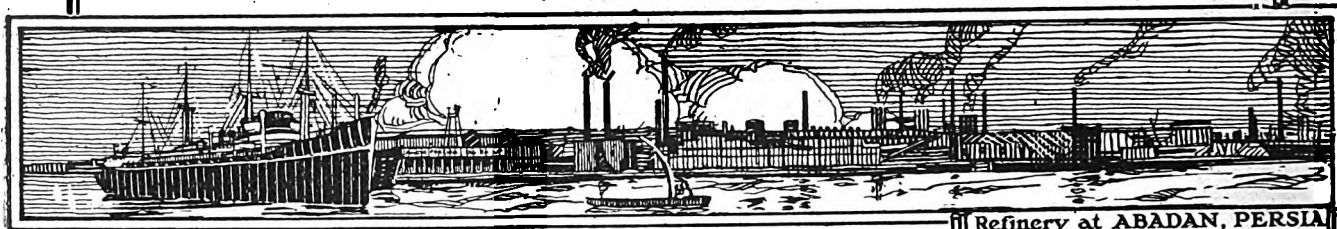
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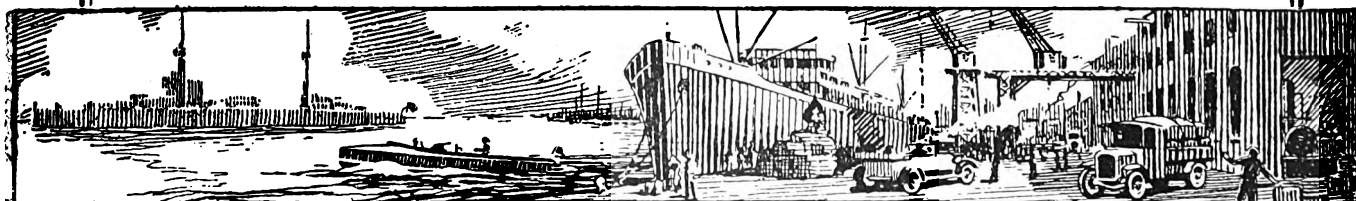
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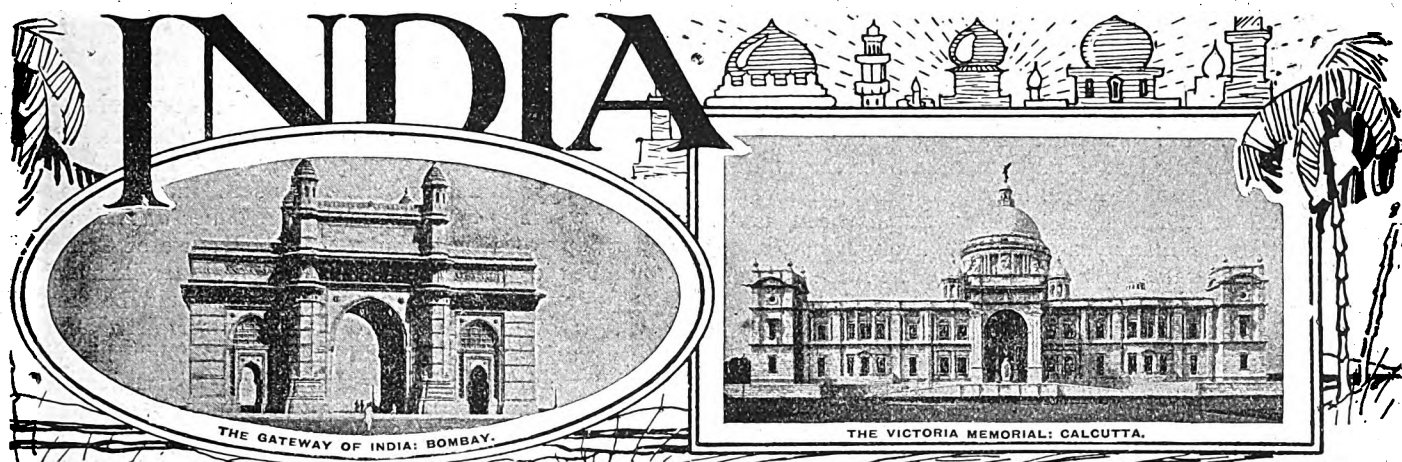
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THE BUDGET DEBATE.

The Government of India has successfully carried the Bill for the stabilisation of the rupee at 1s. 6d., though by a narrow majority, of 68 to 65 votes on the amendment in favour of the 1s. 4d. rate, and of 67 to 62 on the crucial clause fixing the rate at 1s. 6d. It would seem, from the cabled account of the proceedings, that this result was largely due to excellent tactics on the part of the occupants of the official benches, who took no part in the first debate, but contented themselves with allowing their opponents to destroy their own chances by dealing in what the report describes as "prejudice, personalities and racial spite": a class of appeal which, while it could produce no effect on the votes of those who were already their declared supporters, appears to have turned those of the Muhammadans against them: a result which a more skilful use of tactics might well have prevented. Having won this vital division, the Government can afford to treat the subsequent proceedings with comparative unconcern. If it had gone the other way, it would certainly have been necessary for the Viceroy to certify the Bill, for on it depended the whole of the calculations in the Budget: and it is a great thing that, on so highly controversial a subject, this expedient should have been avoided. But the attitude taken up by the Congress Party is decidedly disappointing; since, in the course of the earlier part of the debate, there were several encouraging signs of a more reasonable temper than usual on the part of some of those leading Indian politicians who are usually to be found in the van of the opposition. For instance, in the course of the second day's discussion, Pandit Malaviya, while admitting that he felt the arguments of the supporters of the 1s. 4d. rupee to be decisive, declared that he and several others, being greatly perplexed by the complexity of the question, had tried their best to come to the right conclusion: and invited Sir Basil Blackett to reply, assuring him that he and his friends were open to conviction. The cabled report asserts that the Finance Member "easily and lucidly confronted" the arguments of the supporters of the sixteen-penny ratio: and adds that the effect of his statement "appeared to be good"; but it is unlikely to have carried conviction to the Pandit and his friends—or, at any rate, to have influenced their votes. Mr. Malaviya, it is true, is not a member of the Swaraj—now renamed Congress—Party, since his present political views lean towards those of the Responsivists; but he still gives allegiance to the Congress, though declaring to range himself with the Party that has named itself after it. The voting figures suggest that the Government majority was made up of the officials, European non-officials, nominated members and elected Muhammadans; and it will probably be found that the minority consisted entirely, or at least with negligible exceptions, of the Hindu elected members, and that the votes of Pandit Malaviya and his friends were cast with them.

Among other matters of special interest that came up

in the debate were those of the proposed remissions of taxation, of the Provincial contributions, and especially of the Army. The reduction of the import duty on motor-cars was quite naturally condemned as of benefit only to the well-to-do; though in fact it is practically certain that it will have no such effect, and that the fall in the initial price of motor vehicles, that should and doubtless will follow on the reduction, will be more than neutralised, to the individual owner, by the increase in Provincial imports that is certain to follow it. The improvement in the motor trade, that should follow on the reduced import duty, is one that, in the absence of even the beginnings of any indigenous motor industry, ought to appeal to the Indian economist; but it may be surmised, with complete confidence, that it does not do so. In the matter of the Provincial contributions, one opposition speaker made quite a neat point. He said that they were originally devised to enable the Central Budget to be balanced on its then existing scale; that it was quite unfair that they should continue to be used to balance a budget of much greater proportions; and that their complete remission ought, therefore, now to be absolute, instead of depending on future surpluses. But this argument overlooks one very important point—that, as the Budget has grown, the contributions have been progressively reduced, until their total incidence, even if Budget expectations are not realised in the future, will at the worst be a mere fraction of what it was in the beginning. The removal of the export duty on tea was criticised on the curious ground that its result would be to cheapen tea for the overseas consumer but to increase the price to India. No reason was given for the latter assumption: presumably because none exists. No mention appears to have been made of the increase, by 50 per cent., of the import duty on tobacco. The only apparent reason for this omission, if it existed, is that the increase is demonstrably in favour of the Indian peasant; since tobacco is one of his ordinary crops and its production is not, as is mainly the case with tea, in the hands of British firms; so that no capital could be made out of its condemnation.

The debate on Army expenditure was the occasion for some notable announcements by the Commander-in-Chief: who, when it was pointed out that, for 90 vacancies in the Indian Army last year, there were only 70 Sandhurst candidates, and for 118 vacancies this year only 56, admitted the melancholy fact that the Indian Army appeared to have lost its attractions for Sandhurst cadets in the number and quality formerly obtainable. He was, however, able to add that not only were all ranks of the Indian Army eager for service in China, but that he had actually received the offer of his services there from Sir Frederick Whyte, the first President of the Legislative Assembly. No indication was given of the capacity in which these services were offered, whether military or civil, but one is inclined to suspect the latter: possibly in an advisory capacity in the matter of a new constitution for China, or perhaps with the idea that service in China would be valuable training for a future tour of duty in

the neighbouring country of Burma. The offer need, indeed, occasion no surprise: what is likely to do so is that Sir William Birdwood thought it necessary to make public mention of it. Another matter of more general interest was the announcement that the Imperial authorities have at last decided to take over the military and political control of Aden, leaving the civil administration to India. This is a matter that has been under consideration for many years past: the arrangement, under which the General Officer Commanding at Aden has also been *ex officio* the Political Resident, has long been palpably out of date, though it needed a local crisis, in the course of the Great War, fully to expose the absurdity of it. The Commander-in-Chief is also reported to have "sharply criticised" the Inchcape Committee's recommendation that the Army budget should be progressively reduced until it reached a figure of 50 crores of rupees (£37½ millions, at the newly established rate of exchange), above which maximum it should not thereafter be increased. This, he declared, was a pious aspiration put forward without showing how it was calculated or how it could be reached. He believed that, on the contrary, the Army estimates would be likely to increase rather than diminish in future: and it would seem that the Finance Member acquiesced in this forecast, for he appears to have been invited to explain what his critics considered to be a too complaisant attitude. This he did by saying that, though he did not say that the tendency to increase was inevitable, he did think it probable, unless there were a sacrifice of efficiency—a prospect not to be faced in the case of any Army, whatever its size, and one for which he, at least, would not allow his own Department to bear the blame. These statements were, it is reported, received with notable anxiety by the occupants of the unofficial benches, both Indian and British: and they are certain to be subjected to strong criticism as the debate proceeds. The question is a very difficult one indeed, the arguments on both sides being so strong as to be almost incontrovertible. It is one on which it is dangerous to dogmatise, and the details of its discussion in the Assembly will be awaited with interest, especially in view of the quite evident and very gratifying signs of a tendency on the part of Indian legislators to discuss large questions of policy in a temperate and understanding spirit.

CURRENT TOPICS.

The Rupee Ratio.

The Government's narrow majority on March 8, when the first trial of strength on the Currency Ratio Bill took place, did not settle the vexed question of the rupee ratio, as the rate given was not on the Bill itself, but on an amendment in favour of the alteration of the ratio from eighteen to sixteen pence. After its defeat on this point the Congress Party proceeded to concentrate on an attempt to obtain the rejection of the Bill itself. On the motion that the Clause fixing the ratio at eighteen pence should stand part of the Bill the Government secured victory by 67 votes to 62 votes. As three European members were reported to have voted among the 65 who formed the minority on the first division, it would seem as if they had refused to join in the attempt to wreck the Budget by persisting in their opposition to the ratio on which it is based. Incidentally, rejection of the Currency Bill would entail the abandonment of the two subsidiary Bills, for the establishment of the gold bullion standard and of the Reserve Bank; both of which proposals have received considerable support even from those who are most strongly opposed to the eighteen penny ratio. It is asserted in some quarters, and derided in others, that the Moslem vote on the Assembly was offered to the champions of the sixteen-penny ratio, on conditions of a political nature having reference to the protection of Muhammadan minorities. If this is even partly true, the smallness of the minority shows the important

results that might have followed an acceptance of the conditions, and that did follow on their rejection.

"Members for India."

The denial of the rumour that Sir Frederick Whyte contemplates an early attempt to re-enter Parliament will be a disappointment to his friends in India, prominent among whom is to be reckoned the *Times of India*. The paper expresses the opinion that the House of Commons would be the stronger for the inclusion among its members of this doughty friend of India, who would be sure of having a friend at court to put her case fairly, authoritatively and with first-hand knowledge; while his views could not fail to command respect in any discussion affecting the setting up of the Statutory Commission and the grant of further reforms to India.

There are, of course, quite a number of "Members for India" already in Parliament, from Mr. Saklatvala upward; though the number who can put her case authoritatively is small, and those who can put it fairly are fewer still. Those who fail in the latter duty are mostly to be found among the comparatively large number of members who, though always ready to hold forth on matters of which they are entirely ignorant, have no first-hand knowledge of India: and the addition to the House of one whose knowledge, if not very extensive, is at least recent, would be a decided gain. It is generally believed in India that Sir Frederick Whyte would welcome a further opportunity of serving her on the spot: and a seat in Parliament would certainly be a useful preliminary. If, for instance, the generally held belief turns out to be correct, that the Statutory Commission will be recruited solely from the two Houses of Parliament, Sir Frederick Whyte would have qualified for inclusion in it. If elected, it is beyond question that he would contribute his full share of the determination and good will—qualities the possession of which he conclusively proved in India—that he has declared to be necessary to overcome the many problems with which Indian constitutional government is faced: a task in which he should provide a useful corrective to the efforts of some of his probable colleagues. Membership of the House of Commons not infrequently leads to an Indian governorship; though it is true that, in this case, first-hand knowledge of the country appears to be rather a disqualification than the reverse. Perhaps, in Sir Frederick Whyte's case, his expressed desire to serve in China has conflicted with his wish to re-enter Parliament: and he has decided to approach the problem of further employment in India from another angle. If so, this is perhaps a pity; for, in the critical uncertainty regarding India's political future, there are great opportunities for a "Member for India": much greater, one may be permitted to believe, than are likely to present themselves to any Provincial Governor. One also believes that there are few men who could take better advantage of them than Sir Frederick Whyte: and that his decision, not to make the attempt, is a matter for very genuine regret.

Mr. Saklatvala.

Mr. Saklatvala will be getting into trouble with his constituents, if he is not careful. His admirers among the Anglo-Vernacular newspapers regularly print an assortment of congratulatory messages received by him in the mail from England, obviously communicated by himself. The writer of one of these, speaking on behalf of "myself and Battersea," acclaims Mr. Saklatvala's efforts towards the establishment of the Workers' and Peasants' State: another voices the demand for full self-government for the Indian people, when "the organised workers might have better scope to eliminate the local oppressors" and to put an end to "impertinent Imperialist restrictions on their activities." This latter message ends with the assertion that, "though far apart in distance, the Indian and British workers are identical in all that matters." Mr. Saklatvala, however, does not seem to think so. At a meeting held at Karachi he contrasted the condition of Indian labourers, who were "leading lives no better than beasts," with that of the

labourers in European countries who earned eight or ten rupees (twelve or fifteen shillings) a day and "led a happy life. They have good houses and ample accommodation and were often able to enjoy possession of cycles and motor cars." It will be noted that American labourers were not included in the picture; though possibly Mr. Saklatvala will be able to explain that, by "European labourers," he intended to refer only to those inhabiting the Continent of Europe: particularly, perhaps, Soviet Russia. Otherwise, it is to be supposed that the workers of Battersea will be among the first to dispute his description of their happy, comfortable and opulent life.

CALCUTTA LETTER.

(From Our Own Correspondent.)

Calcutta, February 24.

The Political Detenus Again.

The Bengal Legislative Council by 71 votes to 26 yesterday passed a resolution calling for the immediate release of the political détenus. The figures appear to indicate that many non-official Europeans did not vote, while on the other hand practically every Indian elected member, except the Ministers, supported the motion. There is more than usual significance in the passing of this hardy annual by such a majority at the present time. There has probably never been so effective an answer put forward on behalf of Government as Mr. A. N. Moberley presented in his speech; he produced actual documents and memorandum books, seized in the recent arrests of terrorists, which recorded the steps now being taken to train murderers, and he read these to the House; he also read the notes of a European police officer of his interview with one of these men, whose only regret was that he had been deprived of the opportunity of assassinating someone; no one who has met and talked with revolutionaries, as the writer has, could doubt for a moment the genuineness of these papers, and it is impossible to believe that the Swarajist leaders are sincere in their suggestion that the whole thing is a fabrication. Mr. S. C. Bose, one of the leading Extremists, went so far as to state that for a Council Member to ask that the documents should be accepted as genuine was an insult to the intelligence; it is typical of the insincerity of the debate and equally of the Extremist politician; but there is no elected member of the Legislature to-day who would dare to face his constituents again, if he voted against the Resolution. Clearly a conspiracy has existed and still does exist, and most of the détenus are unrepentant and will pursue their old methods, if they are released; the problem is one for a first-class brain, and the occasion is one of sufficient importance to justify a comprehensive search for one. At the same time it is well to remember that, if this grievance, which has been worked up into a universal one, is removed, it will not mean an end of the hostility to Government; the Extremist will find plenty of other sticks for his purpose, but sentiment and propaganda have been so effectively welded as to make this a dangerous rallying point against Government as representing the forces of law and order.

Democracy in Being.

The split in the Bengal Congress Committee has become more than a crack; it has produced a definite breach between the two sections. The newly-elected President and Executive, after considering their position, resolved that they would not resign on the recent vote of "No confidence," but that on the contrary they would proceed to retain office and carry on the activities of the Congress. This was immediately countered by the announcement that the malcontents had formed themselves into a Congress Corporation Election Committee, and this body has since issued a list of candidates who had been selected to contest every seat in the Corporation in the forthcoming election. The nominal Executive replied by an announcement that

they were proceeding to select their own candidates, and the chances at present appear to be that there will be two Swarajist candidates appearing in every constituency. Most of the well-known members of the Corporation appear under the banner of the malcontents, and it may be that in such circumstances the present office bearers of the Congress Committee will re-consider their decision before the date of the elections. It is significant that up to the present nothing has been heard of any candidates proposed to fight the elections against the two sections of the Congress Party, and it is safe to say that Indian Calcutta, so far as voters are concerned, has completely gone over to the Extremists.

The Railway Strike.

The strike on the Bengal-Nagpur Railway is probably at the moment worse than it was at the time of writing last mail. Certainly there are many more strikers out, and, although reports this morning are that a few are returning, the facts appear to be that the strike is spreading throughout the whole system and that it is largely of a "sympathetic" character, most of the men being called out by so-called Labour Unions merely in order to support their fellows at headquarters. It is stated that the whole affair began with a rupee fine upon a subordinate; but it is impossible to get any clear understanding of what are the genuine grievances, if any, of the strikers. Last week a motion on the matter was moved in the Assembly, and a similar motion was moved in the local Council in the present week. This was talked out after a desultory debate, in which neither the supporters of the motion nor the Government speakers seemed to be clear as to the facts or the arguments. The debate, however, served as an excuse for the usual attack upon the British Government, the British capitalist and the British exploiter of India, and the Indian Press repeats the whole of the inflammatory matter with its usual irresponsible additions.

The Wicked British Manufacturer.

The British manufacturer and his machinations have been very much before the Legislative Assembly this week. By a majority of 12 the Steel Protection Bill was passed as it was returned by the Special Committee, in spite of its alleged preference to Home steel. On the other hand, Government were heavily defeated, mainly on a trading point, in regard to a vote of 9 lakhs asked for by the Railway Board; this was reduced to Rs. 100 at one blow, which of course makes certification inevitable. The debate turned principally upon the present position of the Railway Wagon Companies in India, and Sir Clement Hindley, Chief Commissioner of Railways, had to meet some very pointed attacks. The Railway Board was accused of bad faith in manipulating the supply of wagons in the past so as to benefit British industry and damage local works, which are financed chiefly by Indian capital; this hardly tallied with the suggestion that the Board at the same works in order that they might be able to supply wagons cheaply, and then had declined to give them orders for wagons so as to reduce prices. Sir Clement's reply was that the vast improvement in the organisation of the Railway Workshops had resulted in all the arrears of wagon equipments being made up and whereas as few years ago 6½ per cent. of the total Indian wagon stock was under repair, this figure had now been reduced to under 2 per cent. The Indian members, however, would have none of it, and carried the resolution to refuse the vote.

The Y.M.C.A. and Politics.

The Y.M.C.A. has been much in the limelight this week. At the annual general meeting of the European Association a resolution was carried almost unanimously, calling upon the Association to leave politics alone, and it was supported by a speech, typically both vigorous and rambling, from Mr. Harry Hobbs, the proposer. Considerable correspondence has ensued in the newspapers,

and one frank letter gives the impression that the actual point at issue is a personal objection on the part of Mr. Hobbs to the election of Mr. F. E. James, the Calcutta General Secretary, as a representative of the European Community on the Legislative Council. However, the speeches delivered made specific references only to Indian and American Y.M. workers. In spite of definite denials which appeared in the Press since, there are many people who are somewhat uneasy in regard to the political activities of certain of the Indian secretaries, and these not junior officials of the Association, and something more than speeches will be required to prevent subscriptions from diminishing this year. Many of the branches of the Association are doing excellent work, and these are almost bound to suffer unless the present accusations are fairly met and disproved.

Men and Things.

There is hardly a dissentient voice to be heard on the settlement of the South African question, and both the deputations from India and South Africa have received congratulations on all hands; *Forward* of course is captious, and Mahatma Gandhi in his journal comments unfavourably on one or two points; his objections, however, had already been dealt with before they were published, and his voice has passed unheeded; in fact, his voice nowadays always does so pass, at least in Bengal.

The Air Force has given a very fine display at Delhi during the week; it would have been more effective and would have done more public good, if it had taken place in the neighbourhood of a large town, particularly, let us say, Calcutta. Thanks to its protected position Bengal has always been the home of non-fighting races and it is as well that Bengal should be reminded from time to time that something more than resolutions of Congress are required to protect the weak races in these days.

The jute world is missing the *phutka* market, the unauthorised jute exchange which has been closed since a recent conviction for gambling; its operations, in spite of their speculative character, often afforded a useful lead to the more sober dealer, and there is some talk that the market might be revived in Chandernagore. It is doubtful whether it would be a success at a distance of 20 miles from Calcutta, but the Marwari is an inveterate gambler, who is prepared to go a long way to indulge in his amusements.

The Bengal Budget was duly presented by the Hon. Mr. James Donald this week, and on the whole the financial position is satisfactory; an excess of expenditure this year was balanced by the carry over from the previous one. Incidentally, the Finance Minister uttered a solemn warning of additional taxation, if the rupee ratio were fixed at rs. 4d. instead of rs. 6d.

All classes are keenly following the news from China, which changes widely from day to day; the parallel of problems and events there is too close to our local ones to be altogether comfortable.

Mr. Saklatvala is in Calcutta and has been duly addressed by the Corporation, incidentally as an "Esquire"; only Swarajists were on the platform and only students in the hall, and there were no Europeans or Muhammadans present.

Lord Lytton's last address to the University Convocation contained much common sense, and included a reminder to the students that nation-building was not to be done with dynamite, but with cement; the Extremist papers do not comment on the speech.

The Trivial Round.

Racing was continued last Saturday under most pleasant conditions, the temperature being low and the sky pleasantly overclouded; at last the books had a bad day; items of interest were the saddling of three winners by Hayhoe, the trainer; Captain Leetham's win in the jump race on "More Sanity" which Mr. Mein Austin gave him

after he had won the classic 'chase; Mr. Henry Gregson again appearing with two winners, and Mr. Henry Birkmyre leading in "Shy Warrior" after a win at 25's.

Only a small field turned out for the paperchase, the last run for the average Cup; interest was lessened by the fact that "Bright Future" had fallen out owing to lameness, and so Captain Leetham takes the Cup; Mr. Holmes Johnson scored his first win this season.

Alec Hosie scored another century in the week-end cricket, and the principal feature of tennis, apart from the ordinary games, was the progress made in the Mill tournaments; these are more numerous than ever, a most satisfactory state of affairs. Hockey League matches are just beginning.

The A.D.C. finished up their "Outward Bound" production with a full house on Friday, which enabled them to achieve a record in receipts, their returns being some 50 per cent. more than they had ever had before; Mrs. "Molly" Deane received a very handsome silver salver from her admirers. The young Operatic Society has a production on this week, but the kindly critic will be silent about it.

The Calcutta Symphony Orchestra gave its first concert in a really suitable building on Sunday night after dinner, when they played at a Recital in the Cathedral; the building was crowded and the performance reached a high standard; at its conclusion the hymn "Praise the Lord" was sung to "Austria" and such singing has never been heard in Calcutta before; it was a remarkable experience, which no one present will ever be able to forget.

Markets.

Business in the jute market has been on a very small scale during the past week, but the close is steady with rather more interest being taken; prices have remained unchanged. Little alteration has taken place in hessians, and demand has been small, Pacific Coast being responsible for most of the inquiry. The piece-goods market has passed a rather quieter week mainly on the fact of dealers having raised their prices, and this has to some extent arrested the previous keen demand. Stocks, however, are low, and this reaction should only be of a temporary nature. The tea market has made a better showing, and in London the tone opened stronger; at the sale of the balance of Indian teas it is reported to have been stronger and advancing. Here in Calcutta also, although there was a considerable amount of inferior qualities on offer, prices showed a rise of anything between half to one anna.

On the Stock Exchange, Government Securities have been a weak market with a general decline in prices, especially in the case of the long dated 6 per cent. Loans; inquiry for investment stocks has decreased further on the maintained tightness of the money market. Jute shares after a slight reaction have again firmed up, and a number of shares are changing hands at prices considerably above those obtaining last week. Caledonian, which was last marked at Rs.605, has been negotiated at Rs.670, and Kamarhati and Kankinara, in respect of which dividends of Rs.30 and Rs.20 respectively were recently declared, have almost recovered these amounts within the week. These may be taken as a general tendency of the market at the moment. Cottons are idle and coal shares have receded further on the publication of the Railway Board contracts for the coming year, which are about 8 annas a ton lower for all grades. The miscellaneous market has been less active and, apart from a fair turnover in B.I. Corporation Ordinary and in Indian Iron and Steel, business has been on a much reduced scale. The market for tea shares shows no signs of improvement and prices have tended to fall away further; rubbers have been quieter mainly on the offer of more shares from the Straits, but in view of the higher rates required few shares have changed hands. In addition, disappointment has been shown in some quarters that the recent cut in the standard allowance has not been reflected in the price of the commodity.

In the Exchange market there has been a marked inquiry for forward remittance on piece-goods account, and in the absence of bills the rate has dropped 3-32 during the week. Money is in slightly less demand and rates may be quoted 6 per cent. for call and short notice and $5\frac{1}{2}$ per cent. one month.

LANDOWNERS AND THE REFORMS.

In accordance with our policy of opening our columns to a discussion of matters bearing on the further consideration of the Reforms at the end of the nine-year period, we publish the following address given at Patna, on February 24 before the Landowners and Zemendars of Bihar and Orissa by the Hon. Maharajdhirajah of Dharbanga, Sir Rameshwara Singh, G.C.I.E., K.B.E.

We have quite recently entered the final triennium of the Reforms, and before it comes to an end we are promised the appointment of a Royal Commission to reconnoitre the political situation to discover what further advances towards Dominion status may be granted by the British Parliament to India, without danger to the integrity of the British Empire. You are all, I may take it, conversant with the opinion of our new Viceroy, Lord Irwin. He has proclaimed it in more than one speech, clearly and explicitly, and it amounts to this that co-operation with the Government of India is the only means of persuading the British people that India has acquired that sense of responsibility so essential to her admittance to equal partnership with the self-governing Dominions. It is, therefore, time that we landlords, who have a big stake in this country, should take stock of our position and agitate for adequate representation in the Legislatures which will four years hence supplant those now functioning, which are dominated by the professional element in the middle-classes. As a class we landlords willingly concede the necessity of progress, but we also maintain that the existing Constitution has been built from the top, a superstructure resting on a singularly insecure basis, offering a premium of irresponsibility and taking no count of the fundamental requirement of a firm foundation. We who have an actual and defined stake in the country would naturally contribute generously to this foundation, if we were given the chance; but hitherto we have been denied it.

Let us begin our inventory in our own household before going abroad. In the Legislative Council of Bihar and Orissa there are 76 elected members of whom five are landlords, five are representatives of special constituencies, such as Mining, Planting, European, and University, six are from urban non-Muhammadan, and five from urban Muhammadan constituencies; fourteen from Muhammadan and 44 from non-Muhammadan general constituencies. There is thus only one landlord for each of the five divisions of the province; obviously a ridiculously inadequate representation, especially when we remember that the general rural seats are gifts for the tenants. At the last election the landed interest was swamped in these constituencies by a violent propaganda. The interests of landlords and tenants have become so hard to reconcile that in future reforms these interests should be definitely separated, if the landlords are to have a look-in. This could be brought about either by dividing the 58 rural seats equally between landlords and tenants or by the creation of an Upper House. If both these alternatives are rejected, I can see no salvation for the landlord except in the abolition of direct voting, which is unsuitable to Indian conditions, and the substitution of a system combining direct and indirect voting with the same qualification for landlords and tenants. To gain our ends we must pool all our resources and make alliances with political groups of approved sincerity and responsibility. Those who have important interests at stake do realise—what others do not—the risks that may

be involved. We must possess efficient machinery for propaganda. When this principle is accepted the ways and means will readily suggest themselves.

It is too early to put forward a constructive scheme for the reform of the Legislatures and the administration. It will have to be pondered long and carefully, if the well-intentioned, yet to judge from our recent experiences, disastrous, mistakes of Lord Chelmsford and the late Mr. Montagu are to be corrected for the good of the country as a whole; but as financial freedom is the spinal cord of home rule, it should be conceded, if not entirely, at any rate in a larger measure than at present. Yet any such financial freedom must, if we are to judge by the experiences gained in the working of our district boards and municipalities, be subject to adequate control. This applies both to central and provincial finance. The corollary is that such freedom can be entrusted to custodians who realise what is due to the State and what to the people. Experience gained in the region of local self-government and in the working of the reforms surely demonstrates the need for the utmost caution before the finances of the provinces can be handed over to the Legislative Councils as at present constituted.

The feasibility of a bi-cameral system of parliamentary government in the provinces was examined by the authors of the existing reforms in a very inadequate and perfunctory manner. Only one short paragraph of their report was given to it. They dismissed it as impractical for the following reasons, which, to say the least, were merely conjectural and tentative: "In many provinces it would be impossible to secure a sufficient number of suitable members for two Houses. We apprehend also that a Second Chamber representing mainly landed and moneyed interests might prove too effective a barrier against legislation which affected such interests. Again the presence of large landed proprietors in the Second Chamber might have the unfortunate result of discouraging other members of the same class seeking the votes of the electorate. We think the delay involved in passing legislation through two Houses would make the system far too cumbrous to contemplate for the business of provincial legislation."

But the reformers had the grace to admit that circumstances might arise in an experience of nine years to alter the case, and they left it to the Royal Commission which will investigate the general political condition in 1929 to discover whether an entirely new orientation was not necessary to safeguard the important stake not merely of the landed gentry, but of all who really have a stake in the country. Under the present dispensation the landlords can be swamped, even if the crazy life-boat in which they embark is manned by the whole official crew. Nor can we shut our eyes to the advent of the professional politician who has not even a reputation to lose. To my mind the best, perhaps the sole, chance of our salvation lies in the creation of an Upper House in accordance with the system that generally prevails in countries where popular government has firmly established itself. Lord Chelmsford and the late Mr. Montagu themselves admitted that it would be possible to secure in an Upper House the representation of minority interests which would be really effective, because minority representatives sitting in a Chamber of their own would feel themselves freer to defend the interests which they represented than if they sat together with other elements in a Lower House. Such a Chamber might also develop a conservative character which would be a valuable check on the too radical proclivities of a Lower House. I am of opinion that the number of members of a provincial Upper House should be determined by the size, wealth, and number of inhabitants within its boundaries. The qualification to be either acreage or income above a certain figure or eminent academical distinction. The representation should be half the total votes for landed interests, one quarter of the votes for the commercial interests, and the balance for other classes. The members should be nominated by

the Governor for life, subject to such restrictions as are logical and traditional. The President of an Upper House would be elected every three years by a majority vote. In ordinary matters all measures passing through the Lower House would be subject to the approval or rejection of the Upper House, which would not have the power to reject purely money bills, but could amend them.

I honestly believe a bi-cameral system somewhat on the lines I have adumbrated is the only means of protecting the landholders, especially in a province like Bihar and Orissa. I do feel and feel strongly that a brake must be supplied as part of the new constitutional machinery. At present we can trust His Excellency the Governor to apply the brake, to insist on due consideration of problems affecting conflicting interests. Remove this and leave the constitutional machinery as it is, and the result will be hurried class and communal legislation and financial chaos. In the eyes of professional politicians who now rule the roost our great crime is our steadfast loyalty to the British connexion. It is an irony of fate that we are being victimised for that very loyalty by the British Parliament, which must surely be ignorant of the odds we have to fight to maintain the traditions we cherish.

It should, however, be made clear that we do not want in any way to mitigate hereby the established claims of the European community in India. A newly constituted India on the lines of the Dominion status with full internal autonomy ought not in any way to militate against the interest of its various component elements.

Besides this, it is an established fact that India would prosper more by being "within the Empire" than without it. There must, therefore, be full co-operation with the Government. But with this it has to be emphasised that a Constitution should be evolved which should take into consideration the great conservative, although less articulate, body of the landed aristocracy, which is the backbone and the most stable element in this country, and as such deserves special consideration in its own right.

INDIAN MAIL.

Trade Returns for December.

The returns of India's sea-borne trade for December show a decrease in imports and an increase in exports over the previous month, from a value of 1830 to 1654, and 2120 to 2421 lakhs respectively. India's net import of treasure amounted to 319 lakhs, compared with 335 in November, and the visible balance of trade in India's favour rose from 22 lakhs in November to 546 lakhs in December. The share of the United Kingdom fell from 49 to 46 per cent. in imports, and remained at 30 per cent. in exports: the shares of Japan, Germany, and the United States, which in November were 7, 6 and 9 under imports and 4, 5 and 13 under exports, were 8, 6 and 7, and 7, 8 and 12 respectively.

Under the major heads of imports, the value of food, drink and tobacco rose from 298 to 325 lakhs: while that of raw materials and of manufactured articles fell from 161 and 1329 lakhs to 128 and 1165 lakhs respectively. The figures given in the Department of Overseas Trade Summary do not allow of a detailed comparison with November in the matter of the import of cotton piece-goods; but its total value fell from 391 to 343 lakhs, the yardage of grey goods remaining the same, at 48 million, while that of coloured goods fell from 37 to 30 million.

Under the major heads of exports, food, drink and tobacco fell from 626 to 547 lakhs; while manufactured goods rose from 593 to 659 lakhs, and raw materials and produce from 874 to 1175 lakhs. The latter large increase is mainly due to greatly increased exports of raw cotton and raw jute, from a tonnage of 11,000 in November to one of 27,000 in December in the case of the former, and from 89,000 to 120,000 in that of the latter. Of India's exports of raw cotton, Japan took 14,000 tons, against

only 4000 in November. Italy took 4300 and China 4000 tons. The exports of gunny cloth rose, from November's figures, from 89 million yards valued at 167 lakhs to 116 million yards valued at 211 lakhs; but those of gunny bags fell, from 42 to 35 millions in quantity and from 210 to 176 lakhs in value.

A Sporting Offer.

A Bengali gentleman, writing to the *Englishman*, enlarges on the difficult position with which, as the Reforms progress, the Indian Princes will be confronted. He refers to Lord Irwin's recent assurance of the Government of India's intention still to pursue its old policy of non-interference with the internal affairs of Native States; but says that this announcement, though a consoling one, "carries little value in the absence of any certainty of the continuance of British overlordship in India, which is almost unimaginable in view of the present mentality of the Indian populace. The development of the new political slogan, "India for the Indians," coupled with the concessions of 1919, has already sounded the death knell of the present bureaucratic régime, and the Government of the country, most probably within a decade or two, will be transferred to a popularly elected legislature, carrying little or no responsibility towards the British Parliament." When this happens, the people of the States will surely call upon their rulers to hand over to them the government, "with all the valuables in their possession." In this trying position, the ruling aristocracy must begin now to direct its future policy in a manner likely to suit the requirement of the times. The writer of the letter admits that this is a difficult task, and yet one that must necessarily be carried out; and adds "I, with all the wisdom at my command, am ready to help the Indian Princes in moulding their future policy, and respectfully invite correspondence from them on this point."

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NOTES AND NEWS.

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Tuesday Morning.

Jews in Palestine and Trade Depression.

It was known that owing to the adverse commercial conditions in Palestine last year there was a considerable emigration movement. The figures which have just been issued show that the departures from Palestine during the twelve months were considerably over 50 per cent. of the arrivals. The total number of immigrants was 13,910 of whom 13,080 were Jews while the emigrants numbered 9,429, 7,365 of them being Jews. The trade depression was already pronounced in Palestine at the beginning of the year, but it is noteworthy that it was not until June that there was any appreciable rise in the emigration, and from the following month to the end of the year the departures of Jews alone were in excess of the total arrivals. After October, the worst month, however, the movement slackened down appreciably, and for December the total emigrants numbered 751 as against 1,302 for October. There is no need to draw unduly pessimistic conclusions from these figures. 1926 is not the first year when commercial depression has resulted in an increase in the emigrants from Palestine. In 1923 the number of emigrants was double that of the previous year, while the two following years saw a great increase in the number of immigrants into Palestine. Thus while for 1923 the excess of immigrants over emigrants was 3,955 it rose to 10,819 for 1924 and to 31,650 for 1925, the peak year so far for immigration into Palestine. There is no doubt that the movement was greatly overdone in 1925. In the case of a country which is on the threshold of its development like Palestine, where new industries have to be developed and new markets found, there is bound to be a limit to the capacity for the absorption of population. It is essentially a case where the maxim *festina lente* holds good. The present year will see the commencement of several great enterprises which will enlarge the economic basis of the country and should place it in a position to absorb the new arrivals more readily.

Expansion of Cotton Growing.

The Jaffa orange has been the stand-by of Palestine in good and bad times alike, and it is only natural that in the consideration of methods of increasing the country's prosperity the question of expanding the orange groves should have an important place. I mentioned recently that the formation of an important concern for orange growing was under contemplation, and it now appears that the capital of the undertaking is to be £200,000. How large a part the Jaffa plays in Palestine's economy may be gathered from a few figures. The exports amounted to 1,341,543 cases for 1922-23 to 1,345,677 cases for 1923-24, to 1,875,415 cases for 1924-25, and to 1,515,446 cases for 1925-26. For these years the value of the exports of oranges has ranged between 21 per cent. and 32 per cent. of the total exports of the country. These statistics show

very plainly the favourable prospects before the industry, but it would be a great mistake so to increase production as to bring about a surplus in the various markets which take the Jaffa, for it must be remembered that the Palestine orange is not alone in the market; on the contrary, competition is growing every year and threatens to increase in the future. For the development of markets the first care of the orange growers should be to see that the fruit reaches its destination in excellent condition; it has been the great drawback in the case of the Jaffa that this has not always been the case hitherto.

Turkey and Soviet Russia.

After practically three years of negotiations a commercial agreement has at last been signed between the Turkish and Soviet Governments. It is for a year only, but is prolonged automatically; if not denounced by one or other of the parties. The chief point of interest in the treaty attaches to the stipulation that Turkish exports to Soviet territory may not exceed £T7,500,000 in the year. As the customs returns for 1925—the last available—show exports from Turkey to Russia amounting to less than £T5,000,000, an adequate margin would seem to be left for expansion during the current year. One obstacle in the way of the conclusion of the Treaty was the unwillingness of Turkey to trade exclusively through official Soviet channels, and these scruples have been met by leaving the door open in part to private trade. Moscow secures diplomatic privileges for three commercial agents and extra territoriality for the premises occupied by the Soviet commercial delegations in Angora and Constantinople. As far as can be judged, the Russian Government has always been the suitor in regard to this agreement, and Turkey has shown no alacrity to lend herself to Soviet aims. It is better, however, that the relations between the two countries should be regularised; Turkish trade stands to gain by the agreement, and the Angora Government is not likely to be caught napping if an attempt should be made to revive Soviet propaganda.

Egypt's Economic Strength.

The effect of the rapid decline of cotton on the economic position in Egypt was dealt with by Mr. H. E. Barker at the recent annual meeting of the British Chamber of Commerce of Egypt at Alexandria. As he pointed out the decline in the value of the exports of nearly £E17½ millions, bringing about a large adverse trade balance,

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was entirely due to the cotton situation, but in his opinion, despite this development there is no real cause for anxiety in regard to the country's financial situation, owing to the recent extremely prosperous years that Egypt has enjoyed. Of course, owing to the high price of cotton Egypt has had a number of very good seasons, and while the Government has been able to accumulate large reserves the cultivators have been able markedly to improve their financial position. Sound though the country's situation may be the continuance of low prices for a prolonged period is not a contingency that could be faced with equanimity so long as Egypt has no other industry on which to rely instead of cotton. Happily the indications are now that Egypt will not be faced with a prolonged trial over cotton as the gradual improvement in trade has brought an increased demand for the raw commodity. Should events prove that cotton is again on the upgrade, however, it may be trusted that the relief from the immediate crisis will not lull Egypt into a sense of security—for there can be no real safety for a country dependent on so unstable a commodity—and that advantage will be taken of the period to use every endeavour to broaden the extent of the country's industries. Until that is done the position must remain extremely unstable, and Egypt will continue to be at the mercy of the changes and chances of the cotton trade. Clearly, whatever the developments, cotton will always be one of the principal resources of the dwellers in the Nile Valley, but it would be courting disaster not to associate it with other and less fluctuating sources of wealth. Conditions have changed too much for that. As Mr. Barker emphasised, while Egypt in the past held almost a monopoly of long staple cotton, now Egyptians no longer stand alone in the world in the production of this type, and as a matter of fact, competition from other regions is increasing every year.

British Trade with Egypt.

Mr. Barker devoted a considerable portion of his address to a detailed analysis of the trade statistics of Egypt for the past year. From the point of view of Great Britain the most unsatisfactory feature of 1926 was the further decline in the percentage of our exports to Egypt, the figure being 21.8 as compared with 25.2 for 1925, 27.6 for 1924, 32.6 for 1923 and 34 for 1922. There has thus, it will be seen, been a continuous decline over a number of years, and while the sharp drop last year can doubtless be partly attributed to difficulties arising from the coal strike, that unfortunate development is an inadequate explanation of the full results of the year, and the only conclusion that can be arrived at from the figures is that in 1926 we have still further failed to hold our ground in the Egyptian market. It is true that we were not alone in losing trade last year, for one of our chief rivals in the Near Eastern markets—Italy—also recorded the same result, but on the other hand France, Germany,

America, Turkey, and Roumania all showed increases, in some cases of a substantial character, and it cannot be maintained that we trade at a disadvantage as compared with every one of these competitors.

Lack of Initiative.

The real trouble would appear to be that we are too content in markets like Egypt to rely on the established lines of trade instead of attempting to gain ground in other directions, and the result is that when for one reason or another our normal trade declines there is no compensation forthcoming in other directions. For the first eleven months of the year the decline in British trade totalled roughly £2,800,000, and of this £800,000 was represented by coal (which, of course, was unavoidable), the balance being largely accounted for by cotton goods, trade in which was very bad during the year. In the trade in machinery of various kinds British goods on the whole made an unsatisfactory showing, though this does not apply to locomotives or agricultural machinery, in regard to which Great Britain's proportion remained about the same as before. In machine tools and parts, for instance, the value of the British trade was £5,840 as compared with £11,134 for 1925, while in electrical plant the percentage fell from 21 to 14 per cent. It might be thought that we should at any rate play a minor part in the tractor trade, but against 407 tractors from America we supplied only two, and even this meagre result was an improvement on the previous year's record, when our total was nil. In motor cars and chassis the position was practically unchanged, and how much leeway we have to make up may be gauged from the fact that the imports from America totalled 2,234, those from Italy 1,106, those from France 662, while our total was 238. Here at any rate is a field where our manufacturers should be able to do something to reduce our trade disadvantage, thus following in the footsteps of our tyre producers who doubled their trade in 1926, thus providing at any rate one bright spot in an indifferent twelve months.

Greece's Financial Position.

A supplementary refugee loan at an early date is a question to which Greece attaches the utmost importance, and it is understood that the necessary application to the League of Nations will be made this summer. It would have been made earlier but for the doubts entertained as to the reception that would be accorded to the request in the light of Greece's present financial situation, which is frankly unsatisfactory, Greece is therefore proceeding to take the wise course of putting her financial house in order before making an appearance at Geneva. A committee has had under review the whole economic situation, and in a comprehensive report which was recently presented the whole position is surveyed and various far-reaching proposals for reform are made. The problems

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which await solution include the balancing of the Budget, the settlement of foreign debts, and the question of the adverse balance of foreign payments. The Budget is a difficult problem, and it is proposed to balance it at 7,500 million drachmæ which will entail not only considerable economies, but also the provision of further revenue. It is noteworthy that the principal economies proposed are in respect of the war services. Greece will have the best wishes of foreign countries in her endeavours to arrive at a real state of stabilisation, and if in addition to a settlement of her foreign obligations she can show a balanced Budget she will be able to make out an excellent case for herself at Geneva, where she will be assured of a most sympathetic hearing.

The Budget.

The forthcoming Budget continues to attract increasing attention, and the view seems generally to be taken now that instead of leaving well alone the Chancellor of the Exchequer has in view increases in indirect taxation, and share movements suggest very forcibly that tobacco is to come under attention. There is, of course, a point in regard to every commodity which when reached affects consumption, and a consideration of the relative prices of the various types of the "weed" to-day and the pre-War quotations rather suggests that the margin left for possible productive taxation in regard to tobacco is not very great. Of the one thing that all would like to see—economy—there are small signs. Admittedly conditions are and have been exceedingly difficult, but we are still far from achieving the Chancellor's ambition of a reduction in expenditure of £10,000,000 per annum. What with the taxes and with the rates it is small wonder if the average man should display some impatience. How heavy the incidence of public burdens is on enterprises was plainly shown last week in the speech of Sir Oswald Stoll at the meeting of the Coliseum Syndicate, Ltd. In 1913 the Coliseum paid to the Treasury and other public authorities £4,666, but for the same services in 1926 the payment was £34,138, or 750 per cent. higher. Obviously if business is to be encouraged and as a consequence unemployment is to be a thing of the past, the present handicap on enterprise arising from excessive taxation must be ameliorated.

Dr. Leaf.

The career of the late Dr. Walter Leaf, Chairman of the Westminster Bank (which is dealt with elsewhere in these columns) seems to me to be an outstanding example of the capacity for many-sidedness which has characterised many great Englishmen in the past. Of his great classical attainments and his many other activities, I do not propose to write, but it is impossible not to make some reference to his work as head of one of the great banks. Keenly interested in political economy—it is probably a moot point how classics and economics ulti-

mately came to rank in his affections—he was able to show a grasp of current economic and financial problems which made his annual address at the meetings of the Westminster Bank events of special import, for he brought to their exposition a lucidity and a penetration that gave to his speeches a weight which commanded attention far outside the audiences to which they were addressed. One particular question in which he was specially interested was the restoration of the gold standard, and there is no question that he contributed very largely to the attainment of that end. The sudden conclusion of a career brilliant beyond measure, in the course of which he was privileged to make great contributions to both literature and banking, leaves a gap which will be profoundly felt.

COMMENTATOR.

A Turkish-Czechoslovak Society is being formed at Prague.

The production of Hamilton's Oil Concessions (Roumania) for the week ended March 11 was 150 tons. Well No. 8 cleaning continues.

Of the December exports of oil products from Roumania, Italy took 23,671 tons, Egypt 22,794 tons, France 18,589 tons, and Turkey 12,960 tons.

The economic committee of the Roumanian Cabinet Council is considering a scheme for regulating the Danube so as to reclaim some 70,000 acres at present subject to inundation. The Danubian Company has undertaken to do the work in return for 15 per cent of the reclaimed area and a lease of the entire area for a term of 20 years at a rent of 5,000 lei per acre. It is proposed to grow sugar-beet on the reclaimed area.

FOREIGN EXCHANGES.

Country.	Method of Quoting.	Parity of Exchange.	Latest Quotations.
Alexandria.....	Piastre to £	97½	97½
Athens	Drachmæ to £	25.22½	376½
Belgrade.....	Dinars to £	25.22½	276
Berlin	Marks to £	20.43	20.45½
Berne	Francs to £.....	25.22½	25.22½
Bombay	Sterling to Rupee	24d.	18—18 1/32
Brussels	Belga to £.....	35	34.90½
Bucharest	Lei to £	25.22½	810
Budapest	Peu to £	27.82	27.80½
Calcutta	Sterling to Rupee	24d.	18—18 1/32
Constantinople	Piastres to £	110	960—975
New York	Dollars to £	4.86 2-3	4.85 5/16
Paris	Francs to £.....	25.22½	124.05
Prague	Kronen to £.....	24.02	163½
Rome	Lire to £	25.22½	106.80
Sofia.....	Leva to £	25.22½	670—675
Teheran	Krans to £	52	50½
Vienna	Sch to £	34.56½	34.47—34.50
Warsaw	Zloty to £	25.22½	43—44



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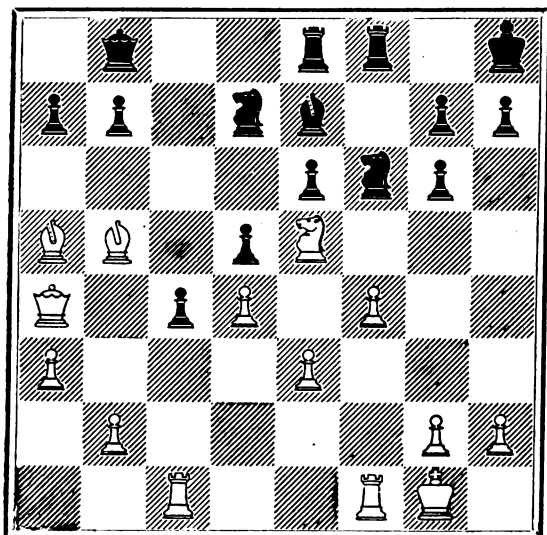
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CHESS.

By "CARO-KANN."



The above position occurred in a recent London tournament game. White had opened with the Stonewall, and after some difficult passages, aided by a great shortage of time on the part of his opponent, had reached this situation. It is an easy win as it stands, but the interest of the position is in the facile way in which the White pieces combine after Black plays 21...Kt×Kt. There followed 22, B×Kt, Kt—K5; 23, B×R, Q×B; 24, R×R (ch), Q×R; 25, R—B, Q—B; 26, B—Kt4 (!), B×B; 27, Q×B, K—Kt; 28, Q—K7, and the game is over.

The University match is to be played on Friday week. I have not yet seen either of the teams, but judging from the form displayed in matches I anticipate that Oxford will secure a narrow victory. Still, curious things happen in this match.

The February production of crude oil by the British Burmah Petroleum Company and the Rangoon Oil Company amounted to 42,225 barrels.

The traffic receipts of the Egyptian Delta Light Railways for the ten days ended February 20 amounted to £E7,868, making the total from April 1 £E299,671.

The annual general meeting of the National Bank of Turkey will be held at the office of the Anatolian Railway Company, rue Voivoda, Galata, Constantinople, on March 20.

The ordinary general meeting of the Mersina-Tarsus-Adana Railway Company will be held at the offices of the company, Rue Voivoda, Galata, Constantinople, on March 31.

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THE SUDAN.

Evaporation Tank.—The Inspector-General of Irrigation, Sudan, Khartoum, invites tenders for the supply of an evaporation tank for the Upper White Nile Division, Malakal. April 21.

EGYPT.

Linen, Etc.—The Director of Stores, Ministry of Education, Sharia, Kasr el Aini, Cairo, invites tenders for the supply of linen, table service, needle work materials, schools materials, and material for cleaning required for the school year 1927-28. April 18.

Postal Stores.—The Egyptian Postal Administration, Alexandria, invites tenders for the supply of stores required for use during the twelve months commencing May 1 next. The requirements include 9,310 canvas mail bags, 20,000 calico bags, 5,000 jute sacks, 2,000 pair of brown leather lace-up boots, 950 metallic filament electric lamps, 200 metal hanging kerosene lamps, 600 lamp chimneys, 177 revolving date and other stamps in steel, india-rubber and brass, and small quantities of miscellaneous items of furniture, and equipment, hardware, candles, paints, electric fans, accessories for tricycles, etc. April 15. (D.O.T.)

Tender for Photostat Paper and Chemicals.—The Surveyor-General of Egypt invites tenders for the supply of the following:—4,030 rolls of photostat paper, 14,490 tins of developing powder, 18,090 tins of acid fixing powder. May 11. (D.O.T.)

Metal Cabinets and Safes.—The Department of the Survey of Egypt invites tenders for the supply of 120 metal filing cabinets and 12 safes. May 18. (D.O.T.)

INDIA.

Postcard Board, Envelope Paper, Electric Overhead Travelling Crane.—The Director-General, India Store Department, invites tenders for:—(1) 1,000 tons of postcard board; (2) 33,000 reams envelope paper, cream laid, angle cut; and (3) two 25-ton electric overhead travelling cranes. March 29 for Nos. 1 and 2, and April 1 for No. 3.

Various Goods.—The Director-General, India Store Department, invites tenders for (1) Spruce Canada, or "Geffe" quality white-wood, for making packing-cases; (2) crossings and switches, built up from rolled manganese steel rails; and (3) about 6,030 tons of bridgework. March 29 for Nos. 1 and 2, and April 5 for No. 3.

FORTHCOMING SAILINGS.

The following are the sailings for the Near East and India, the ports of departure and closing dates for cargo being given in parentheses:—

Anchor Line.—S.s. Castalia for Bombay (Birkenhead, April 7). (For passenger sailing and dates see advertisement.)

Anchor Brocklebank Line.—S.s. Manipur for Port Said, Colombo, and Calcutta (Birkenhead, March 19); s.s. Imani for Port Said, Colombo, and Rangoon (Birkenhead, April 2).

Bibby Line.—S.s. Oxfordshire for Port Said, Colombo, and Rangoon (Birkenhead, March 23).

British India Line.—S.s. Domala for Bombay and Karachi (London, March 26); s.s. Gandara for Colombo, Madras, and Calcutta (London, March 26).

Cunard Line.—S.s. Pavia for Gibraltar, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Corfu, Bari, Venice, Trieste, and Fiume, also at Gruz and Ancona if inducement (Liverpool March 19, Swansea March 22); s.s. Tyria for Gibraltar, Malta, Patras, Piræus, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza, also Algiers and Volo if inducement offers (Liverpool, Glasgow and Swansea, April 9).

Johnston Line.—S.s. Dromore for Piræus, Volo, Salonika, Bourgas, Varna, Constantza, Sulina, Galatz, and Braila (Liverpool, April 9).

P. and O. Line.—S.s. Rajputana for Bombay (London, March 18); s.s. Nankin for Colombo, Madras, and Calcutta (London, April 2).

Prince Line.—S.s. Egyptian Prince for Tunis, Malta, Alexandria, Syrian Coast, and Cyprus (Manchester, March 19).

Ellerman and Papayanni Lines.—S.s. Algerian for Gibraltar, Malta, Patras, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza (Liverpool March 19, Swansea March 19); s.s. Dido for Gibraltar, Malta, Alexandria, Jaffa*, and Haifa* (Liverpool March 23, Glasgow March 29); s.s. City of Oxford for Malta, Alexandria, Jaffa*, and Haifa* (Cardiff, March 31); s.s. Mardinian for Algiers*, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza (Liverpool April 2, Swansea April 2); s.s. Roumelian for Gibraltar, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Gravosa, Ancona*, Venice, Trieste, and Fiume (Liverpool April 2, Swansea April 5). * Subject to sufficient inducement. Transshipments.—Algerian ports via Algiers; Moroccan ports via Gibraltar; Tripoli (Barbary) via Malta; Syria and Cyprus via Alexandria; Greek outports via Piræus or other convenient port; Fiume via Trieste.

THE WEEK'S FINANCE.

(By Our Financial Expert.)

London, March 15.

The Stock Exchange has passed another quiet week. The gilt-edged market has been somewhat hesitant in the absence of any change in the monetary outlook, the likelihood of any early reduction in Bank rate having definitely receded into the background. The Home railway market has retired from the glare of publicity recently shed by the publication of the annual reports and appears to be settling down into a rather humdrum existence, although traffic returns are marking a fairly good showing. There have been few features in the industrial market, though Courtaulds were strong after the deduction of the dividend. The approach of the Budget is undoubtedly exercising something of a restraining influence in various sections and the tobacco group has fallen sharply on fears of an additional duty upon tobacco. Speculative attention has been to some extent diverted from the oil to the rubber share market, where prices have again been marked up a little in sympathy with the hardening tendency shown by the raw material. But there is as yet no very definite increase in business, and the outlook still remains rather obscure. The mining sections are becoming a little erratic after their recent strength, though tin shares have risen with the further advance in the price of the metal.

Budget Prospects.

With nearly four weeks of the financial year still to come, the national accounts show an increase of expenditure over revenue of close upon £67 millions, as compared with £36 millions at the corresponding date of last year. This is a very large deficit and it is unlikely that the Treasury will be able to gather in revenue during the short period that remains to a sufficient extent to avoid a deficit of at least £20 millions at the end of this month. Whatever the size of the deficit, it can rightly be attributed entirely to the effects of last year's disastrous labour troubles, but the influence of the latter unfortunately does not end with the close of the financial year, and will remain to add to the difficulties of the Chancellor of the Exchequer in framing his budget estimates for 1927-28. The Estimates for the Supply Services have all now made their appearance, and disappoint any hopes which may

have been cherished that the great spending departments would be able to give tangible evidence of the Government's frequently expressed desire to economise in the expenditure of the taxpayer's money. On defence the amount asked for is within £1½ millions of the estimate for the current year, while the Civil Services exceed the amount budgeted for twelve months ago by about a million. Assuming that the Sinking Fund payment for next year is maintained at the statutory amount of £50 millions (for the current year it was specially raised to £60 millions to make good the deficit of the preceding year), Mr. Churchill will have to find about £810 millions of revenue if he is to make ends meet. It is hardly likely that he will take so unpopular a step as to raise the rate of income tax, although the yield therefrom will be lower, thanks to the abolition of the three years' average, which means that assessments will be made on the lower profits and income of the coal strike year. Nor is he likely to "raid" the Sinking Fund in view of the recent findings of the Colwyn Committee, which recommends an increase in the annual payments thereto. If neither of these steps is taken, therefore, the Chancellor must rely upon improvement in trade bringing in larger receipts from indirect taxation, and upon such adjustments in various duties as can be made in order to increase their yield. Any surprises of a startling nature, in fact, are unlikely to be disclosed when the Budget is opened on April 11, which, by the way, is a fortnight earlier than the usual date in recent years.

A German Investment.

Recent events may have made investors nervous regarding the East as a field for foreign investment. Though this nervousness may not be wholly justified, they may prefer to confine their purchases to the stocks of Western nations. A security of this description deserving consideration is the State of Hamburg 6 per cent. sterling bonds. Two millions of these bonds were issued in October last and are a direct and unconditional obligation of the State of Hamburg. The State owns properties, mostly income-producing, which include ports and harbours valued at R.M.750,000,000. The income from port and harbour dues in 1925 amounted to R.M.12,000,000.

The proceeds were required to further railway construction and the development of harbour facilities and industrial purposes. There is an accumulative sinking fund and the State may redeem the outstanding portion of the loan in 1931 or thereafter at 102 per cent. The recovery of Germany from the chaos of the mark-depreciation years has been one of the most remarkable events of recent times. Though she is not entirely out of the wood, she has displayed an energy and enterprise which must ultimately carry her far towards success. At any rate, competent observers, among whom may be mentioned the late British Ambassador at Berlin, Lord D'Abernon, have every confidence in her future. The Hamburg Sterling Bonds, yielding £6 per cent., are therefore well worth the investor's attention.

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CALCUTTA—Andrew Weir & Co.
COLOMBO—Skrine & Co.
BEIRA—Beira Shipping Agency.
DELAGOA BAY—John T. Rennie & Sons.
DURBAN—Andrew Weir & Co.
EAST LONDON—Messrs. Dunn & Co.
PT. ELIZABETH—Mackie, Dunn & Co.

MOSSEL BAY—Messrs. E. Searle & Co.
CAPE TOWN—Thomson, Watson & Co.
HONG KONG—The Bank Line, Ltd.
BANGKOK—Siam Forest Co., Ltd.
SINGAPORE—Hattenbach Bros. & Co.
MAURITIUS—Adam & Co.

LONDON—ANDREW WEIR & CO., 21, Bury Street, E.C.3.

Roumania's customs duties in 1926 produced 8,771 million lei as against only 7,527 millions in 1925. The import duties brought in 4,446 millions, the export duties 3,981 millions and miscellaneous duties 644 millions.

The bulk of two India Office contracts for 650,000 yards of silver-grey shirting and the equivalent of 450,000 yards of single-width fine white flannel, has been allotted to flannel manufacturers in the Rochdale district.

The export of Roumania's oil products in 1926 totalled 1,492,983 tons, an increase of 704,130 tons on the previous year's figures. The total was made up of benzine 424,967 tons, refined petroleum and distillates 527,069 tons, gas oil 199,808 tons, lubricating oils 42,396 tons and residues 298,713 tons.

NOTES FROM BULGARIA.

(From Our Own Correspondent.)

Sofia, March 1.

Modification of Customs Tariff.

The new Customs tariff introduced in 1926 not having given all the results that were expected in redressing Bulgaria's trade balance, the Government has decided, so the Minister of Finance gave it to be understood in his recent statement before the Sobranie, to ask for its modification by Parliament with a view to an increase of the duties on imports of certain foreign products, notably cotton goods, and a marked reduction of the export taxes on cattle as well as the total suppression of export taxes on some articles of native production, such as treacle and spirits of wine.

Amalgamation of the Granitoide and Orion Companies.

"Société anonyme bulgare Granitoide pour entreprises électriques et industrielles" is the name taken by the Granitoide Company since it has taken over the assets and liabilities of the Orion Company. The Granitoide Company was established in 1905 at Batanovtzi, in the Struma Valley, 35 kilometres from Sofia for the production of lime, cement, and plaster. The business commenced to function as a limited joint stock company, but in 1912 it was turned into a public company. The capital was originally 2,500,000 leva. It was raised to 3,000,000 in 1917 and to 6,000,000 in 1921, and since it has been increased year by year. This development will be seen from the following table, which also gives the total of the reserves at the end of each year, the tonnage of cement produced, and the dividends paid:—

	Capital (Millions of leva)	Reserves (Millions of leva)	Production of Cement (Tons)	Dividend (per cent.)
1921	6	3	25,000	30
1922	20	10	24,000	30
1923	25	18	34,700	50
1924	40	29	55,700	55
1925	50	38	73,000	50
1926	70	41	80,000	—

It is intended to increase the capital to 85 millions this year and to 100 millions in 1928. These new increases of capital will enable the completion of the kilns which are in the course of construction and in view of their approaching availability it is possible to estimate a production of 100,000 tons of cement for 1927 and 150,000 tons for 1928. Owing to these new installations the company will possess a veritable monopoly of the production of cement in Bulgaria. From 1925 the works of Batanovtzi have provided about three quarters of the cement used in the country.

Apart from the works at Batanovtzi the company possesses cement depots at Sofia and also a factory for concrete, a factory at Varna similar to that at Sofia, and a factory for plaster at Kalougurovo. Thirty special wagons of twenty tons each assure the transport of cement from Batanovtzi to Sofia. The last balance sheet published (December 31, 1925) showed the value of the property of the company to amount to seventy million leva. Besides its own enterprises the company is interested in two concerns; the one, the Pirine Company, exploits coal mines in the south-west of Bulgaria; the other the Orion Company, develops hydro-electric power from the Rila stream.

The Orion was established in 1922 with a capital of 100 million leva, of which three-fifths were subscribed by the Granitoide Company. The first installations consisted of the construction at Pastra of a hydro-electric station of which the first turbine produced 3,500 h.p. and the second turbine (in reserve) was able to produce 4,500 h.p. The programme of the Orion provided for the construction of another station at Rila village. With this in view at the general meeting of March 28, 1926, it was decided to increase the capital from 100 to 250 million levas. The carrying out of this measure, it appears, has en-

countered some obstacles. So to avoid a financial crisis for the Orion the Granitoide Company decided to add its credit to that of the young company.

The fusion of the Orion and the Granitoide Companies is now accomplished. The Orion shares have been repaid by the Granitoide Company at par, or 1,000 leva, to which amount is added the interest of the year 1926—100 leva.

In order to obtain credits at the most favourable rate the Granitoide Company has established at Zurich a Swiss Company under the name Aktien-Gesellschaft für Elektrische und Industrielle Unternehmungen im Orient, with a capital of 5,000,000 Swiss francs. This company takes the form of a holding company, its capital being constituted as to 3,500,000 francs by a holding of 28,000 Granitoide shares and as to 1,500,000 by the subscription of new money. In return for the 28,000 shares the Granitoide Company receives 7,000 shares of the Swiss Company of 500 Swiss francs each. The new company is administered by directors of whom the majority are on the board of the Granitoide Company. The object of the creation of this concern is the issue of bonds in Swiss francs.

SUDAN GUM ARABIC TRADE IN 1926.

The exports of gum arabic from the Sudan last year totalled 22,745 tons, of which 5,962 went to Great Britain, 5,121 to America, 2,512 to France, and 2,452 to Germany. It is estimated that the total yield was about 23,750 tons. Reviewing the past season, the Journal of the Sudan Chamber of Commerce states that regarded solely as a revenue-producing factor in the country's budget, there are solid grounds for complacent satisfaction with the rate of progress indicated by the figures. The article continues:—"Unfortunately, the record of selling prices overseas with their predominating influence on the rate per kantar paid to the native collectors of the produce, reflects a disturbing situation which is cause for grave misgiving, and fear is entertained regarding the probable effect of low prices on the gathering of future crops. That they will have an effect is certain, and, as tapping for collection up to March begins in December, the present rate of P.T. 60 so early in the season may possibly have a serious restricting influence on the yield for 1927.

"We must accept the fact that a remunerative price to the native collector is, together with effective precautions against forest fires, the provision of passable roads for men and camels and adequate water supplies, of vital importance in fostering increased production, and the fact that the record crop of 1923 was gathered with prices ranging between P.T. 106 and 150 per kantar, was regarded with considerable satisfaction. The past season, however, has marked a consistent fall from P.T. 99 at the beginning to as low as P.T. 55 last month, and, as the large quantity of registered arrivals makes it clear that collection has not been confined to the neighbourhood of El Obeid and the other buying markets, but has been extended to the outlying gum-producing districts of Kordofan and Darfur, the level of prices paid to the collector does not appear at first glance to have had the compelling importance hitherto attributed to this factor. It is important, however, we should not lose sight of the fact that the season was exceptional, in that we had a partial failure of dura and other crops through bad rains, thus releasing a large number of camels for the transport of gum from the interior which in normal seasons would have been employed in grain-carrying, and many natives through force of circumstances so created were compelled to seek in the collection of gum a means of earning a living and paying their taxes.

"A feature of the trade which inspires optimism is the fact that an annual crop of well over 20,000 tons of Sudan gum can be absorbed in the world's markets, although in the present instance there is little cause for gratification in the trend of overseas prices. The huge crop of 1923 was disposed of at prices which seldom fell appreciably below the 50s. level, whereas, from 49s. 6d. in January this year a decline has characterised each month's quotations, until we have the low price registered last month of 40s. for Kordofan natural, c.i.f. Continental ports, to clear off old crop stocks.

"We have the evidence before us that our largest crops have so far been absorbed, and there seems no reason to doubt that with reasonable selling prices, more gum will be used in the future than in the past. The world is experiencing a period of comparative prosperity and financial stability which did not exist a few years ago, but a mark of the new era is economy in costs and, in the slow return to the normal conditions which characterised trade and manufacture before the War, the first essential is a generous supply of nature's produce at lower prices. The consumer refuses to pay the high rates which war conditions rendered necessary, and his willingness or ability to pay rules the market. If we fail to meet his requirements, he will be driven to alternatives, or the greatly restricted use of those manufactured articles beyond his means or above his ideas of value."

THE OTTOMAN DEBT POSITION.

Report of Administrative Council.

The current issue of the bulletin of the Ottoman Bank contains extracts from the rather long delayed report of the Administrative Council of the Ottoman Public Debt for the year 1924-25. The report is preceded by a "Preamble" giving the present situation of the conceded revenues and the states of the question of the annual contributive parts and of the distribution of the nominal capital of the debt; also the different phases of the negotiations between the Bondholders' Representatives and the Turkish Government for the resumption of the service of the loans are set out.

Conceded Revenues.

After recalling that as far back as April 23, 1924, the last conceded revenues which remained under the administration of the Council were seized by the Turkish Government, that in October 1924 the Government forbade the Régie des Tabacs to make payments to the Council, also that the payments by the Decree of Mouharrem were not made, the Council adds:—

"The Government has continued to modify essentially without previous accord with the Council the basis of the taxes which had been conceded to the Bondholders absolutely and irrevocably. The reserves and protests of the Council were without result, and notwithstanding the coming into effect of the Treaty of Lausanne (August 6, 1924) all these breaches have not ceased. The Council was hoping that an arrangement would soon be arrived at with regard to the resumption of the Ottoman Loans Service, and that it might resume its prerogatives under normal conditions. Unfortunately this hope has not been realised. Further, deprived of the management of the revenues conceded to Bondholders the Council was obliged to take certain measures of economy dictated by circumstances. These measures resulted in 1340 (1924-25) in a decrease of 21 per cent. in the Head Office working expenses."

Distribution of Debt Charge.

"Since the arbitral decision of Professor Eugène Borel the attribution of the Mossul vilayet having been settled by an agreement between Turkey and Iraq, and the share of this vilayet in the annual charges of the debt being indicated separately, this share must be added to that of Iraq in conformity with the principles laid down in the Treaty of Lausanne and in the above-mentioned decision.

"Among the debtor States Palestine is the only country which has paid the instalment due on March 1, 1925. This payment was made under reserve for the whole of the Ottoman Loan and in a currency other than that stipulated in the notifications of the Council for the Unified Converted Debt and the Turkish Lottery Bonds. The nature of the currency of payment adopted by Palestine gave rise to a difference of opinion between that State and the Council. Unfortunately, at the time when the Council was making efforts to solve this difference the Colonial

Office decided to suspend as from March 1, 1926, the payments to be effected by Palestine to the whole of the Ottoman Public Debt. The Council sincerely hopes that the difficulties which have arisen in its relations with Palestine may be settled by arrangement in the near future. Of the other debtor States none fulfilled during the year 1340 1924-25) the financial obligations imposed by the Treaty of Lausanne. The first steps taken by the Council having failed, they were renewed at the proper time.

"It should be noted, however, that France, Mandatory Power of the Syrian and Grand Lebanon States, has decided to give as pledge the Customs revenues of these States and other revenues in case of insufficiency. Greece has also notified to the Council the text of a Decree which the Council interprets as pledging the excess of the revenues affected to the International Financial Commission."

Further, "the Council has received a proposal from the Italian Government to discharge their contributive share in one anticipated payment, clearing up the whole of their liabilities, capital and annuities, in the Ottoman Debt. This proposal was based upon the handing over of a certain number of bonds—with coupons attached—of each Loan for their nominal value, and the payment of the balance in cash in the currency most favourable for Bondholders.

"The Council has decided to adopt, as far as they are concerned, the mode of settlement offered by the Italian Government, in view of the advantages offered to the Bondholders in the present circumstances. The account relating to this operation will be verified by the competent departments and published in due course."

Nominal Capital of the Debt.

"Independently of the distribution of the annual charges of the Ottoman Public Debt, the Treaty of Lausanne stipulated in Article 49 that a special Commission should proceed with the distribution of the nominal capital of the Ottoman Public Debt. This Commission, composed, in accordance with the stipulations of the Treaty of Lausanne, of one representative of the Debt other than the Unified Debt, and the Turkish Lottery Bonds, and representatives of other interested States, met in Paris on the 1st July, 1925, at the Ministry of Foreign Affairs, and held eleven sittings. The task before the Commission was:—

(a) to fix the amount of the nominal capital incumbent upon each of the debtor States;

(b) to fix the mode of distribution of this capital.

"Complete agreement on the first point, i.e., the fixation of the amount of the nominal capital incumbent upon each of the debtor States, was reached between the representatives of the Bondholders and those of all the debtor States, Turkey excepted. The difference with regard to the latter is determining which party (Bondholders or Turkish Government) is to be held responsible for the redemptions in arrears of the Unified Debt and of the Turkish Lottery Bonds in respect of the period 1915-1920. The Council hope that this question may be settled amicably, otherwise it must be submitted to the arbitral

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decision of Professor Borel, in conformity with Art. 49 of the Treaty of Lausanne.

"With regard to the second point, i.e., the fixing of the mode of distribution of the nominal capital, the debtor States, including Turkey, in order to avoid replacing the bonds in circulation at present, have agreed to furnish General Bonds in respect of their respective shares in each of the Ottoman Loans. Turkey reserves the right, however, of issuing new Bonds eventually, with regard to its share."

COMPANY NOTES AND REPORTS.

EGYPTIAN LANDS.

An extra-ordinary general meeting of the Egyptian Consolidated Lands will be held at Winchester House, Old Broad Street, E.C., on March 29, at which resolutions will be submitted authorising a return of capital to shareholders. It is proposed that the issued capital of £350,000, divided into 1,400,000 fully-paid shares of 5s. each, be reduced to £175,000, divided into 1,400,000 fully-paid shares of 2s. 6d. each, by the repayment of 2s. 6d. per share. This is to be satisfied as to 6d. per share in cash and as to the balance of 2s. per share by the issue of a like nominal amount of debenture stock. By the issue of debenture stock the company will avoid the necessity of applying to the Court when further cash is available for distribution. Such cash will be utilised from time to time in redeeming the debenture stock. The nominal amount of the stock is limited to £140,000. The stock will not bear interest, and the company has undertaken not to pay any dividend on its shares until it has given notice to redeem or pay off the outstanding stock and has set aside sufficient cash for such purpose. After the reduction has been effected it is proposed to increase the capital to £350,000 again by the creation of 1,400,000 2s. 6d. shares.

CENTRAL BANK OF INDIA.

The net profits of the Central Bank of India for 1926 amounted to Rs.19,83,467, out of which Rs.1,00,000 is set aside for depreciation in land and buildings. The dividend for the year is again 10 per cent., free of tax, and the carry forward is raised from Rs.3,79,506 to Rs.4,31,654.

By a recent Greek Ministerial Decree the gold drachma is to be converted into paper drachmæ for the purpose of calculating the Customs and other duties on wheat, at the rate of 8½ (instead of 5) paper drachmæ per gold drachma, and, for the purpose of calculating the duties on wheat flour, at the general rate of 14 (instead of 6½) paper drachmæ per gold drachma. The Decree came into force immediately, but if it is not ratified by the Greek Chamber any excess duties levied will be refunded.

OVERSEAS AGENTS FOR THE SALE OF "THE NEAR EAST AND INDIA."

EGYPT.

Alexandria: M. Nacamulli and Co., 12, Rue Sesostris.

Cairo: M. Avatis, 1, Faggala.

Express Book and Stationery Store, P.O. Box 1113.

Port Said: English Agency, P.O. Box 240.

SUDAN.

Port Sudan: The Egyptian Library, Post Office Box No. 44.

PALESTINE.

Jerusalem: B. Y. and W. A. Said, 23-24, Jaffa Road.

SYRIA.

Beyrout: Sarrafian Bros.

IRAQ.

Basrah: Jashanamal, Bridge Street, Ashar.

BULGARIA.

Sofia: Librairie Francaise et Etrangere, 4a, Bvd. Tsar Ostvoboditel.

CYPRUS.

Nicosia: Dick Soultanian, P.O. Box 6.

GREECE.

Athens: "Eleftheroudakis," Librairie Internationale, Place de la Constitution.

Messageries de Journaux et Publications Etrangers, 24, Rue du Stade.

TURKEY.

Constantinople: The Anglo-American Book and Newsagency, 18, Rue des Petits Champs, Pera.

AMERICA.

New York: Brentano's, Fifth Avenue and 27th Street.
Boston (Mass): Smith and McCance, Ashburton Place.

NEAR EAST MARKETS.

The current issue of the monthly review of Barclays Bank, Ltd., contains the following reports:—

Alexandria.—Cotton.—The local market has been helped by advancing prices in America and by a better demand from Lancashire, coupled with brighter trade reports. Planting has been delayed owing to bad weather.

Cottonseed.—The demand for spot and futures has improved, probably owing to the stoppage of export of soya beans from China. Premiums at one time rose to 8 piastres per ardeb and shipments are large. Local consumption has improved owing to a better outlet for cakes and oil.

Cotton Goods.—The demand has improved slightly, owing to the approach of the native holidays, but prices continue weak.

General.—The flour market is active and prices are steady, owing to good spot and export demand for Syria and Greece. Stocks of cereals are decreasing, except in barley and lentils; the rice market is normal and the stock of 4,900 tons is considered small. Sugar is steady, with spot in demand, in sympathy with New York and Trieste markets, Egyptian sugar being active.

Jerusalem.—Despite the unfavourable credit conditions which have prevailed throughout the period under review, local traders have stood the strain satisfactorily. The market in cotton and woollen goods is depressed, through merchants pressing sales at low prices to liquidate winter stocks. Importers are busily engaged in placing orders for spring and summer requirements. The market for Jaffa oranges in England has improved and prices are reported to range between 16s. and 18s. per case.

Khartoum.—The general improvement in trade continues slowly. Prices of gum have fallen to 37s. per cwt. c.i.f. United Kingdom, as arrivals are good and stocks abroad large, but the present price is not considered an economic one. The crop of sesame is 1,500 tons short of that of last year and, with a strong demand from Egypt, prices have risen by £2 per ton. The estimated crop of groundnuts at 2,000 tons is about 3,000 tons short of Egypt's requirements, and prices have risen by £E3 per ton. The estimated crop of cotton is 120,000 bales Sakel-laridis (400 lb. each) and 21,000 bales American.

A contract for a steam breakdown crane for the Egyptian State Railways has been awarded to Messrs. Ransomes and Rapier.

The net profits of the Banca Franco-Romana, Bucharest, for 1926 amounted to 14,060,626 lei, as compared with 9,200,000 lei for 1925.

A contract for 6,000 boiler tubes and 750 superheater and flame tubes for the Egyptian State Railways has been awarded to Messrs. Howell and Co., Ltd.

The contract for the main-line electrification of the Great India Peninsula Railway (Indian State Railways) has been given to British Insulated Cables, Prescott.

The following have been added to the list of articles exempted from Customs duty under Schedule 1 of the Palestine Customs Duties Exemption Ordinance, 1924, viz.:—Pipes and flumes imported for drainage and irrigation schemes, provided that the importer shall pay on importation the full amount of Customs duty thereon at the rate in force, and that the amount shall be refunded on the production of a certificate from a District Commissioner that all the pipes and flumes imported have been used for bona fide drainage or irrigation schemes; and cork wood.

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THE LATE MR. WALTER LEAF.

It is not too much to say that the news of the death on March 8 at Torquay of Dr. Walter Leaf, Chairman of the Westminster Bank, roused a feeling of deep regret not merely in the City and in the academic circles in which he had obtained so well-deserved a reputation, but throughout the whole country. The world loves versatility when its possession implies the possession of unique talents in more than one direction, but while there are a multitude who are supreme or nearly so in one sphere of life, Dr. Leaf was one of the Olympians whose genius was not confined to one direction. It was a strange combination of interests which fell to his lot, classics and high finance, and it suggested very plainly that the sheltered academic groves are not by any means the worst possible training for the complexities of the financial problems that have to be faced in the City.

As in the case of so many others who have risen to positions of great eminence, it was more or less a chain of fortuitous circumstances which led Dr. Leaf to the City. The eldest son of Mr. Charles Leaf, F.L.S., F.L.A., of Leaf Sons and Co., he was born in 1852, and was educated at Harrow, where he greatly distinguished himself, and at Trinity College, Cambridge, where his career was of the perfect kind that one only looks for in novels. In 1874 he was Senior Classic with the late Mr. F. H. Rawlins, tying with him again for the Chancellor's classical medals, subsequently being elected a Fellow of Trinity. He had intended to go to the Bar, but deaths and illness in his family led to his entering the family firm, which was ultimately formed into a limited liability company, of which he was chairman from 1888 to 1892. The company in the latter year was amalgamated with a similar business, and Dr. Leaf, who had been elected a director of the London and Westminster Bank, retired to devote his energies to banking. In 1909 he became deputy chairman of the bank, and nine years later he succeeded Lord Goschen in the chairmanship. His annual speeches in that capacity, marked as they have been by a soundness and breadth of view, have attracted widespread attention. In his last address in January it may be recalled that he expressed the view that the way the country had withstood the strain of the past year showed that its economic reserves must be much greater than had been supposed.

His other great branch of activity—the pursuit of the classics—can only be briefly touched on in these columns. Throughout his City career Dr. Leaf pursued his classical studies, with results which bore fruit in a number of important works by which he will be remembered. Dr. Leaf concentrated his attention on Homeric criticism, and his investigations on the site of Troy enabled him to present the story of the Iliad in a new guise. Outside the classics and banking Dr. Leaf was an enthusiastic mountaineer. He was also for a few years a member of the London County Council. His academic honours included the Litt.D. of Cambridge and the D.Litt. of Oxford, two distinctions which aptly marked a great and distinguished career.

Sir D. Drummond Fraser, K.B.E., has joined the board of the First Co-operative Investment Trust, Ltd.

Yugoslavia's exports in 1926 totalled 4,884,718 tons, the value in gold dinars being 713,693,230, and in paper dinars 7,818,180,094.

The directors of the Eastern Bank recommend a final dividend of 5s. a share, less tax at 3s. 6.727d. in the £, after allowing for relief in respect of Indian taxation. It is proposed to place £20,000 to reserve and £10,000 to premises account, carrying forward £38,441.

Considerable progress has been made in the cultivation of hops in Yugoslavia since the War. In 1900 the total area under hop cultivation was some 2,500 acres, and hops were exported in that year to the value of 2.9 million dinars. In 1926 the area under cultivation had grown to close upon 17,500 acres, and the value of the exports to over 206 million dinars.

MESOPOTAMIAN DATES.

An Advertising Scheme.

For two years in succession Mesopotamia has had an unsatisfactory date season, and those concerned in this trade have been casting about to find a solution to their difficulties. With the quality of their product there is nothing whatever amiss. As it happens we recently received a consignment of Mesopotamian dates, and though we found their packing to be inferior to those, say, that are exported from Tunisia, their quality was so excellent as to cause wonder why they are not better known.

For this, as for so many goods that do not reach a sufficiently wide public, the remedy undoubtedly lies in advertising. And it is this aspect of the situation which, we are glad to note, is being increasingly realised by the exporters in Iraq itself. At the Annual Dinner of the British Chamber of Commerce at Basrah last month, the President, Mr. C. Wills, referred pointedly to the glut of dates on the market. He stated that his Chamber has put forward the suggestion that the only remedy for the present unsatisfactory state of affairs is to inaugurate an advertising scheme, such as has been carried on in America, where the demand has been increased, since the beginning of the century, from 50,000 cases a year to 3,900,000 cases. Mr. Wills cited the Fresh Fruit Campaign in England as an example of what might be done.

The difficulty in launching a date advertising campaign in Iraq naturally lies in the determination of who is to pay for it. Obviously this burden should fall on the shoulders of all those who would benefit by the scheme, growers, importers, and dealers. It is understood that the Iraq Government has taken the matter up, and it is to be hoped that the Arab and British officials will jointly evolve a solution to what is without doubt one of the country's more urgent problems.

Mesopotamian dates, we repeat, need fear no comparison with dates from any other country. If a judicious advertising scheme is launched there should be ahead of Iraq's date trade a prosperity untouched in the past.

The traffic receipts of the South Indian Railway Company for the week ended February 12 amounted to Rs.10,00,530, making the total from April 1 Rs.4,51,32,488.

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Cotton and Cotton Goods.

THE LIVERPOOL COTTON MARKET.

Messrs. Reynolds and Gibson report as follows for the week ended March 9:—

Egyptian Futures.—Sakel Contract.—We have experienced a particularly featureless week in this department, as not only have operations been on a minor scale, but price movements have been very restricted, fluctuations ranging within a few points either way. The undertone, however, continues to be firm, and the level on the week shows a gain of 1 to 3 points for near positions, and 2 to 5 points for more distant options, March exceptionally being 1 point down. The main attention at the moment concentrates on the trade situation and with reports from the various centres continuing on healthy lines, the rather heavy statistical position is apt to be ignored. No doubt sentiment at the moment is more or less swayed by the fact that prices are not on an unreasonable level, also, as we are now rapidly approaching the planting season, more attention is being paid to the question of reduction in acreage for this variety. Local trade takings last week were rather impressive, over 11,000 bales going forward to the mills. It has been a common occurrence recently that practically all the arrivals have gone straight through without touching the local stock, which remains at a comparatively small figure for this period of the season. Near positions have eased slightly, although only a few dockets have been tendered so far this month. We believe, however, that allowances have strongly favoured the "takers up," and with this the case, we are rather inclined to anticipate some slight closing in of the present March-May and March-July differences. The Alexandria market has remained at a very steady level throughout the week, and it would appear as if they are now experiencing sufficient demand for their cotton to maintain prices at a steady level. Whilst we certainly do not consider the position warrants any decided advance for the time being, we are rather inclined to anticipate a very gradual appreciation in values; on this account, we think, should the market show any reactionary tendency, the opportunity should be taken to enter into conservative commitments.

Upper Contract.—Business in this option has been very restricted since we last wrote, and only one or two transactions have been recorded daily. The near position has been rather depressed on account of small tenders of Pilon cotton, which have gone at allowances decidedly in the seller's favour. Apart from this, trade has been absolutely featureless. Spinners' interest in the Upper varieties continues to be very well maintained, and a satisfactory volume of business has been transacted both in spot and forward cottons. We see no reason to change the opinion we have expressed during recent weeks regarding the course of values, and consider that gradual appreciation will be witnessed as the season matures. Values on the week have declined 8 to 15 points for near and 15 points for later summer and new crop months.

Egyptian Spot.—It is pleasing to be able to record a definite improvement in the spot sales of Egyptian cotton, our modest local offtake having been supplemented during the past week by purchases for export amounting approximately to 2,000 bales. It is understood that it was chiefly Uppers that changed hands. Prices all round have remained very steady and trading prospects at the moment look bright, in spite of the fact that reports from Manchester have been rather more subdued of late. Forwardings to spinners continue to be well maintained, and, as regards the immediate future, the fact that a "fair business" in c.i.f. commitments has again been officially reported throughout the week, speaks for itself to those who can read between the lines. A good business has taken place in Sudan cotton, and, as far as the Sakel variety is concerned, something in the nature of a scramble is taking place amongst spinners in their efforts to secure the balance of certain qualities which they have tried out and found satisfactory. There is now no doubt whatever that last year's Sudan crop has proved of inestimable value to the fine trade in Lancashire. Further, we venture to predict that the number of spinners using this cotton will be further augmented before many months are past.

The local inquiry has been of fair dimensions and may roughly be summarised as follows:—Sakel at 9d.; 13½d. to 14d.; and 14½d. to 15½d. Uppers, as usual, have occupied first place, most of the business passing being between 10½d. and 11½d. Pilon has again been rather neglected, the stiffer rates now being asked checking fresh business. Sudan Sakel at from 25 to 150 on March Sakel. White Sudan 100 to 275 on American futures. Forwardings to spinners for the week ending the 4th inst. were returned as 11,351 bales Egyptian and 2,390 bales Sudan. Estimated sales 3,100 bales Egyptian and 3,500 bales Sudan. Quotations of Sakel are unchanged on the week; those of Upper have been reduced 5 points. F.G.F. Sakel to-day 13.90d., F.G.F. Upper to-day 11.10d.

THE EGYPTIAN MARKET.

The Alexandria Commercial Co. (S.A.), in their report for the week ended March 3, state:—

Since our last report the futures market has been very firm, and the close to-day was at the highest prices of the week. The week's summary of price movements is as follows:—Sakellaridis: March, 26.64 dollars, 0.69 dollars up; May, 26.92 dollars, 0.60 dollars up; July, 27.20 dollars, 0.58 dollars up; November, 27.75 dollars, 0.51 dollars up; January, 27.70 dollars, 0.38 dollars up. Ashmouni: April, 19.55 dollars, 0.47 dollars up; June, 19.90 dollars, 0.52 dollars up; August, 20.20 dollars, 0.52 dollars up; October, 20.32 dollars, 0.49 dollars up.

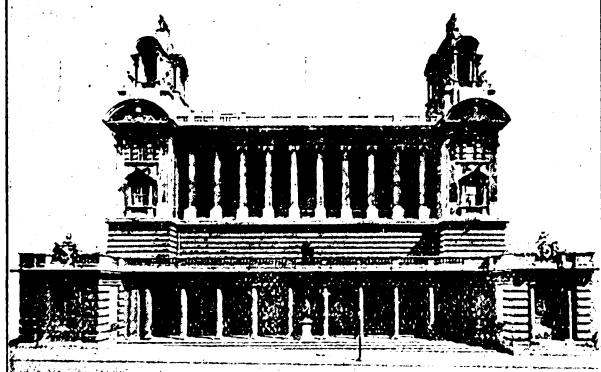
Sakel.—At the commencement of the week the market was somewhat dull, but it soon livened up and prices show considerable appreciation since last Thursday. The good demand from spinners mentioned in our last report continues, and to this, the advance in New York, and some buying by local speculators, the change of sentiment in our market must be attributed. The rise in New York came as a surprise to our market; the rejection of the Farm Relief Bill by the United States President was generally expected to produce a reaction in American prices, and in anticipation of this there was some short selling here.

The good demand for Sakel is not a new factor, for it is now over a month since spinners awoke from their apathy and started to take considerably more interest than they had taken for months. The orders received are principally for cotton for early shipment, and this explains the activity of the spot market. This sustained demand has induced a much more optimistic feeling generally; shorts have thought it prudent to cover whilst other speculators have been encouraged to go long. We are not too confident of the present rise, and whilst the stock remains as heavy as it is at present we do not look for a continuation of the improvement in prices; on the other hand, the revival of the demand is an important factor and eliminates, at any rate for the time being, any serious decline.

Uppers.—Prices of this variety have followed, more or less, the fluctuations of the Sakel market, but the tone at the close to-day was rather undecided. The demand from abroad has been relatively good, although not as active as that for Sakel.

The week's receipts amount to 296,187 kantars against exports 274,865 kantars; the stock in Alexandria stands at 3,236,557 kantars.

The official figures of arrivals and exports for the period September 1, 1926, to February 24, 1927, are as follows:—Arrivals: Lower Egypt, 3,632,000 kantars; Upper Egypt, 2,367,000 kantars; total,



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Crop, 1927: Weather conditions were rather unfavourable during

Harrisons and Crosfield have declared the usual interim dividends of 10 per cent. (actual) in respect of the year ending June 30, 1927, on the deferred ordinary shares and management shares, less tax at 3s. 6d. in the £.

Stock and Share Markets.

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Capital Paid up - £600,000
Reserve Fund - £235,000
Total Assets - £5,663,445

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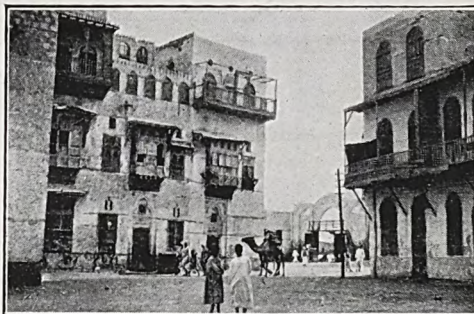
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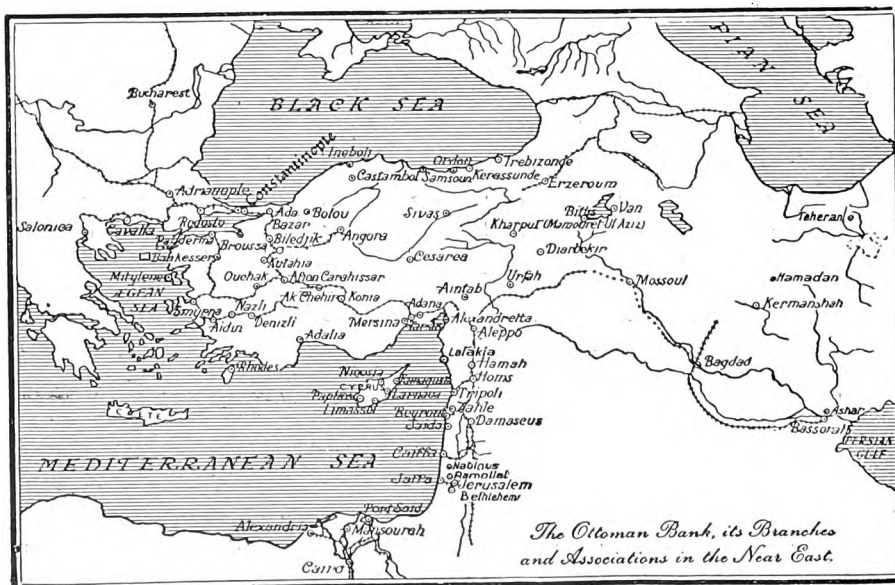
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THURSDAY, MARCH 24, 1927.

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Democracy and the East.

The feeling has for some years been present among serious political thinkers that democracy, as we know it in the West—Parliamentary institutions, the machinery of "representation," and so on—is not producing the desired end. Before the War a handful of observers, such as M. Ostrogorski or Mr. Hilaire Belloc, had exposed the system of "representation," but it was not until these later years, when the great anti-Parliamentary experiments of Bolshevism and Fascism were made, that general attention was devoted to the question whether or not Parliamentarism is the form of government best suited to the needs of the age. At the Sorbonne last week Mr. H. G. Wells gave a lecture in which he very plainly stated his conviction that "democracy is entering on a phase of revision in which Parliaments and Parliamentary bodies and political life as we know it to-day are destined to disappear." And his lecture has once more set the world a-thinking.

Now these things have a very definite bearing upon the East, and particularly upon that part of the East in which Great Britain has either a direct or indirect interest. One need but mention Turkey and Persia as two countries which of themselves have adopted, in theory at any rate, a Western constitutional form which may or may not be essential in their transition from the despotic to the modern State. But tradition in those two countries is yet so strong as very considerably to override the theoretical barriers which Parliamentarism sets up against despotic rule; the President at Angora and the Shah at Teheran are "constitutional" only in name. Nor, it must be confessed, is there any great evidence that the peoples of these countries would have it otherwise.

Nearer home, in the Balkans, irritation with the methods of Parliamentarism has been observable. Greece for a time indeed indulged the experiment of a frank dictatorship; and who, in face of the miserable efforts of Greek politician after politician, shall say that she was fundamentally in error in so doing? Of the other Balkan countries, moreover, it is at least possible to hold that Parliamentary methods of government therein have preserved their existence only in so far as they have been tempered by, or

bent to, the more traditional Balkan ideas of governance.

Is it quite certain, therefore, that Great Britain, in introducing to peoples long inured to the monarchical or despotic system the principles of representative government, is acting for the best? Who will assert of Egypt, of Palestine, or of Iraq that the theory of elected representatives ruling with a popular but constitutional head of government is without any doubt at all the mode most suited to the needs of those countries? We ask these questions, not for the mere reactionary pleasure of answering them in the negative—for the parliamentary system in these countries has hardly had a chance yet either to justify or to disprove itself—but to emphasise that the time is peculiarly ripe, especially in view of the attention being given to a similar problem in India, freshly to envisage the future governance of those countries in the Middle East which it is Britain's task to assist towards independence and self-government.

In Islamic countries there are admittedly already present certain bases for the erection of a democratic form of government; it may be argued, in fact, that Islam in itself implies a democratic polity. But this is very far from implying that the democratic forms of government in the West should be imposed thereon. Democracy is certainly possible under the traditional one-man rule of the East, just as oligarchies, or even worse, plutocracies, are possible within the democratic façade of Western government. A State in Central Arabia may be governed just as democratically as, perhaps more democratically than, a State in Central Europe. It is the duty of Great Britain, where Parliamentarism appears to be far more secure than it is in other more experimental, if more excitable, countries, to beware lest belief in the infallibility of a system should imply the wholesale imposition of it on countries where the mass of the people may neither welcome it nor want it. There are wise men still in the East; and we should by no means be inclined to deny that King Ibn Saoud, who firmly refused to set the Hijaz up as a Republic, in accordance with the ideas of certain "educated" Mussulmans from India, but preferred to rule it as an absolute monarchy, is one of them.

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THE BALKAN GAME?

In matters connected with the Balkans unsupported evidence is always suspect. It is also possible for what is meant to serve as corroboration to fail to carry conviction, if it shows signs of having been too carefully marshalled or of remarkable synchronisation. Last week, on one and the same day, the Italian Government notified the British and other Governments that it had received information of preparations being made on Yugoslav territory for an incursion into Albania, an Italian correspondent in Belgrade sent his newspaper circumstantial evidence of the particular preparations, and a message reached *The Times* from Albania giving the Tirana Government's information on the subject. The action of the Italian Government in any case requires the matter to be taken seriously, and the evidence must, therefore, be examined. According to the correspondent of the *Giornale d'Italia*, military preparations almost on the scale of a mobilisation have been taking place in Yugoslavia under the direction of the General Staff. The aim, it is alleged, is to place the Army on a war footing and to distribute it along the Albanian and Italian frontiers; at the same time *komitajis* are being organised in Yugoslavia for use in Albania. These military preparations are connected, according to the same account, with a series of reforms in the Yugoslav Army, which have been accompanied by unusual activity in the State munition factories, and the inference that it is desired should be drawn is that the Yugoslav Government intends to promote a revolution in Albania and means to be in the field first in case Italy decides to intervene. The message in *The Times* from Albania lends colour to the statement of the Belgrade correspondent of the Italian newspaper by reporting that the Albanian Government has obtained information of the enrolment of *komitajis* in Southern Serbia, where Albanian elements hostile to the Government of Ahmed Bey Zogu are renewing, so it is alleged, under the auspices of Yugoslav officials, the activities which led to the unsuccessful insurrection in Albania last November.

It is one of the drawbacks of a highly censored Press, as Signor Mussolini will be the first to allow, that in the present instance the message to the *Giornale d'Italia* is of no value as evidence, because it has to be regarded as giving merely the Italian Government's version. Again, there is little likelihood of the Albanian and Italian Governments having carried out independent inquiries into the alleged Yugoslav activities without comparing notes, and the coincidence of the simultaneous publication of the results of those inquiries suggests the possibility that one of the Governments has relied mainly, if not entirely, on the evidence supplied by the other. The report of the alleged military preparations of the Yugoslav Government,

therefore, rests either on the Italian statement or on the fears of the Albanian Government. If it were the former, Italy must be prepared to hear from quarters which looked askance at the Tirana Treaty that this is precisely what was expected when the conclusion of that agreement was announced. To make provision for intervention and almost immediately afterwards to discover a pretext for intervening would not be a solecism in international relations. In these circumstances Italy would have been well advised, if she had reason to suspect Yugoslavia, to allow Albania, as the aggrieved party, to announce the discovery of Yugoslav designs and to appeal for outside help. If, on the other hand, Italy is acting merely on Albanian information, coloured not unnaturally by the fears of the Tirana Government, she has incurred a grave responsibility in the public endorsement that she has given to that information which introduces matters that can quite easily be confirmed or refuted by Military Attachés in Yugoslavia. Frontiers are the natural centres of origin of revolution or insurrection in the Balkans, and there are always to be found on either side of them those who are ready to lend a hand. It is a different matter to attribute frontier unrest to the deliberate organisation of a neighbouring Government, as a item in a military movement on a large scale.

It will require much more conclusive evidence than has yet been forthcoming to convince us of the complete accuracy of the Italian allegations. If they were true, no censure of the Yugoslav Government could be adequate; if they are not true, the Italian Government will stand convicted of an almost equally serious outrage. The world is asked to believe that Yugoslavia, considering herself to be in process of becoming isolated in the Balkans by Italy's foreign policy, is deliberately preparing for war with Italy. We know of no reason for crediting the Yugoslav Government with such a policy of madness, for it knows as well as anyone else that, whatever the issue of that war, Yugoslavia would not recover from its results in the economic sphere for a generation. Not the least tragic aspect of the whole business is that people can be found to make the allegation and to believe it when made. In this state of affairs Yugoslavia, it is to be feared, is reaping what she has sown in the past. The experiences of Montenegro, Albania, Bulgaria and Greece are all cited as evidence of a Yugoslav belief that might is right. In the case of Ahmed Bey Zogu's successful revolution it has never been possible to explain away his use of Yugoslav territory and Yugoslav help—albeit unofficial. If certain Albanians are now minded to challenge the present Government's authority, it is possible that the Belgrade authorities may argue that, as they have turned a blind eye to a similar movement before in Ahmed Bey Zogu's case, so they ought to do the same on this occasion. This, however, is a dangerous doctrine for a Government to adopt. It must not be overlooked in Belgrade that the Serbian White Hand organisation enjoys abroad much the same reputation as the Macedonian Revolutionary Organisation enjoys in Serbia. The Yugoslav Government, which never hesitates to hold the Bulgarian Government responsible for what the Macedonian *komitajis* do, can hardly divest itself of responsibility for what the White Hand does or is credited with doing. In such circumstances there can be only one policy for the Yugoslav Government; it must resolutely suppress all movements on its own territory designed against the peace of a neighbouring State. If subjects of that State have taken refuge in Yugoslavia, it must be a condition of the right of asylum accorded to them that they live as far as possible from the frontier, and the penalties on Yugoslav subjects who lend their aid to subversive movements directed against neighbouring Governments must be severe. Unless Yugoslavia sets herself a high standard of honourable dealing in this respect, she may expect to be the victim of insinuation and to give encouragement to the encircling tendencies that she professes to fear.

Notes of the Week.

A Balkan Pother.

In view of the general interpretation placed upon the Tirana Treaty Italy would seem to have been ill-advised to attempt to raise Europe's hair on end on the ground that Yugoslavia is preparing to attack Albania. The time for Italian action would properly be when the Albanian Parliament has decided that a case for Italian intervention has arisen and the Tirana Government has called upon Italy for help. The premature step now taken by Italy in denouncing Yugoslavia will confirm many in their opinion that, whatever the wording of the Tirana Treaty may be, Italy regards it as giving her the right to intervene without further ado in Albanian affairs. It was in Italy's capacity as a Great Power, and not as an excitable petty State, that the other Great Powers recognised her special interest in Albania, and she should be careful that her foreign policy conforms with Great Power standards and not with the methods of small cantankerous and struggling countries that are apt to set store on scoring a point over a rival. Italy has every right to an economic policy in the Balkans, but there is nothing great-minded or helpful to the Balkan States in the methods by which this policy is being carried out. In her attitude towards Yugoslavia the impression conveyed abroad is that whatever the issue between the two countries it is a case of "six of one and half-a-dozen of the other." In such circumstances Italy cannot be said to be acting up to her position in Europe, which requires that, either single-handed or in co-operation with other Great Powers, she should do all in her capacity to eliminate the known difficulties of the Balkan Peninsula and to promote peace in it. At present owing to the dubious methods adopted by her, any appeal to the League of Nations to intervene in the cause of peace would have to bracket Italy and Yugoslavia as provocative members of the European community jointly requiring advice in the art of international behaviour.

The Komitaji Trouble.

On the principle that there is no smoke without fire, it has to be inferred that there has been some activity on the part of armed bands over the frontier that has alarmed the Albanian Government. If this be the case, Yugoslavia will find it very difficult to secure any sympathy over her troubles with Macedonian *komitajis*. The position in Macedonia is admittedly anomalous and it is recognised that armed bands can exist on the frontiers of Greece, Bulgaria and Yugoslavia without responsibility attaching directly to any one of those Governments. The position is quite different in regard to the frontier between Yugoslavia and Albania. There is no question of the writ of the Yugoslav Government not covering this region, and it is idle for Yugoslavia to complain of Bulgarian complicity in Macedonian raids if she allows *komitajis* to operate from Yugoslav territory against Albania. It is to be hoped, therefore, that Yugoslavia in her own interests will take the necessary steps to stamp out the *komitaji* curse within her own borders. Had it not been for their existence on the Albanian frontier, Italy would probably have been unable to make her present allegations. Her fantastic story may be disproved, but Yugoslavia will have been prejudiced by it in quarters where it is to her interest that her reputation for peaceful and ordered government should stand high.

Yugoslavia and Bulgaria.

For those who believe that it is possible at no very distant date to have a Balkan Peninsula at peace with itself a distinctly hopeful note was sounded by M. Neshitch, the new Yugoslav Minister to Bulgaria, in presenting his Letters of Credence to King Boris. His predecessor, M. Rakitch, worked hard for six years to improve the relations between the two countries; but during his tenure of the post there was always room for the impression that

in this matter he was ahead of his Government. M. Neshitch would naturally refer to the desirability of a *rapprochement* and understanding between the Yugoslav and Bulgarian peoples; but he introduced into his speech a reference that lifted it out of the conventional rut of diplomatic phraseology. Such an understanding, he said, was the ideal of the youth of a whole enlightened generation and of many of his comrades who to-day are excellent Bulgarians, Croats, Slovenes and Serbs. There is a solid substratum of truth in this statement and many of the friends of the two countries have realised that the best hope for the future lies in the prospect of the younger generation's accession to political power. Not unnaturally the older men of each country have had the bitterness of war years driven too deeply into their natures to enable them easily to bury the hatchet, however much they may feel that the interests of the two countries require this to be done. The younger men realise the necessity for co-operation, and past bitternesses sit more lightly on them. One great advantage that these younger men have over their seniors is that to an increasing extent they are learning to play games, and their minds are being diverted from the bane of excessive politics. There have been football matches between Yugoslav and Bulgarian teams; the press of each country is obliged to pay attention to sport. In time the new movement will bear fruit, and Great Britain will then be able to say of the Balkan States that she does not mind with whom they make political alliances, provided that they play her national games and cultivate the spirit that is associated with them.

Political Prisoners in Bulgaria.

There cannot be the least doubt that Sir Austen Chamberlain acted wisely in the interests of the League of Nations when he took exception to the suggestion made by the Belgian Foreign Minister at a meeting of the League Council that it would be desirable for the Bulgarian Government to amnesty its political prisoners. If the practice of interfering with the internal affairs of member countries is once started, it will be difficult to know where the line is to be drawn, and sooner or later the Council may find itself badly snubbed to the prejudice of the League's position in the world. M. Vandervelde's *faux pas*, however, has, in the circumstances, probably done more good than harm. It will discourage other efforts in the same direction, and it has enabled the Bulgarian Government to disclose the actual state of affairs in regard to its political prisoners. That there were at one time ten thousand of them goes far to explain foreign interest in their fate. On this point, however, it may not be fair to judge by Western standards. The important fact is that the present Government has liberated nine thousand. Of the remainder 380 have been convicted, proceedings are still in progress against 321, and fifty stand "charged with murders during the Communist revolt in 1923." As the proceedings have been in the hands of ordinary tribunals, some idea can be formed of the work imposed upon these; in other circumstances it would presumably be an anomaly that any prisoner charged with murder should be still untried after three-and-a-half years. The Bulgarian Prime Minister points out in regard to some of those still detained that the Government's hands are tied by the intolerant attitude of the prisoners, who continue to preach their revolutionary doctrine within the prison walls and do everything that they can to encourage acts subversive of law and order. The India Government, it will be recalled, has experienced a similar difficulty with certain political *détenus*, and it is to be hoped that M. Vandervelde will not bring up the question of their release before the Council of the League of Nations nor that Members of Parliament will decide that India also is governed by a "terrorist Government."

The Syrian Interregnum.

The world in general and Syria in particular are waiting with some impatience the return from France of M. Henri Ponsot, French High Commissioner for Syria. Generally, there is a feeling of hope in the air, but this can hardly be felt by the Syrians themselves, who after the tragic experiences of the last year or so naturally are expecting concrete facts. Their impatience is being manifested in an odd skirmish or two, which the authorities in Syria are anxious to describe as mere criminal outbreaks, rather than fresh ebullitions of the "rebels." In the meantime it is hardly possible to share the profound optimism which is seemingly displayed by the French officials at the actual position. The trans-desert route via Damascus, for instance, is apparently only occasionally safe, and although this perhaps is not a factor of capital importance, it is just the kind of thing which confirms or weakens foreign confidence in Syria. In view of the forthcoming summer season and of the absolute necessity of restoring Syria's stricken prosperity, every effort will have to be made to regain both the inward and outward signs of security. Not only the Middle East but also the League of Nations is awaiting anxiously the end of Syria's interregnum; there was, it seems, some disappointment that the Organic Statute had not been prepared in time for the last Geneva meeting.

Teheran and the Soviets.

It is at least proof of the long-suffering attitude of the Teheran Administration that, in spite of the failure of the mission to Moscow last year of Sardar Muazzam Taimur Tash, it should have sent yet another in the hope of inducing the Bolshevik authorities to relax their present attitude on certain economic matters in Northern Persia. The Foreign Minister for Persia, Ali Gholi Khan Ansari, was due to leave Persia for Moscow last Sunday in what, it must be supposed, will be a final endeavour to reconcile the Russian and Persian points of view. No better proof, if proof were wanted, of the entire freedom which governs the actions of the Shah's Ministers, could be found than that which is supplied, at a time when world opinion, including a very considerable part of opinion in Persia itself, is dead against Bolshevik, or, rather, Russian

pretensions in Northern Persia, by these repeated visits to Moscow. The Persians in the North have suffered much during the last year or so from the embargo which the Soviets placed upon the import of Persian goods into Russia, and their instinct will almost certainly be to attempt to retaliate in the same language. But it is manifest that no good can come to Persia through an aggravated tension with her northern neighbour, and the policy, whether it derives from the Shah himself or from his American Financial Advisers, of exploring every avenue to find a way out, is indubitably sound. Whether such an avenue exists, or whether all routes to the Bolsheviks are not, in this economic matter, blind roads, are matters of opinion. In the meantime it is scarcely open to doubt that Persians in general will, after this experience of the Russian embargo, be keener than ever upon the provision of outlets for their trade to the South and West. The New Year that began for the Persians last Tuesday is an unusually fateful one.

Palestine's Municipal Elections.

The long-announced and much-heralded municipal elections for Palestine are now but a matter of weeks, and it is interesting to notice that this time, if one can with propriety mention the word boycott, it is the Jews who are in part refusing to participate. There has been a manifest and perhaps not unnatural reluctance on the part of Jews who are citizens of countries other than Palestine to become naturalised in their "National Home"; with the result that there is only one city, Tiberias, with a great majority of Jewish voters. There, there are 307 Jewish voters, and 149 Muslim and 36 Christian voters. But in Jerusalem, two-thirds of the population (70,000) of which are said to be Jews, the numbers of voters are given as 1,463 Muslims, 1,227 Jews, and 830 Christians. In Haifa, again, there are nearly two thousand Muslim voters registered, nearly two thousand Christians, and fewer than a thousand Jews. Quite obviously this reluctance of the Jews to become Palestinian citizens—a reluctance which is, we believe, deplored by their highest advisers—will create serious difficulties for the Administration, which had been hoping to glean from this granting of local autonomy some conception of what the future and inevitable Parliament of Palestine would be. It is fortunate that Sir John Shuckburgh, of the Middle East Department, has been on the spot to investigate for himself the probable results of this political experiment in Palestine. For the Arabs, these Municipal Elections would appear to be an admirable opportunity of demonstrating their fitness for the provision of wider measures of self-government. It is yet possible that an elected Legislative Council may again be offered to the Arabs, whose dread of the Balfour Declaration will certainly have been minimised by the experience of the Zionists in 1926. The facts that only 5,000 Jewish immigrants stayed in Palestine last year, compared with the 30,000 in 1925, and that, of a Jewish population of 160,000, 7,500 are now unemployed, must have had a considerable effect upon the Arabs. It is possible, however, that they may await the report of the "impartial" body which, representing the Jewish Agency, is in a few weeks to go out to Palestine to investigate the prospects of Zionism, before proclaiming the absolute impossibility of a Jewish majority in the country of their birth.

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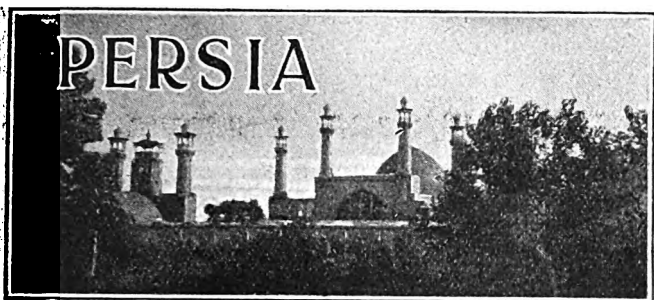
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The King has granted Captain John Norton Taylor, 7th Rajput Regiment, Indian Army, and Mrs. Taylor, only daughter of Brigadier-General the Hon. Arthur E. Dalzell, authority to take and use the surname and arms of Dalzell in lieu of those of Taylor.

The King has approved the appointment of Mr. Egbert Laurie Hammond, C.S.I., C.B.E., I.C.S., to be Governor or Assam in succession to Sir John Henry Kerr, K.C.S.I., K.C.I.E., I.C.S., who will hand over at the end of June.

The Near and Middle East*

From Our Own Correspondents.



Teheran, February 26.

The New Cabinet.

As anticipated, the Cabinet fell a short time ago, and after a good deal of hesitation Mustofi el Mamalik was again persuaded to form a new Ministry—his third consecutive one—the Majliss having passed a vote of confidence in him personally though they would not do so for his former Cabinet, whose resignation he tendered the day before that fixed for the interpellation, which, therefore, did not take place. The Prime Minister, however, in a long letter to the House which was published in the Press, replied to the criticisms of the Deputies and upheld and justified the actions of his colleagues. In the new Ministry Moshaver ul Mamalik (Ali Gholi Khan Ansari), Zoka ul Mulk (Mirzu Mohamad Ali Khan Foroughi), and Mokhber es Saltaneh (Mehdi Gholi Khan Hedayat) retain their respective portfolios of Foreign Affairs, War and Public Works; the Ministry of Posts and Telegraphs has not yet been allotted, and the remaining portfolios have been assigned to members of the various parties in the Majliss. Firouz Mirza Firouz (Nosrat ud Dowleh) becomes Minister of Finance; Said Mohamad Tadayone (ex-President of the House) Public Instruction; Fatemy, Interior, and Davar, Justice. The first act of the last-named Minister, on assuming office, was to dissolve all the existing judicial organisations in the Ministry, and to close the Courts. He then submitted to the Majliss a bill granting him the necessary powers for the thorough reform of the Ministry, which was passed in one sitting by a large majority. This bill authorises the present Minister to prepare and draw up, by means of commissions of competent persons, laws for the reform of the existing judicial and administrative organisations which he will put into force, and submit to the House after a trial of six months. This reorganisation in this important department of public life is welcomed by the Press, who have seized the opportunity to start a campaign in favour of the abolition of capitulations (encouraged, no doubt, by the Nationalist movement in China), but they realise that it is useless to hope for

such a thing while the present Courts and Judges are so inadequately versed and incompetent, and that until the administration of justice is placed on a sound and equitable footing (of which they hope Davar's proposed reforms will be the foundation stones), there can be no question of this abolition of capitulations, which incidentally figured among the reforms drawn up by Said Ziaeddin in 1921, but the matter was dropped with the fall of his short-lived Ministry.

Railways.

Last Tuesday the Railway Construction Bill was introduced in the House as an urgent measure, which the Deputies were asked to discuss as speedily as possible, and, if approved, pass it without wasting time. At the second session, on Thursday, it was passed by a large majority. The Bill authorises the Government to start immediately with preliminary preparations for the construction of a railway line between Mohammarah, on the Persian Gulf, to Bunder Jaz, on the Caspian, thus completely crossing Persia from North to South, the line running through Hamadan and Teheran. The projected line, which is to be built in accordance with the plans to be drawn up by the American expert, and twelve engineers engaged for the purpose (who are expected to arrive here from America shortly), will be some 1,200 miles in length, and is expected to be completed in ten years. The Government expect to derive a revenue from the Sugar and Tea Monopoly of 7,000,000 toman each year, making fourteen million pounds in the ten years, which does not seem overmuch, even in this country where labour is cheap; and on the other hand materials are lacking and most of these will have to be imported—a fact allowed for in the Bill, which also provides for the setting aside of a sum of 4½ million toman (nearly a million sterling) for the foundation of blast furnaces for smelting iron, for which a German expert has recently been engaged. The Shah, as is well known, has always been very keen on the introduction of railways into Persia, one of the few countries in the world at present without them, if one excepts the few miles from Teheran to the mosque at Shah Abdul Azim, and the short line from Tabriz to the Russian frontier.

Opinions here are divided on the respective merits of the train and the motor-car as a means of transport and locomotion in this country of such sparse population and so great distances between the various important centres. The utter absence of any foundries or factories with up-to-date machinery, and the fact that the essential coal, though abundant, is exploited only in comparatively insignificant quantities and works out at an almost prohibitive price, would seem to militate against the idea of railways being a paying proposition; but the protagonists maintain that progress in the above direction is entirely dependent on railways and is impossible until these are constructed. Speaking from my scanty experience of the railways in this part of the world, such as the Palestine

*Under this heading appear weekly or at regular intervals, communications from correspondents in Egypt, the Sudan, Roumania, Yugoslavia, Greece, Bulgaria, Albania, Turkey, Cyprus, Palestine, Iraq, and Persia.

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Iraq and Syrian railways, I am inclined to the opinion that motor transport is in many respects preferable, quicker, cleaner, far more comfortable and interesting, as well as probably cheaper, at least so far as passengers are concerned, and it has the advantage of being independent of any fixed time-tables.

Air Mails.

The commencement of the air mail service with Kazvin, Pahlavi and Baku, which had been widely advertised in the Press by the Junkers Company (who have the Concession) and the Post Office, and for which specially surcharged stamps had been prepared, has not exactly been a success. The time-table was published stating that the planes would leave here at 8 a.m. and arrive in Baku the same evening in time for the mails, to catch the train for Moscow, which would have thus saved several days in the journey to England. The Company had, however, been rather premature in their announcement, and although letters were accepted for Europe at a greatly increased rate, it was found at the last moment that the planes would not be allowed to land in Baku, so they would go only as far as Pahlavi. In fact the first plane did not get even so far, as it had to return to Teheran from Menjil (between Kazvin and Resht), being unable to make headway against the strong wind which is so prevalent there. The inauguration ceremony, too, which was to have taken place in the presence of the Shah and a distinguished gathering, has twice had to be postponed owing to the inclemency of the weather. Until, therefore, arrangements are made with the Russian Government for the planes to land mails in Baku the present service is not of much use, for, as it is possible to reach Resht and Pahlavi in one day by car, the saving of the few extra hours is not worth the greatly increased rate charged, especially in this country where time is of such little account.

The Crops.

The snow and rain which has fallen practically throughout the country during the past week or two has assured the crops, and any anxiety that might have been felt in this respect has thus been relieved, while the thick layer of snow which covers the hills to the north of Teheran will ensure an ample water supply for irrigation purposes this summer.

ROUMANIA.

Bucharest, March 16.

Bessarabia.

The ratification by Italy of the re-annexation of Bessarabia by Roumania has caused tremendous enthusiasm in this country. For several days Italian and Roumanian flags were flying all over the city, and the Italian Minister received a constant stream of congratulations and grateful deputations, some of which contented themselves with playing serenades under his windows. The press of all shades of opinion is full of long articles extolling Italy, who has thus cemented her friendship with Roumania, the first signs of which—after a period of slight friction owing to the non-payment of commercial debts by Roumanian merchants—was the granting of the recent loan. This sudden action on the part of Italy at the present juncture is regarded as a sign of the latter's desire to associate herself with England against

the machinations of the Soviet Government in China, and the indignation of the Moscow press at Italy's action shows that Moscow has not been slow to give a similar interpretation to it. Up to the present the only regular steamer services from Western Europe to the Russian Black Sea ports were those of Italy. Thus in all this enthusiasm Mr. Chamberlain has come in for no small part of the glory, as it is believed that the basis of Italy's present action was laid during the conversations he had with Signor Mussolini at Livorno, and the *Argus* goes so far as to say "This is the first step in England's offensive against the Soviets." In this connexion the press further comments on the slowness of England to realise the importance of Roumania as a bulwark against the Soviets in Eastern Europe and draws a comparison in favour of France in this regard, as ever since the Armistice, she has shown an inclination to support Poland for the same purpose. This has long been a black mark against Great Britain. Another has been, and still is, the persistent refusal of British financial groups to grant a loan to Roumania for the reconstruction of her railways.

Railway Loan.

It would appear from press reports that the German Minister in Bucharest is still carrying on negotiations between the Roumanian and German authorities for the conclusion of an agreement by which Germany will grant an important loan to Roumania under favourable conditions, partly in cash and partly in railway material. If such an agreement is actually realised there is no doubt that it will lay a solid foundation for the further development of German commercial relations with this country—to the detriment eventually of the trade of other countries with Roumania. The figures given in my last letter are eloquent of the urgent need of the Roumanian Railways of outside support, without which it is obvious that they are unable to maintain transport services adequate to meet the requirements of the growing industries and trade of the country.

Cabinet Changes.

It is semi-officially reported that certain changes in the present Cabinet will be carried out next Thursday, viz.: M. Annibal Teodorescu, present Mayor of Bucharest, will be appointed Minister of Justice, and M. Manoilescu, Under-Secretary of State for Finance, will be given the portfolio of Industry and Commerce which he held with much distinction during the last term of office of the Averescan Party.

Conference of Budapest.

On March 17 a conference will take place in Budapest, between Roumanian and Hungarian delegates, which it is hoped will finally settle all outstanding political and domestic questions upon which no agreement has yet been reached between the two Governments. In the year 1924 most of the problems arising out of the provisions of the Treaty of Trianon were amicably settled between the two countries, but a few matters still remain in abeyance, one of the chief of which is the question of the share of each country in the pensions to be paid to former employees of the Hungarian State and State Railway Company, who are now Roumanian subjects. Up to the present, according to the *Indépendance Roumaine* (organ of the Liberal Party) Roumania has paid pensions to these employees amounting annually to a sum of 500 million lei, and she claims that it is only equitable that Hungary should refund her some part of this sum and arrange to undertake a share in these payments for the future. Other claims of Roumania relate to: (a) documents both administrative and historic, relating to the provinces of Transylvania now annexed to Roumania; (b) Funds belonging to institutions now on Roumanian territory whose head offices were in Budapest; (c) Certain debts contracted before the War by Hungarian administrative bodies.

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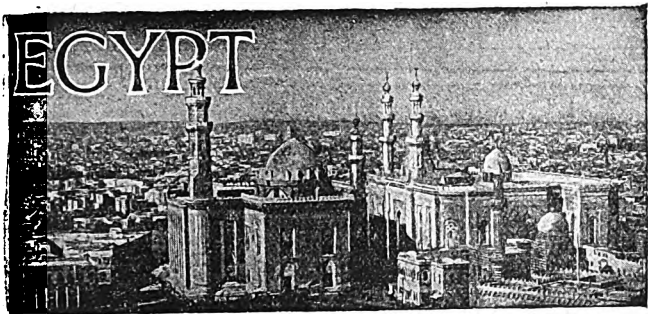
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Miscellaneous.

The departure of the King of Roumania for Taormina in Sicily has now been fixed for March 23. His Majesty is taking this journey on the advice of his medical advisers in the hope of re-establishing his health.

The King and Queen of Yugoslavia are at present in Bucharest on a short visit to the parents of the Queen.

Count Keyserling recently visited Bucharest and gave lectures attended by crowded audiences, upon whom he appears to have made a deep impression. Among other things he besought the Roumanians to cease imitating other (Western) countries and *to be themselves*. He is jocularly called here "le Philosophe sans philosophie."



Cairo, March 13.

Egypt's Population.

The population figures obtained in the census taken on the night of February 18 and 19 have now been published, and make interesting reading. The expectation, which had been frequently voiced in Parliament and the Press, that the total population of the country would be found to be in excess of 15,000,000 has been shown to have been very wide of the mark. The actual total is not much over 14,000,000. This means that the rate of increase during the past decade has been considerably lower than during the 1907-17 period. On the other hand, there is little justification for the view which has been expressed that this lower rate of increase means that Egypt is now sharing the experience of other countries which find that lessened prosperity is reflected in a falling birth rate. The decade just ended has probably been one of the most prosperous that Egypt has ever known, and the slightly smaller proportional increase, compared with the preceding ten years, in the population can be attributed almost entirely to the influenza epidemic of 1918-19, which affected Egypt in the same manner as most other countries. In the latter year there were actually more deaths than births recorded, and it is 1919 which must be held almost entirely responsible for the check in the normal growth in population. There is no sign of a falling off in the birth rate, owing to economic or any other causes.

Growth of the Capital.

Cairo's population now well tops the million, and Alexandria's is considerably above five hundred thousand. These totals had been expected, but they are none the less very striking and, perhaps, rather alarming, too. The rate at which Cairo is growing seems disproportionate to the increase in the country's wealth or to the very slow progress of the movement to create an industrial side to the nation's life, as a complement to the agricultural activities which supply so large a proportion of the national revenue. It is, indeed, difficult to know why the Capital should be growing so fast or how, should the growth be sustained during the next decade, all the residents will gain their livelihood. It is certainly a fact that well-to-do landowners, who formerly lived on their estates and visited Cairo only a few times annually, are now, urged as much by their families' wish to enjoy the pleasures of urban life as by any personal inclination in that direction, acquiring houses in Cairo and becoming accustomed to regarding the Capital as their home and

the country estates as places to visit a few times each year. But this tendency, which can scarcely be regarded with satisfaction, is not alone sufficient to account for the rapid growth in urban populations. It is much to be feared that there is in Egypt a drift to the towns with no economic justification behind it, and that, in consequence, the criminal element is largely recruited. This is a subject which merits close study.

Preponderance of Females.

Another interesting point in connexion with the Census figures is the fact that, while the 1917 count showed 20,000 more males than females, the latest enumeration indicates 60,000 more females than males. I was discussing this matter yesterday with Mr. J. I. Craig, Director-General of the Census, and his explanation was interesting. He was sure that Egypt, in common with nearly every other country, has a considerable preponderance of women, but thought that previous censuses had failed to disclose this fact because of the reluctance of the inhabitants, largely on religious grounds, to disclose the number of womenfolk in each household. The same reluctance, though animated by another motive, had been very marked amongst some of the Bedouin tribes the members of which would make no mention of the old women of their communities until pressed to do so by the Census takers. When it was explained to the tribesmen that the purpose of the count was to ascertain the number of inhabitants of all ages and conditions, they were still unconvinced. "The old women don't count," was the reply, "they can bear neither children nor burdens, so what is the use of putting them in?" It is an indication of the gradual spread of modern ideas in Egypt that the enumerators this year found considerably less reluctance to disclose details of the female members of families, with the result that, for the first time, an excess of females over males is recorded.

Crime and Punishment.

An attempt is to be made to legalize a custom which is responsible for a considerable part of the violent crime of the country. A deputy has given notice of his intention to introduce into the Chamber of Deputies a bill making it legal for a husband, father or brother, who discovers wife, daughter or sister *in flagrante delicto* with another man to assume the combined rôles of judge and executioner and then and there inflict capital punishment. As may be imagined, this proposal has encountered much criticism, and there is happily little prospect of the bill's becoming law. It would be most deplorable if Parliament were to pass an enactment which would encourage a form of crime already far too common and much too lightly regarded by the native courts. In Upper Egypt especially, native custom is relentless towards erring females and the number of women who are annually murdered because they are suspected of unchastity must be considerable. Unmarried girls are frequently the victims, the murderers



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being their own brothers. So rooted in Egyptian minds is the belief that in such cases the punishment is merely fitting to the crime that the courts frequently pass altogether inadequate sentences, often of two or three years' imprisonment, on persons convicted of such murders. And it is to be feared that adequate punishment in such cases will continue to be rare until there is a considerable change in public sentiment.

Luxor's Library.

Luxor is to have a library for students of archæological research. On Tuesday the Oriental Institute of the University of Chicago will open its new library wing, already housing several thousand volumes and destined to hold more. Credit for this enterprising development is due to Professor James Breasted, who directs the Oriental Institute of the University, whilst the funds have been supplied by the General Education Board of New York and Mr. Julius Rosenwald, of Chicago. Considerable difficulties have to be overcome in the establishment of a library in Upper Egypt, for the intense summer heat makes necessary the provision of special storage accommodation for the books. All this has been taken into consideration, special steel book cases have been provided and now, from mid-October to mid-April each winter the library will be at the disposal of any students of archæology who may have need to refer to authorities or records on the spot.



Sofia, March 15.

The Bulgarians of Roumania.

The Dobrujans, following the lead of the Macedonians, have just held their national congress at Sofia. This conference of Dobrujan *émigrés* held a very short session. Nevertheless, it was an important one, because it terminated in the passing of a resolution in which the Dobrujans declared plainly that they formally and energetically repudiated any tendency towards Bolshevism and any resort to a struggle by arms against the domination of the Roumanians over their country. This resolution asserted that the action of bands (which were almost always formed on Roumanian territory, as a consequence of Roumanian oppression) could only compromise the political action of the Dobrujans towards securing the protection provided in the Peace Treaties for national minorities. At the same time, the Dobrujans protest vigorously against the withholding of their rights by Roumania, against the arbitrary expropriations indulged under the cover of agrarian reform, but in reality tending to the uprooting of the Bulgarian population and to compelling it to emigrate, and against the brutal treatment of the inhabitants of the Dobruja on the part of the Roumanian gendarmerie. Finally, the Dobrujans, emphasising their loyalty to the Roumanian State, claim

the liberties which are due to them as to all ethnic and religious minorities.

At the same time another conference was assembled, for the first time this year, of Bulgarians of Bessarabia. A similar motion was passed for this province, in which it is estimated that there is a Bulgarian population of 300,000, towards whom the Government of Bucharest is bound to apply the régime of national minorities. The resolution proclaims on this point the complete solidarity of the Bulgarians of Bessarabia with those of the Dobruja and with the Macedonians, and also requests the more effective intervention of the Bulgarian Government in obtaining the removal of the sequestration imposed in virtue of the Peace Treaty on the property of Bessarabian Bulgarian subjects, who have always been loyal to Roumania.



Jerusalem, March 12.

Municipal Elections.

The registers of municipal voters throughout the country are now complete, subject to appeals. In Jerusalem Muslims, Jews and Christians are represented in the proportion of roughly five, four and three (Muslims 1,463, Jews 1,227, Christians 830). Thus, while the Jews number at least three-fifths of the population of the area, they can only be represented by a third of the municipal council. The elections will take place, probably, at the close of this month.

The Incident at Caesarea.

The very curious but notable incident at Caesarea is still *sub judice*. Mr. Wadia Bustani, a well-known Haifa lawyer, has made a considerable reputation for himself by his advocacy of the rights of semi-nomadic bedouin to their pastorage areas whenever the Government has sought to dispose otherwise of these lands by virtue of their being Crown property. Thus, in the distant days when Sir Herbert Samuel was High Commissioner, he succeeded in securing legal ownership for the neighbouring Arabs of certain lands near Beisan which it was fully intended should be allotted to Jewish settlement. Last month a great outcry went up throughout the entire Jewish Press because Mr. Bustani, with a band of bedouin, defied the local police and Jewish officials at Birret Caesarea by deliberately uprooting four thousand eucalyptus trees which had recently been planted by the P.I.C.A. (the Palestine Jewish Colonisation Association). This Jewish body had, through the local government authorities, been given a concession to this strip of land (almost entirely sand-dunes) for afforestation purposes, and they assumed that they would receive Government protection. And, actually, three days after the uprooting the Official Gazette proclaimed the area in question a "protected forest area." Mr. Bustani seems to be sure of some flaw in the Association's title sufficient to justify him in adopting these somewhat high-handed measures. He alleges that the local Government acted contrary to the wish or the instructions of the Colonial Office. Official investigation is proceeding. This is just another of the many substantial grievances being piled upon the back of the long-suffering Jews in their National Home. The Jews are execrating the Government because it has not put Mr. Bustani and his bedouin in prison, while the Arabs seem to be stirring themselves up to an "and shall Trelawney die" sort of attitude.

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Crime In Palestine.

The following official figures may be of interest in helping to place Palestine in the scale of civilisation. Crimes committed during 1926 numbered 19,061 (as compared with 19,701 in 1925; the total number of arrests was 32,068 (as compared with 36,642 in 1925: roughly five per cent. of the whole population); of these 14,690 were convicted. Inmates of jails in all Palestine were 1,660, of whom 1,393 had been convicted and 267 were awaiting trial; 24 are serving life sentences, while 267 are serving sentences of from 5 to 15 years. Of 971 crimes particularized as most prevalent in Palestine, there were 95 cases of murder and 56 of attempted murder, 61 cases of manslaughter and 94 of highway robbery; 43 cases of animal poisoning and 22 of bribery of Government officials.

CORRESPONDENCE

The columns of THE NEAR EAST AND INDIA are open for the discussion of subjects of general interest to its readers. The publication of such letters must not be taken, however, as indicating that the views expressed by the writers are those of THE NEAR EAST AND INDIA.

THE REAL SYRIAN.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—It is in the interest of truth and sound international understanding that I venture to claim your indulgence for a few lines in the columns of your paper.

In the Book Review section of THE NEAR EAST AND INDIA for January 27 was a review, entitled "Syria and the Syrians," the book recently written by Miss E. S. Stevens, about that country and its inhabitants. I have not read the book, but the extract of it you give initiated me into the spirit of the authoress and her main conclusions, with which I, both as a self-respecting Syrian, and an honest historian, thoroughly disagree.

At a time when the world, after the catastrophe of 1914, is striving towards a new system of international relations, calculated to secure peace, I think it is of the utmost importance that nations should try to know more about each other than they have previously done, in order to arrive at a fair degree of mutual understanding. To give false or superficial representations of the state of things in a country is the last thing that will conduce to the establishment of international goodwill, and this is exactly what a brilliant writer, paying a brief visit to a foreign country, is apt to do.

Europeans generally know very little about the East. I was in England three years, and I was often amazed at the haziness betrayed with regard to eastern matters by well-educated Englishmen, even at so eminent a centre of learning as Oxford University. Just say "The East" to an Englishman in England, and you touch a note of mystery. No distinctions of race and country are made: the East is one homogeneous whole, including all that is not European or American. Syria and China, Egypt and India, Mesopotamia and Sumatra, are all one and the same—the mysterious East, symbolised by laziness and polygamy. And this, as far as I can make out, is the impression one gathers from Miss Stevens' book. I cannot but think it supremely ironical, in view of recent events, that Syria should be described as a "Lotus-land of forgetfulness, where *tout passe, tout lasse*." Here we have in all its absurd exaggeration, the conventional European conception of the East, applied to Syria, whose inhabitants are perhaps the most energetic and enterprising people living on the shores of the Mediterranean.

I was once going for a car-trip round the Lebanon with the late Headmaster of Victoria College, Alexandria (Mr. C. R. Lias, King's College, Cambridge) and he could not but comment on the energy of the peasants that had furrowed the steep slope of the mountain into narrow strips of cultivable land. It is also a significant fact that, though the country has, for many generations, been open to foreign competition, the Syrians have managed to retain their economic independence.

That the Syrian has little national pride is true. He

has never had a keen sense of nationality, because the religious divisions of the country have prevented the formation of a patriotic sentiment. But if the Syrian has little national pride, he certainly has much individual pride and self-respect. And that shows that his lack of patriotism is not due to servility, but rather to peculiar conditions that have made him more of an individualist than of a patriot.

"The Syrian is ever an Asiatic," says Miss Stevens. Now, I do not know that it is a bad thing to be an Asiatic, but Miss Stevens evidently thinks so. To Europeans generally, the term "Asiatic" means five things: laziness, lack of initiative, sensuality, fanaticism and morbid conservatism. That this is what Miss Stevens means is evident from her describing the Syrian as "softly-living" and "fleshy," which is flagrantly untrue of the average middle-class Syrian and peasant. No softly-living fleshy men could have attained the degree of commercial prosperity that has been the lot of hundreds of Syrians in Egypt, America and other places, and that in the teeth of keen cosmopolitan competition.

But Miss Stevens' greatest mistake is to maintain that the Syrian is a mere imitator, and that the European culture he acquired does not penetrate below the skin. The question is not whether European culture is a good thing to acquire, but whether the Syrian who tries to acquire it succeeds or not. The educational experiment of Victoria College, Alexandria, furnishes excellent data for an estimate of the relative mentality of the Syrian, and his powers of assimilation. At that English School, where Europeans (British and Greeks) are amply represented, the Syrians, always in a minority, have maintained as high a standing, both mentally and morally, as the boys of any other nationality, and it is the opinion of both the late Headmaster (to whom I have already referred) and of the present Headmaster, Mr. R. W. G. Reed—both eminent and experienced educationists—that the Syrian has a remarkable capacity, not just for copying, but for really assimilating any sort of advanced culture, and making it a vital part of himself. When I last saw Mr. Reed, he said to me: "I want more Syrian boys in the school not only for their brains, but for the good tone they help to produce." This, surely, is not in accordance with the views of Miss Stevens, as expounded in her book, and it is the opinion of one, who after a long experience as a pedagogue in the Near East, is far better qualified to speak of the psychology of the Syrians, than a mere visitor to Syria, however brilliant and acute an observer she may be.

In conclusion I cannot do better than appeal to the testimony of the late Lord Cromer—of all Europeans, past and present, the greatest authority on such matters. In chapter xxxvi, Vol II of his book, "Modern Egypt," Lord Cromer says: "A high-class Syrian is an accomplished gentleman, whose manners and general behaviour admit of his being treated on a footing of perfect social equality by high-class Europeans. His intellectual level is also unquestionably high. He can do more than copy the European. He can understand why the European does what he does, and he is able to discuss with acuteness whether what is done is wisely or unwisely done. He is not by any means wanting in the logical faculty. It would, in a word, be wholly incorrect to say that he merely apes civilisation. It may be said with truth that he really is civilised."

I venture to suggest that Miss Stevens' experience has been neither extensive nor deep enough to warrant her in disputing the authority of the late Proconsul.—I am, etc.,

E. S. ATIYAH.

(B.A., Brasenose College, Oxford).

History Lecturer at the Gordon College, Khartoum.
March 8.

In a flying accident at Peshawar on March 12 an R.A.F. officer and two aircraftmen were killed. The machine was a Fairey III F. biplane attached to No. 60 (Bombing) Squadron. The pilot, Flying Officer R. O. Rigg (hon. Flight-Lieutenant), and two passengers, Leading Aircraftmen P. J. Sexton and W. J. Meaden, lost their lives.

FROM VENICE TO SCUTARI.

BY ARTHUR E. READE.

(Concluded.)

The plateau where Cettigne lies had at that time been turned into an armed camp. Belgrade's arm of occupation was in even greater evidence in Montenegro than in the other subject provinces, and one notes that the Triune Kingdom is held together by much the same ties as was the Dual Monarchy—with the difference, as a Dalmat said to me, that "then some of us were forcibly civilised against our will, now all of us are forcibly barbarised." However, that contrast does not of course quite apply to Montenegro in the same way as to the lately smiling civilisations of Dalmatia and Croatia. The Montenegrins—who once bore every man his rifle—still dressed in their national caps (black in mourning for the defeat of Kossovo and red for the bloodshed) and green or blue kilts, go unarmed, carrying an umbrella.

The old palace, where King Nikola used to sit outside the door giving audience to his subjects, lies deserted; inappropriate amid the universal squalor stand the former Legations of the Great Powers who had each vied with one another to impress the Montenegrins by the magnificence of their buildings. One has now been turned into a bank, the rest are mostly empty, except for the British, which became a Vice-Consulate in September, 1924. At the time of the writer's visit no other foreign State possessed a representative in Cettigne, though an Italian Consul was being talked of. In the Near East there are few pies in which either Great Britain or Italy will allow the other to have a finger alone. Among the Yugoslavs there were perceptible some curiosity and doubt on what business might be justifying the presence of a British agent in the annexed country.

The terror of the *Omladina* (the hooligan bands of young Serb nationalists) having performed its task, had just given way to the new policy of "pacification" by less sensational and more furtive methods of repression. Yet there has been no serious separatist movement in Montenegro for Belgrade to crush, and the military tyranny has been directed against the constitutional desire of the Montenegrins to have a voice themselves in the terms of their incorporation in the Kingdom of Serbs, Croats, and Slovenes. For the revival of Montenegro as an independent State would, it is generally recognised, be an anachronism without ethnographical justification. The

Montenegrins (excluding the Albanian populations they themselves annexed) are the same people, speaking the same language as the Serbs (to a much greater degree than the populations of the old Austrian provinces), and the reunion of the two people in a great Southern Slavia was always as much a Montenegrin as a Serbian aim.

To the passing traveller the modern Montenegrin may seem but the poorest of South-Eastern European peasant peoples, and that they probably are. But their history from the Battle of Kossovo down to the Great War also proves them to be—almost the whole male population—the fighting aristocracy of the Slavs in the Balkans. This indeed constituted no fair title to those Albanian lands which were subjected to Prince Nikola's yoke in satisfaction of Montenegrin claims to expansion. Nor is there adequate justification for the sentimental utterances of Gladstone, Montenegro's greatest champion, at a time when the ruler of the principality happened to find it advantageous to lend himself to be an instrument of British imperial policy: "In my deliberate opinion the traditions of Montenegro, now committed to His Highness as a sacred trust, exceed in glory those of Marathon and Thermopylæ, and all the war-traditions of the world." Nor yet can it be believed that Tennyson knew much about the sordid reality when he wrote:

They rose to where their sovran eagle sails,
They kept their faith, their freedom on the height,
Chaste, frugal, savage, armed by day and night

O smallest among peoples!—rough rock-throne
Of freedom!

—and so forth.

Discount all that (remembering that it did not avail to bring about a British intervention to save Montenegro when the need was only Montenegro's and no longer Britain's); find it hard as you may not to regard most of the Balkan Slavs as little but savages—with their history they could hardly be otherwise: still it remains the fact that the primitive spirit of the Montenegrin mountaineers will not be broken and that the only way of assuring their reconciliation to their position is that they should first recover the liberty to take up a junior partnership in the Yugoslav State as an act of their own free will.

In the 'bus coming up from the coast we met a young Serbian journalist, bound like us for Albania *via* Cettigne and Lake Scutari. He expressed great disapproval of my companion's choice in having with him a book by Miss Durham and he warned us very solemnly against her as being dangerously "anti-Serb"—whatever that might mean. The Balkans are like the Harmsworth Press: there is that nightmare atmosphere of recrimination and sensational allegation; everyone has to be labelled a "pro-" or an "anti-"; differences of opinion are considered adequately disposed of by an imputation of sordid motives to the adversary; it is treated as incredible that anyone should found their views on an independent consideration of the objective facts, and on that only, free of all nationalistic prejudices or propagandist intentions; no one ever thinks of reserving judgment with the frank admission of ignorance—everyone *must* be "pro-" or "anti-". (Till one reaches the *reductio ad absurdum* in the people of various nationalities who take up modern "philhellenism" to-day as a regular profession and devote their entire lives to explaining, excusing, justifying a single State.)

The Serbian journalist subsequently visited the British diplomatic authorities at Durrazzo and, so we learned, reported on us unfavourably.

Nevertheless, he agreed to share a Ford with us for the early morning journey from Cettigne to Rieka, whence a daily steamer services crosses Lake Scutari to Albania. It was not surprising to hear that the Yugoslav Government subsidised the service to the extent of two million dinars a year; the need was indicated by cobwebs growing over the winches!

The customs office at Rieka, standing in a handsome



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garden, appeared once to have been a substantial country house. There there occurred a thing that has never happened before in history and that, as far as I am concerned, shall never ever happen again: I made a truthful customs declaration.

Had we any gold? asked the official. By one of those psychological freaks of human nature, those sudden accesses of morality that overcome our common sense (for a moment only—but then the damage has been done), I admitted Mr. G.'s gold—the price of my typewriter.

Its export was forbidden unless I could produce a certificate of having declared its possession at the moment of my entry into the country. But this was impossible; at Cattaro a customs examination had been about to be conducted when the officials, learning our nationality, instantly apologised and begged us to proceed without any formalities.

No one could have been politer, even more distressed, than the Serbian soldier officiating as customs officer at Rieka when he heard the declaration; he hunted up the regulations, but could find no possible loophole.

What was to be done? The gold represented practically all the money that remained to my companion and myself, and there was no bank in Rieka where it could have been changed into paper.

Fortunately I was brought up on the Bible and remembered my Ananias in time so that when asked the amount of the gold I repaired the original mistake as far as possible by only declaring half. Still, it was most inconvenient. On inquiry at the local post office, we learned that the telephone was not working at so early an hour and we could not communicate with H.B.M.'s Consul at Cettigne, who had been extremely hospitable and might have been able to help us out of the difficulty. At last through the obliging efforts of our Serbian friend a local tradesman was induced to buy the gold, and after a little bargaining it was sorrowfully surrendered for such exchange as he was willing to offer—and it was lucky to get that.

A few weeks later I had an exactly opposite experience, for, crossing into Yugoslavia from Albania, the authorities were most punctilious in requesting a declaration of the money brought into the country, so as to save the risk of any difficulties on leaving, although my companion and I were then travelling under cover of a *laissez-passer* very kindly furnished to me by courtesy of the Serbian Minister to Albania; and, as it happened, at the point of the frontier where we recrossed into Albania the Serbian guards seemed as if petty customs were the last thing that they would think of worrying about, apart from the exemption conferred, as it was, by the *laissez-passer*.

In spite of all the delay at Rieka there was still plenty of time to wait on board before the departure of the steamer, for the local postman who had to bring the international mail was late in turning up. At last he arrived in a rowing boat, very out of breath, and chucked the mail on board, and we steamed away down the river to Lake Scutari.

At Vir Pazaar, the one port of call, passengers disembarked for lunch in a public-house so miserable and squalid that it might almost have been English. At luncheon a bony hand, with incredibly long black nails, gripped mine, and the inevitable returned emigrant from America introduced himself, a tall skeleton of a figure, an extremely important notability of Vir Pazaar—or so he implied and seemed to be from the recognition accorded him by others—and, as it turned out, an excellent fellow who had stood as an opposition candidate in the last elections. He regretted that we had not time to go for a drive in his Ford, but there was time for him to order a great many too many glasses of rakia in hurried succession; and he spoke much more freely than many dared to do of the methods by which the defeat of opposition candidates was brought about.

A considerable cargo of ginger beer had to be disposed of before the boat could proceed. As she was about to put off a military officer on the quay, spying my com-

panion and myself, held a hurried colloquy and then came leaping aboard to demand to see our papers. Poor fellow, I hope he was satisfied; he could certainly not read them, and a washing-book might well have been a British passport for all he knew. (As a matter of fact, I make a rule of never travelling without the book issued by the laundry I patronise in London; with the royal arms "by special appointment" embossed on the cover and plenty of visalike "Received's-with thanks" stamped inside, it is invaluable whenever one happens to mislay one's passport; indeed, I prefer to keep the latter safely locked up in my bag and just to have the washing-book handy in my pocket for ordinary occasions.)

And so we left the shores of that tragi-comic Kingdom of Serbs, Croats, and Slovenes which, if it is not meant to be a parody of Czardom, at least manages to seem as much like it as possible.

Now across the strange magnificence of the great Lake, where trees grow out of the water—Lord knows why—to the country which, so each traveller inevitably records, is the home of the handsomest men in the modern world, a people who have hardly yet emerged from their Illyrian wildness into the first glooms of a nascent civilisation and who have had the opportunity to change but little since Byron sang:

"Land of Albania! where Iskander rose,
Theme of the young, and beacon of the wise,
And he his namesake, whose oft-baffled foes
Shrunk from his deeds of chivalrous emprise:
Land of Albania! let me bend mine eyes
On thee, thou rugged nurse of savage men!
The cross descends, thy minarets arise,
And the pale crescent sparkles in the glen,
Through many a cypress grove within each city's ken."

We are at Skodra.

An official with a rifle slung across his shoulder comes to the waterside, catches the rope thrown to him, and, having hauled in the steamer and made it fast, himself proceeds to officiate as the sole customs and passport examiner.

My companion makes the most of a *laissez-passer* from the Albanian Legation in London, and says: "*Laissez-passer diplomatique*."

No one knows what it means, but all the other passengers shout "*Laissez-passer diplomatique*."

The loafers by the waterside shout "*Laissez-passer diplomatique*."

We scramble over a barge-load of coal, and land.

Colour and cartridge-belts everywhere—that is the first impression during the drive up from the port to the town.

Mr. Charles Blackburn Dunlop, railway engineer, who died last week at Ealing at the age of 84, was in 1872 appointed district engineer in H.E.H. the Nizam's Public Works Department, India. In 1884 he was transferred to the Nizam's Guaranteed State Railway Company.

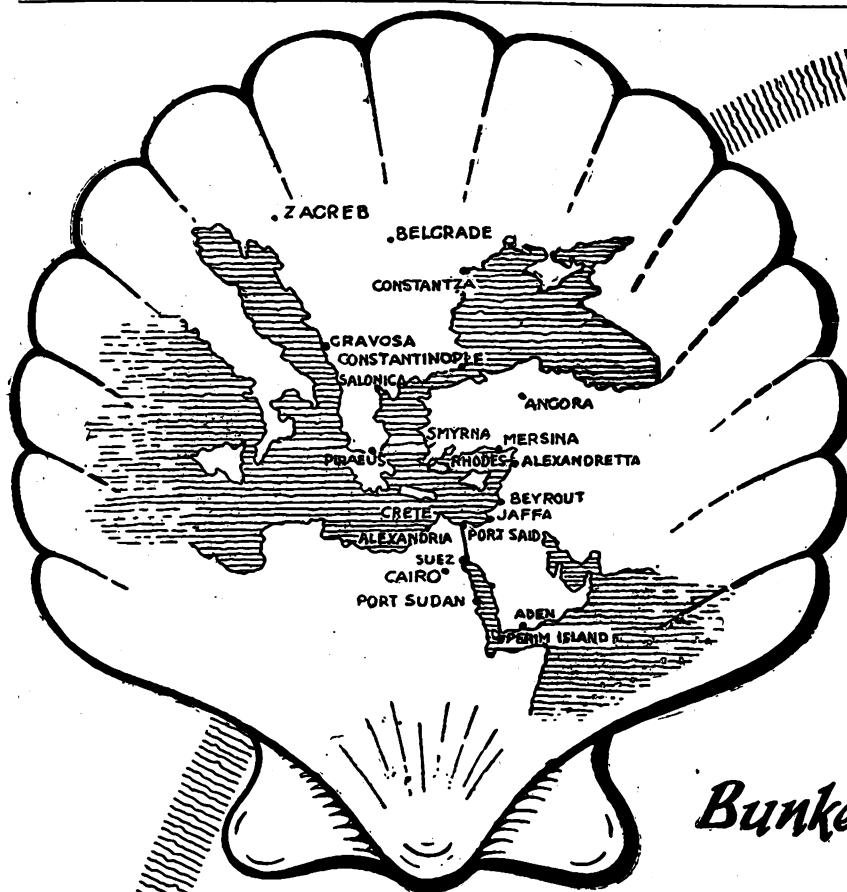
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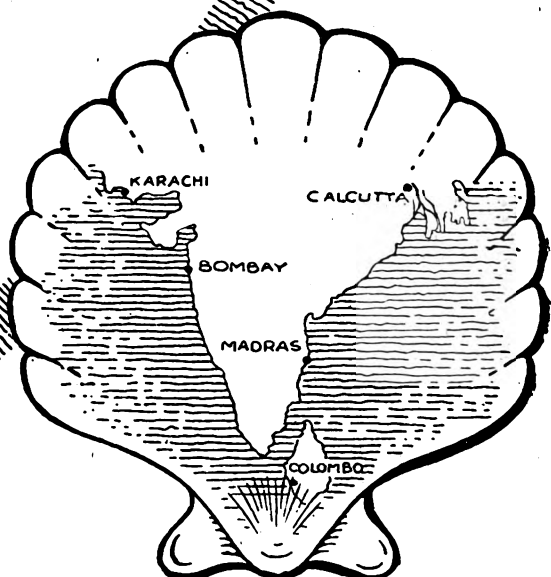
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PERSONAL AND GENERAL

TO-DAY

March 24, 1927 (New Style).

March 11, 1927 (Old Style).

Ramadhan 20, 1345, A.H., of the Muslim Calendar.

Adar II, 20, 5687, of the Jewish Calendar.

The Countess of Sefton has returned to 17, Hill Street, from India.

Sir Howard Frank, Bt., has returned to 5, Cheyne Walk from Egypt.

Lord Sinha of Raipur has been elected an honorary Bencher of Lincoln's Inn.

Sir Henry and Lady Bax-Ironside left 23, Grosvenor Place last week for the Continent.

The Marquis and Marchioness of Reading left 32, Curzon Street on March 18 for the country.

Mr. Clarmont P. Skrine, I.C.S., has been appointed British Consul at Seistan, in Northern Persia.

The Marquis and Marchioness of Linlithgow will return to 29, Chesham Place at the end of March from India.

Charlotte Lady Inverclyde, who has been staying at the Semiramis Hotel, Cairo, has left for a trip to Upper Egypt.

Lord and Lady Kinnaid, who have been staying at the Continental-Savoy Hotel, Cairo, have left there on a visit to Palestine.

Field-Marshal Sir William R. Birdwood has been elected to an honorary fellowship at Peterhouse, Cambridge.

The Earl and Countess of Airlie, who recently returned from a visit to Egypt, are in residence at Cortachy Castle, Forfarshire.

Colonel Sir Percival Marling, V.C., and Lady Marling, who have been travelling in Egypt and the Sudan, have returned to Stanley Park, Gloucestershire.

Sir Hugh Stephenson, Governor designate of Bihar and Orissa, and Lady Stephenson left London on March 17 for Marseilles to join the Maloja for India.

Major-General A. Solly-Flood, Colonel of the Prince of Wales's Volunteers (South Lancashire Regiment), left England on March 18 for India to take up the appointment of Deputy Adjutant-General at Army Headquarters there.

The King has approved the appointment of General Sir John P. du Cane, K.C.B., Aide-de-Camp General to his Majesty, to be Governor and Commander-in-Chief of Malta, in succession to the late General Sir Walter Congreve, V.C., K.C.B., M.V.O.

Major-General J. W. O'Dowda, C.B., C.S.I., C.M.G., last week took over the command of the Baluchistan District from Colonel Commandant F. W. Ramsay, who had been officiating in that command since Sir Hastings Anderson left India for London to become Quartermaster-General.

The death occurred last week at Nice of Prince Ibrahim Hilmy, the seventh son of the late Ismail Pasha, and brother of King Fuad of Egypt. He was educated in England and showed throughout his life marked admiration for Great Britain. Of late, in fact ever since his brother ascended the Egyptian Throne in 1917, he rarely appeared as a publicist, but whenever he did it was to emphasise the importance of England's connexion with Egypt.

Sir William Phillips and Sir Philip Grey-Egerton were among the passengers who left London on March 17 to join the Maloja at Marseilles for India.

The New Yugoslav Minister to Bulgaria, M. Neshitch, on March 17, handed to King Boris his letters of credence and the letters of recall to his predecessor, M. Rakitch.

Field-Marshal Lord Plumer, High Commissioner of Palestine, performed the ceremony of naming a De Havilland Hercules biplane employed on the Cairo-Basrah air rout "City of Jerusalem" at Kalendia aerodrome (near Ramallah) on March 18.

The Earl of Lytton, the retiring Governor of Bengal, is sailing from Calcutta for England on March 28. The Right Hon. Sir Stanley Jackson, the Governor-Elect, and the Hon. Lady Jackson are due to arrive in India on the same day.

Lieutenant-Colonel F. C. Shelmerdine, O.B.E., who recently went out to Egypt to act as the Air Ministry Superintendent for the Cairo-Karachi service, has been appointed new Director of Civil Aviation in India, under the scheme authorized by the Indian Government for the development of air routes in the East. Captain F. Tymm, M.C., a permanent Civil servant who joined the R.F.C. in 1917 and has been acting for years as senior technical assistant to Lieutenant-Colonel I. A. E. Edwards, the Chief technical adviser to the Director of Civil Aviation, has been appointed to succeed Colonel Shelmerdine in the post of Air Ministry Superintendent of the Cairo-Karachi civil air route.

THE ALBANIAN FRONTIER.

Our Tirana Correspondent, in a letter dated March 13, writes as follows:—"Report has it that events are preparing, in the North on the side of Scutari and on the East on the side of Dibra, two regions where rebellion is easily made. It is very probable that the political refugees who have found refuge in Yugoslavia are attempting to raise up a movement against the present Government. Nevertheless, the majority of Albanians favour the maintenance of order, all the more because troubles can give place to violent and dangerous actions on the part of Yugoslavia and Italy."

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Book Reviews

DISTORTED BUDDHISM.

"FURTHER DIALOGUES OF THE BUDDHA." Translated by Lord Chalmers, G.C.B. (Oxford University Press, 12s. 6d.)

The evolution of every organized religion is governed by the Law of Increasing Complexity, which buries the Founder's gospel under a mass of legends, speculations and survivals from anterior cults. This characteristic is most marked in Buddhism, which at its outset was an attempt to reform and simplify a vast body of pre-existent beliefs. The dialogues in the second volume of Lord Chalmers' translations from Pali MSS. show a wide divergence from the teachings of the royal sage. His attitude towards the Hindu pantheon was frankly agnostic; but in the *Sangarava-Sutta* he is represented as declaring:

Why, everyone of intelligence must come irresistibly to the conclusion that there are gods. . . . The world is loud in agreement that there are gods.

This assertion is on a par with the famous argument *quod semper, quod ubique, quod ab omnibus*, which was adduced by our old theologians in meeting objections to a favourite dogma. Although the Buddha invariably declined to satisfy his followers' curiosity regarding existence in the world of spirits, we find him expressing a positive opinion on this point in the *bala-pandita-sutta*:

At the body's dissolution after death, that wise man whose life has been so right in act, word and thought passes to a future state of bliss in heaven. Now heaven is all that is called pleasing, pleasant and agreeable—it is far from easy to picture the happiness of heaven.

The same *Sutta* enumerates the tortures of Purgatory in terms which are far more horrible than anything in Dante's *Inferno*, despite the fact that no trace of a Place of Probation can be found in primitive Buddhism. In its days, too, orthodox Hindus believed that dead men's souls were interrogated by a heavenly Judge, who decided their future fate after considering evidence regarding their conduct on earth. King Yama, who was probably an importation from the Egyptian pantheon, figures in these dialogues as addressing a sinner haled before him by the "Wardens of Purgatory" thus:

Through lack of resolution, my man, you have failed to conduct yourself aright in act, word and thought. Yes, my man, they will deal with you according to your lack of resolution. Your misdeeds were not committed by your parents, or by your brothers and sisters, or by your friends and kinsfolk; they were committed by none but yourself; and it is you yourself who will reap the fruits thereof.

Although King Yama's decision runs counter to the doctrine of Karma set forth by the Buddha, it must not be inferred that the author of these dialogues was an orthodox Hindu. In the *Madhura-Sutta* the sage Mahakaccana confutes the Brahmin's claim to superiority. Dialogues represent the Buddha himself as fulminating against pride of ancestry: and anticipating Burns's "The rank is but the guinea stamp" by affirming that "the station in which a man is born only determines his designation."

Lord Chalmers is the only European who has proved himself capable of elucidating the obscurities in these ancient Pali texts. His masterly translations will be appreciated by the small group of students who are grappling with the newly-born science of Comparative Religion.

F. H. S.

VAL D'ARNO.

"THE VALLEY OF ARMS." By Edward Hutton. (London: Constable, 21s. net.)

Mr. Edward Hutton has marvellously intimate knowledge of most of the countryside of Northern Italy and has been most generous in passing on this knowledge to others less favourably placed. He has a particular talent for doing so in beautiful English, and is always able to make the past history of the places which he describes live again before us. Also, his knowledge of Tuscan and Umbrian art is exceptionally wide and sympathetic.

So we naturally expect much from the delightful programme of a walking tour with Mr. Hutton along the entire course of the Arno, from its course in the Casentino to its mouth beyond Pisa. And we were not disappointed. Every page is full of interest, and we can imagine no more enjoyable occupation for a jaded man on holiday from the East than leisurely following our author down stream with this most satisfactory book. His enjoyment will be greatly enhanced by the interesting series of reproductions from old prints which illustrate the various places mentioned in the narrative. We should add that the book is very beautifully produced. The only fault which we have to find with it is a serious one—is the absence of any map.

C. S-W.

THE INDEPENDENCE OF AFGHANISTAN.

The Afghan Minister in London held a reception at the Legation on March 15 to celebrate the anniversary of the Independence of Afghanistan. Among those present were:—

The Spanish Ambassador, the Belgian Ambassador and Baroness Moncheur, the German Ambassador, the Italian Ambassador, the American Ambassador, the Turkish Ambassador, the Japanese Ambassador, the Portuguese Ambassador, the Austrian Minister, the Argentine Minister and Mme. de Mlle. de Uriburu, the Danish Minister and Countess Ahlefeldt Laurvig, the Estonian Minister, the Roumanian Minister, the Polish Minister, the Colombian Minister, the Greek Minister, the Bulgarian Minister and Mlle. Hadji-Mischief, the Lithuanian Minister, the Hungarian Minister, the Latvian Minister, the Czechoslovak Minister, the Cuban Minister and Mme. and Mlle. Patterson, the Yugoslav Minister, the Mexican Minister, the Finnish Minister, the Bolivian Minister, the Peruvian Minister, the Siamese Minister, the Chilean Minister, the Persian Minister, the Lberian Minister, the Nicaraguan Minister, the Chargés d'Affaires of Salvador, Albania, China, Egypt, and the Soviet Union, the Lord Mayor of London and the Lady Mayoress, Lady Beecham, Lord Danesfort, the Countess of Clancarty, Lord Clifford of Chudleigh, Sir Edward Boyle, Lord Headley, Mr. and Mrs. Amir Ali, Colonel and Mrs. Wedgwood, Sir Denison Ross, Lieutenant-Commander the Hon. J. M. and Mrs. Kenworthy, Professor Sir Thomas Arnold, Mr. O. W. Nicholson, M.P., Professor Toynbee, Captain C. F. Dixon Johnson, Mr. Hore Belisha, M.P., Captain E. N. Bennett, Sir Louis Dane, Count Bernstorff, Sir William Davison, M.P., Prince Reginald de Croy, Baron Jules Guillaume Graf Albrecht Bernstorff, Herr Ernest H. Ruter, General de Brigade Depres, Mr. Frederick A. Sterling, Kemal Bey, Orhan Halid Bey, Vedad Bey Ouchaky-Zade, the Turkish Consul, Mr. Isaburo Yoshida, Mr. Shu Tomii, Mr. Kikuji Yonezawa, Mr. Shoichi Kanki, Major-General Haushigo Ninomiya, Mr. J. B. Monck, Dr. Wilhelm Engerth, Herr Karl Zeibissen, Abdul Rahman Fikry Bey, M. Victor Braf, Mirza Ahmad Khan Ardeshir, Gholam Ali Khan Ardalani, Mirza Ali Khan Sheybany, M. D. V. Bogomolov, and Atta Amin Bey.

THE COURT OF EGYPT.

The Royal Egyptian Legation in London informs us that the Court of Egypt has gone into mourning for twenty-one days, as from March 15, on account of the death of His Highness Prince Ibrahim Hilmy, brother of His Majesty the King of Egypt.

The Receptions which were to have been held by the Egyptian Chargé d'Affaires at the Legation on March 25 and 26, in honour of the Anniversary of the King's Birthday, consequently will not take place.

HINDUSTANI SELF-TAUGHT

By Capt. C. A. THIMM.

Hindustani Text Revised by Professor J. F. Blumhardt, M.A., M.R.A.S.
Professor of Hindustani at the London University.

[In Romanized Characters.] Containing Alphabet and Pronunciation, Vocabularies, Idiomatic Phrases and Dialogues, Travel Talk, MILITARY, Legal, Religious, Commercial, Shooting and Fishing Terms, Indian Titles, Castes and Servants, Tables of Money, Weights and Measures, etc.

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TURKEY AND THE LEAGUE.

Under the heading of "The League of Nations and the Far East," the leading article of the *Milliet* of March 11, signed by Agha Oghlu Ahmed, provides a curious illustration of the Turk's attitude towards the League and, incidentally, his occasional reliance upon inaccurate information. We publish the following extracts:—

"The present meeting of the League of Nations is being conducted in strange, and as regards itself, in pitiable circumstances.

While the representatives of the Far Western Powers are hurrying to Geneva, the armed forces of those same Powers are facing the Chinese in the Far East.

This shows up the League in its true light, for England and China have been members of the League since its inception.

The fundamental idea of the League is to put a stop to disputes among its members, and peacefully to settle their quarrels by means of negotiation.

As a matter of fact the Chinese Government did request the League to carry out its rôle, for, as soon as the English began to send armed forces to Far Eastern waters, it protested to the League, and requested the latter to take action.

But when the British Government replied that "The Government of Great Britain does not consider that the League has any right to interfere," this seemed to the League to be sufficient to absolve it from doing its duty.

And thus at this very hour when Chamberlain, Briand, Streseman, Benesh, and the rest are talking of peace, universal disarmament, and international brotherhood, the armed forces of the countries represented by these statesmen, are taking up a position round Shanghai which very likely will lead to bloodshed.

This is the international comedy as well as tragedy. And how strange it is that the authors of both comedy and tragedy are also the actors.

Since powerful nations are able to refuse, when they wish, the mediation of the League and accept intervention only when it suits them, what have weak nations to gain by joining?

Whilst civilised humanity is trying in vain to answer this question, the comedy continues. Now, with Germany's entry these five Foreign Ministers on the Council are considering how they can best compel the silent majority to accept their views on universal peace and disarmament.

The tragedy occurs when the big ones do not come to an agreement.

No one knows whose fault this is or the merits of the case, and no one dares to raise the curtain of secrecy and seek the truth.

Eventually some one proposes the adjournment of the meeting, and each one, heaving a sigh of relief, goes his way.

This time, however, the Geneva meeting is being held in quite another atmosphere, that is, during such a crisis in the Far East, as has never yet arisen.

* * * * *

Though the foreign armies have been sent out, with the object of protecting the lives and property of their nationals, and are far from wishing to join any side, in reality they have been sent against the Southerners' wishes who demand the evacuation of Shanghai by the foreigners. If they are not able to remain passive spectators, but have to fight, what will happen? This case for the League of Nations will not be decided in open discussion, at any rate."

Professor Breasted opened the new scientific library of Egyptology at Thebes, near Luxor, on March 15.

NEWS IN BRIEF.

King Alexander returned to Belgrade on March 17 from Bucharest.

M. Souritch, Soviet Ambassador in Turkey, left Angora last week for Moscow.

M. Lapedatu, Roumanian Minister of Finance, resigned on March 19, General Averescu, the Prime Minister, temporarily taking his place.

Akounoff, one of the chief officials of the Soviet-Turkish Trade Corporation in Constantinople, who was recently arrested by the Turkish political police, was liberated on March 15.

Abdul Rashid, the Muslim who on December 23 last shot dead the Swami Shradhanand, a noted Hindu leader, was sentenced to death by Mr. Justice Johnston, Sessions Judge, in Delhi on March 14.

Miss Violet Cordery, who left England on February 9 on a world motor-tour, has reached India. She left Bombay on March 12, toured the Central Provinces and United Provinces, and proceeded thence to Calcutta.

The Soviet Government, through its Embassy in Rome, has presented a Note to the Italian Minister for Foreign Affairs protesting against the ratification by Italy of the Treaty of Paris of 1920 concerning Bessarabia.

The Persian Minister for Foreign Affairs was to have left Teheran on March 20 for Moscow to continue negotiations with the Soviet regarding a commercial treaty. The Shah left Teheran recently for a tour of the provinces.

Mr. Henry Hoyne Fox, F.R.I.B.A., of the Ardmay Hotel, Woburn Place, W.C., late of the Indian Public Works Department, and formerly Chief Architect for Burma, who died on October 21, intestate, left £2,468, with net personalty £411.

Colonel Charles Henry Tilson Marshall, late Indian Army, of Chester Place, Hyde Park, W., at one time Sessions Judge at Lahore, author of several works on Indian ornithology, who died on January 20, aged 85, left £6,254, with net personalty £5,555.

An Athens merchant has given a building, valued at 4,000,000 drachmæ (about £11,000), as headquarters for the Greek section of the Universal Union of Teachers, founded last year by Baron de Coubertin, which was inaugurated on March 18 in the presence of the founder and of M. Arghyros, Minister of Education.

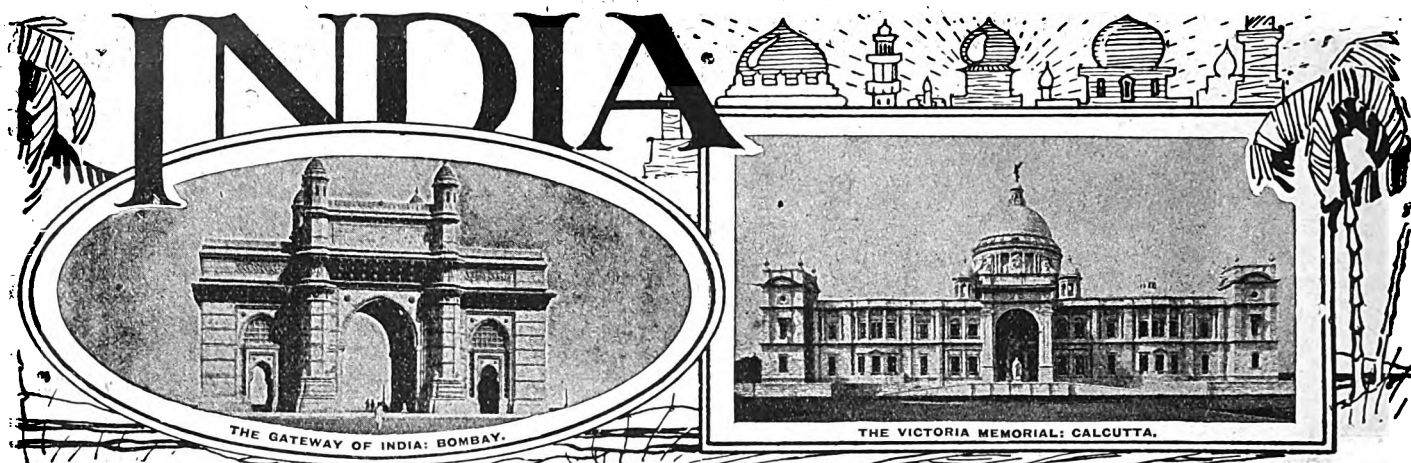
The Legislative Assembly at Delhi has voted a provision of Rs.8 lakhs (£60,000) for the preliminary work to be undertaken in the ensuing financial year for the construction of an India House for London on a site adjoining Bush House, Aldwych, W.C.2. The total cost is estimated at about £300,000 initial, and £15,600 recurring.

According to *The Times*, Dr. Edward Capps, Greek Professor at Princeton University, who has been collecting funds in the United States for excavations in front of the Acropolis, has communicated to the Greek Ministry of Education that he has completed the collection of the 500,000 dollars (£100,000) necessary for starting excavations at ancient Agora, and that he will arrive in Athens in June in order to sign the final contract for the start of the work.

A new series of pictorial stamps is in preparation for Palestine, with views of the Sea of Galilee, the Tower of David, Rachel's Tomb, and other Biblical scenes. This, says the *Daily Telegraph*, will bring the Palestine stamps in line with the scenic theme adopted by the French for the beautiful stamps issued in Syria, Lebanon, and the State of the Alaouites, although the British authorities are not likely to indulge in such a large variety of different designs.

The seven values of the Aerial post stamps of Albania, originally issued in 1925, have just been overprinted "Rep. Shqiptare," the native name for the Albanian Republic. The name on the original stamps read simply "shqiptare." The 1, 2, 5, 10, 25, and 30 quindar ordinary stamps bear the portrait of Ahmed Zogu, with the addition of a laurel wreath overprinted round the portrait, and with the President's initials, A. Z.

As a part of the jubilee celebrations of Wycliffe Hall, Oxford, the Summer Vacation Term of six weeks will be spent in Jerusalem, instead of at Oxford. The usual curriculum will be carried out, and daily services will be attended at the Cathedral, says *The Times*. The Bishop in Jerusalem, whose plan to establish a theological college at Jerusalem has been approved by the Central Advisory Council of Training for the Ministry, is actively co-operating in this scheme. It is proposed that those taking part shall leave London on July 17 and return on September 16. Expeditions will be made from Jerusalem, and about five days will be spent in Galilee. In addition to the ordinary term's fees, the inclusive cost will be £35 each. In order that no present or prospective member of Wycliffe Hall may be prevented from joining the party on financial grounds, a general fund has been formed. Contributions should be sent to the Chaplain, Wycliffe Hall, Oxford.



INDIAN BANKING.

Important and voluminous correspondence between the Government of India and the Managing Governors of the Imperial Bank has recently been published. The genesis of this correspondence was a resolution moved in the Council of State last year, referring to the report of the External Capital Committee and asking for an inquiry into Indian banking systems, which led the Government of India to address the Imperial Bank as well as the Provincial Governments—the former at length, the latter in search of their views regarding the advisability of a co-ordinated survey of banking in India and the method best suited to carry it out. The replies of the Local Governments to this inquiry are also published, at the same time as the correspondence with the Imperial Bank. These are practically unanimous in favour of the appointment of committees *ad hoc*: some favouring a single central committee, some favouring provincial committees, while some would prefer the preliminary appointment of special officers to collect the required statistics preparatory to their examination by a specially constituted body of experts. The only dissenting Government is that of the Punjab, whose recommendations only go as far as the convening of a meeting of representative bankers in order to ascertain their views as to the necessity and scope of a preliminary investigation; while the Bengal Government sounds a special note of warning against “any inquisitorial inquiries where such might be expected to be unwelcome.” Put shortly, therefore, the Local Governments’ recommendations are in favour of taking no action, though mostly obscured by the familiar expedient of the appointment of a Committee. This would, of course, entail a certain amount of expense: a difficulty which the Bombay Government proposes to get over, in the early stages of the inquiry, by the device of inviting experts to write comprehensive monographs, which should be forwarded to a Commission, to be examined by the latter in the light of oral evidence from bankers and business men.

The main points on which the Government of India invited the opinions of the Managing Governors of the Imperial Bank were the avoidance of undue competition with existing joint stock banks, the possibility of co-ordination with the indigenous banking system of the country, the advisability of creating new clearing houses, and the development of the habit of investment through such agencies as savings banks and Post Office cash certificates. So far as the published report of the correspondence shows, the Governors did not reply on the last of these points; but they replied at considerable length on the others. In the matter of competition with existing joint-stock banks, they explain that the result of the opening of branches of the Imperial Bank at places where such banks were already established has generally been an all-round drop in rates to a more reasonable level; and to that extent the existing banks have suffered by the competition of the Imperial Bank, whose policy, however, is not and never has been to drive out banks, with which it is

in competition, by reducing rates below a fair and reasonable level. As regards co-ordination with the indigenous banking system, the Governors say that the business carried on with indigenous bankers and money-lenders by the Imperial Bank is very considerable, and is one which it is its policy to encourage and develop. The Bank, they add, is desirous of encouraging the establishment of clearing houses, wherever possible, and the question is one which it has constantly before it. Clearing houses have already been established at Calcutta, Bombay, Madras, Rangoon, Cawnpore, Delhi, Lahore, Simla, Karachi and Ahmedabad, and the establishment of others at Amritsar, Rawalpindi and Peshawar will be undertaken as soon as the volume of business at these places justifies the step. The Governors point out that a clearing house is an arrangement between banks for mutual convenience, and its advantages to each one of them are so great that clearing houses are automatically established whenever the number of cheques dealt with is sufficient to justify their formation. But, at the same time, they draw attention to the fact that clearing houses are brought into existence as the result of the growth of the banking habit and the use of cheques by the public, and that they do not in themselves foster the banking habit, nor does their establishment tend to increase the public use of cheques. Finally, the Managing Governors informed the Government of India that they proposed to call a meeting of interested Banks for a general discussion of the formation of an Indian Institute of Bankers. This meeting would be held in Bombay, in preference to Calcutta, because it is in the former centre that most interest is being displayed in the movement to encourage an indigenous banking system.

The question of indigenous banking in India was discussed at some length in THE NEAR EAST AND INDIA just about a year ago. The conclusion then arrived at was that, in its pursuit of the object admitted on all sides to be of the most vital importance—the encouragement of the “small hoarder” to bank his hoard instead of burying it—the Government of India would be well advised to give every possible encouragement to the development, on sound lines, of the indigenous banking system. The Imperial Bank is necessarily not a disinterested witness in this matter; for the ideas of a great banking corporation, owning over a hundred branches all over India, as to what is a “fair and reasonable level of rates,” are most unlikely to coincide with those of a small local bank. The suggestion, quoted in the article referred to, that the work of the Imperial Bank should be confined to that of a “banker’s bank,” has gone by the board, because of the contemplated establishment of a Reserve Bank: and, in the future, the Imperial Bank will continue to compete with local and indigenous banks, though without the special handicap in its favour of being able to handle, free of interest, the Government balances averaging £15 millions. The Indian capitalist, no less than the European in India, feels the need of the great European banks whose soundness is above question: especially those whose management is in hands demonstrably safe, and not subject

to influences such as those that brought about the lamentable collapse of the Alliance Bank of Simla four years ago. But, if the Indian "small hoarder" is ever to be weaned from his uneconomic practices, it can only be through the development of the indigenous banking system: and it may be that the proposed Bankers' Institute will do something to bring this about. In any case, it may be hoped that the Government of India will proceed with their inquiries on the subject, and will not be deterred by the diplomatically veiled suggestions of the Provincial Governments in favour of doing nothing.

CURRENT TOPICS.

The Assembly and the Budget.

Though its attack on the eighteen-penny rupee has so far been a failure, the Legislative Assembly has succeeded in throwing out two very important items in the Budget—the grant for the Railway Board and the Army Estimates; with the necessary consequence of forcing the Viceroy to use his powers of "certification" in both cases. The Indian Railways have not had a very successful year, the budget estimate for 1926-27 having allowed for a net surplus of 871 lakhs of rupees, which has been reduced, on actuals, to 594 lakhs. This fact was of considerable assistance to the opposition when fighting the demand for the personnel of the Railway Board. The grant asked for appears to have been Rs. 943,900: and a Swarajist motion, for the reduction of the demand by Rs. 942,900, was carried by 59 votes to 52, all the three non-official Indian parties having combined to support it. The main argument relied on by the attackers was the familiar one of "breach of faith": it being asserted—though promptly denied—that Government had promised to fill the first vacancy, occurring in the Railway Board, by an Indian. What Government had in fact promised was that, when an opportunity occurred, the question of appointing an Indian on the Board would be considered; but this has characteristically been construed into a definite promise that an Indian would be appointed on the first opportunity: and the fact that a vacancy occurred last year, without the achievement of the desired result, has been condemned as the deliberate breach of a definite promise. In vain did Sir Charles Innes submit that, though the Indianisation of the higher railway posts had admittedly been belated, Indians were now coming to the top and would soon be capable of getting there: in vain did he appeal, in an unusually "purple passage," to the better feelings of members. As the attack developed, the argument strengthened that, since the Railways had had a poor year, this was due to the incapacity of the Board, and that its replacement by an Indian one was the best means of preventing future failures. This argument is aptly summarised by the *Bombay Chronicle*, which writes, "India wants the Railway Board to be composed of shrewd experienced business men who know how to control the railway policy, and Indians alone have the right to sit upon it. Indians have shown their capacity to manage and control large industrial and commercial undertakings, and there are many Indians available to-day to carry on the work of the Railway Board more efficiently than it is being carried on at present." This is a new variant on Kipling's theme of "The Little Tin Gods": nowadays, it would seem, it is no longer "because of the gold on his breeks," but because of the *khaddar* on his back and the Gandhi cap on his head, that a man is qualified to manage the Railways of States; though the other qualification still holds good—"because in all matters that deal not with Railways his knowledge is"—or possibly may be—"great."

The Army Vote.

The rejection of the grant for the Army Department was, no doubt, partly due to a cause similar to that on which the attack on the Railway Board was based—the slow progress of Indianisation. In this connexion, considerable stress

was laid on the failure of the Government of India to publish the "Indian Sandhurst" Committee's report, which was signed four months ago: and the defence, that this cannot be done until the orders of the Secretary of State, who is now considering it, are known, was brushed aside as irrelevant. What has given added force to this complaint is the fact, now officially admitted in the Assembly, that the candidates for appointment to the Indian Army were only about half the number of vacancies, last year: and the reasonable conclusion that, if young Englishmen refuse to offer themselves, exceptional measures must be taken to find suitable young Indians instead. But there was a greater cause for dissatisfaction than this, and one that will quite possibly be found, when the division list is available, to have influenced some of the non-official Europeans in the Assembly, as well as their Indian colleagues. In particular, it may be supposed that the "sharply-expressed" dissent of the Commander-in-Chief from the Inchcape Committee's opinion that 50 crores of rupees (£37½ millions) ought to be the future maximum of India's military expenditure, and the apparent acceptance by the Finance Member of the probable necessity for increased, so far from reduced, expenditure in the near future, had a powerful effect on the voting. It is to be remembered that, in cases of this sort, the Assembly is quite irresponsible. This is one of the necessary results of the diarchical system of government, and it is certainly a demoralising one. If the votes of the members could have any real effect, in cases such as this, they would be much more chary of recording them against the Government: as it is, their verdict is merely a gesture—an expression of opinion of which Government may, perhaps, take some notice, though it has no effect whatever on the actual facts of the position.

CALCUTTA LETTER.

(From Our Own Correspondent.)

Calcutta, March 3.

Self-Government in Bengal.

The 1929 Commission should not fail to take note of the results of a genuine attempt at self-government in Bengal, namely, the working of the Bengal Congress Committee. Since last week the two divisions in the Congress have descended to a discussion of their differences on the physical plane. Attempts were made to seize the headquarters premises, but thanks to an effectively organized defence the assault was defeated. The assaults were continued from day to day under the aegis of the police, be it noted; consequently hostilities never went beyond the stage of threatening attitudes, and the week's proceedings culminated yesterday in the Mayor of Calcutta marching to the scene of hostilities at the head of a procession which, finding the doors bolted, turned itself into a demonstration in the street below. The police are stated to have had the matter well in hand when suddenly a Brahmini bull appeared on the scene and mopped up the demonstrators effectively. They re-formed in an adjacent house, proceeded to elect a new Congress Committee and a new set of office-bearers, and in spite of a frantic telegram from the President of the All-India Congress, neither party is willing to give way. It is a pathetic fate for the party which C. R. Das left in possession of all the power and all the places.

The Rift within the Loot.

The Corporation elections are the nominal cause of the trouble in the Congress camp. At the time of writing last mail the rebels who are universally known as the "Big Five," had published their list of candidates for each ward; since then the so-called official Congress party have issued their list of candidates and, as a few independents have appeared, the result is that in nearly every ward in the Indian section of the city there will be three or more candidates for each seat. In a few wards the

sitting member has been allowed to pass unchallenged, in order that efforts may be concentrated where the fight will be the hardest. In such circumstances no one knows what is likely to happen, but Babu Bepin Chandra Pal in his weekly article says that possibly from six to ten seats may be won from the Swarajists. This would hardly be enough, even with a combination of the nominated members and all the others, to prevent the Swaraj Party from having a majority and, what is most important, all the patronage; for it is the latter which is at the root of the business. The Corporation has always been laughed at by those who demand efficiency first, but the difference in the quality of administration since the line of European Chairmen ended is the same as that which appears in any Indian concern in similar circumstances. Take away the ideal, and energy to seek to attain to it in the face of the heart-breaking discouragement, and you have the state of affairs which exists in the present Corporation; but this is far better than in the average Indian-run concern and to jeer at it is to jeer at the national genius, or lack of it, for management. The worst that an intelligent critic can say in regard to the present Corporation is that things have slowed up and that decisions are always delayed; the real objection of the malcontents is centred upon the fact that some one else has the patronage and some one's else friends and relations are getting the soft jobs. This is the real trouble and it is by no means peculiar to the city of Calcutta.

A Good Budget.

This week has seen the publication of the All-India Budget, one upon which Government can rightly congratulate itself. Sir Basil Blackett must be beloved of the gods as it falls to few officials to see the fruits of their labours so unmistakably and so rapidly; this is the fourth year in succession that he has been able to announce a substantial surplus. On the whole, the Budget has been well received and, in spite of the 200 motions which have been tabled in the Assembly for cuts to call attention to various grievances, the worst that the Extremists can say of it is that it is a rich man's Budget. The Government borrowing rate is down to 4.69 per cent. subject to tax, as against 6 per cent. tax free four years ago, and this will gradually be reflected throughout the whole of the business world and the money markets to their permanent improvement. To grumble because in such circumstances capital is being sent out of the country for investment is only to emphasise the success of the recent financial policy. The matter does not stop here, for one of the results of that policy is the fixing of the exchange ratio at one and six pence, and the one and fourpenny advocates are finding themselves in a very difficult situation after Sir Basil Blackett's speech. He announced that if their desires are acceded to, and the ratio is fixed at 1s. 4d., it will be necessary to face an immediate loss approaching four millions sterling with a consequent increase in taxation and withdrawal of all the remissions now proposed. The Currency debate is to take place in a few days and it would seem as if the Budget has finally deprived it of any practical significance. Lastly it may be mentioned that the withdrawal of the export tax on hides lowers the curtain on the attempt to wet-nurse the indigenous tanning industry; and the abolition of the one anna duty on each cheque is a real step towards educating the public in the use of Banks; where the unit of expenditure is a pie, say one-twelfth of a penny, an anna has a way of looking like a shilling to a Scot and in such circumstances it is not difficult to understand that the stamp on a cheque really frightens the cultivator!

Late Mails.

There has been an improvement in the delivery of the mails in the last two weeks, but there is still considerable dissatisfaction with the present state of affairs. Before the War home letters were delivered on Sunday morning, as a rule well before 8 o'clock; apparently the best that can be hoped for now is that the mail will be delivered nominally at 11.30 a.m., which in practice in the

residential areas usually means about 1 or 2 o'clock in the afternoon. The official attitude is that it is a matter of comparatively little importance if the Calcutta mail is delivered 5 or 6 hours later on a non-working day, but these 5 hours make all the difference in dealing with the mail in peace and finding it crowded over until the next day. It is an anomaly that in spite of the improvement in the ships of the mail service the mails should taken even longer to reach Calcutta from London now than they did before the War; that considerable improvements are possible is evinced by the fact that although the incoming mail steamer left Tilbury 100 hours late owing to fog, the mail will only be 38 hours late at Bombay, so that it has been possible to pick up 62 hours, or over 2½ days, on the journey. All credit to the P. and O. Company for this performance, but it only shows that there should not be the slightest difficulty in delivering the mail two days earlier than at present as a regular practice, and if a similar amount were saved on both journeys, Calcutta would be placed in the same position as Bombay and save a clear week in replying to urgent letters. Will the Steamship Companies wait until the Air Mail has deprived them of a portion of their monopoly before they move in the matter?

Men and Things.

The Steel Bill embodying the recommendations of the Tariff Committee, having passed the Assembly, has been considered by the Upper House this week, and after various amendments had been discussed and rejected the Bill was passed in its entirety. Tata's, and any new concern that may now care to cultivate the Indian steel field, can reckon on substantial benefits for the next seven years.

Unless we are being deceived by Reuter's the friends of Sir Stanley Jackson, the Governor-Elect—a poor substitute this for "F.S."—seem to have rather a pathetic faith in the efficacy of games as a weapon of Government; it may be very well to harp on "playing the game," if you are sure that the term means anything to the people at whom you are talking, but in a country where English is a foreign language, continual references of this kind, especially to the exclusion of everything else, are apt to lead to rather unfortunate misunderstandings.

No further news is to hand at the time of writing in regard to the communal disturbances near Barisal reported in this morning's papers; Muhammadan rioters here had to be dispersed by gun fire, leaving 15 dead and 30 to 40 wounded; this will not ease the communal situation.

There does not appear to be any appreciable change in the situation in regard to the strike on the Bengal-Nagpur Railway; at certain stations the men are reported to be returning to work, but these numbers seem to be more than made up by stoppages in other areas.

Mr. Saklatvala, the Communist M.P. belongs more particularly to Bombay than to any other part of India; he is a Parsee, and the Parsee rules the roost there, although he is as much a foreigner as the Briton. Unfortunately most of his countrymen are capitalists, and they have no use for communism or Saklatvala; this probably accounts for the fact that the Bombay Corporation has now finally decided not to follow the examples of the Corporations of Madras and Calcutta in presenting him with an address of welcome; it may be added also that one has yet to meet an Indian of any kind who thinks that he has been talking anything else but nonsense.

The Trivial Round.

Saturday was the last day of the Spring Meeting at headquarters and it was almost like a day of autumn rain at Home; the sky was completely overcast, and it was dull and almost cold. This may have affected the running of the horses, but certainly the public was not very fortunate in finding winners; the racing correspondents would have it also that the bookmakers were out of it, the only people benefiting by the results being "stable

connexions"; this kind of thing is getting a little monotonous.

The M.C.C. have finished their tour and are getting away with their colours flying; they have never really looked like being beaten, and they are leaving golden opinions behind them, it being universally agreed they are good sportsmen who play a forcing game, full of keenness from A to Z. Local cricket came to a light-hearted finish at the week-end.

The Hockey Leagues are now in full swing and both Calcutta and the Rangers have won all their matches; the former look like having a very strong team this year, as although they have lost many of the old hands the new men are particularly good.

There is keen interest taken here in Home Rugger; Ireland's victory over Scotland ought to open things up this year, and the chances of the former for the Championship would appear to be pretty good, to judge from the cabled accounts of the match.

The last Symphony Concert of the season took place on Sunday night at the Empire; once again the house was full and the evening finished up with a spirited and finished performance of Mozart's Jupiter Symphony, a fitting ending to a most successful season. Heifitz is giving two concerts this week, and the effect of the Symphony Orchestra's doings is seen in the fact that his "houses" are completely sold out.

The theatrical attraction of the week is a new party from Home who call themselves the "Joybells." It is really a good show on Co-Optimistic lines and it would appear that the suspension of the entertainment tax is encouraging some of the better young artists at Home to explore the possibilities of the East; the field is well worth cultivating by really competent workmen.

Markets.

Both the jute and gunny markets have shown an improvement during the past week, and prices in both cases are higher on balance. The demand for jute has mostly been for the lower grades, and sellers are now less inclined to do business, unless they can combine with it sales of the higher grades also. There has been a keener inquiry from the United States for hessians, especially for ready goods and sales have been made by mills up to March of next year, but mainly for small quantities. Business in the piece-goods market shows little change from that obtaining last week; there was a certain amount of excitement on the eve of the issue of the Budget on rumours that the import duty on piece-goods was to be raised; but, as this has since proved to be incorrect, the market has settled down again. The railway strike has had some effect on demand, but this is likely to be only of a temporary nature. The tea market in London has maintained the better tone of the previous week, and the sale here was satisfactory considering the poor quality of the tea on offer. The opinion is expressed here that the abolition of the export duty and the increase from 25 per cent. to 50 per cent. for taxation purposes will about cancel one another, but that it will give a slight advantage to sterling companies over rupee companies.

On the Stock Exchange, Government Securities have tended to give way further, but as it is generally expected that the tight money conditions at present prevailing will not last much longer, there is every probability of a reaction in the future. There are buyers of investment stocks at rates below the present quotations, but with sellers unwilling to lower their prices business has been on a small scale. The jute section has continued to be on the upward trend, and holders are thinking of their March dividends, which should be on a liberal scale, considering the excellent profits which the Mills have undoubtedly been making. With the exception of Bengal-Nagpur's, the cotton section has been dull; coals show little change on the week but shares in one or two of the best companies have changed hands at steady rates. Again this week, very few transactions have been reported in tea shares; but there has been a certain amount of inquiry for first-class shares without business being done owing to

the refusal of sellers to reduce their prices further. Rubbers have come in for rather more attention, and this may be expected to expand, bearing in mind the steadiness and, in fact, the hardening tendency of the raw material. In the miscellaneous market the chief feature has been the demand for sugar shares, almost all of which are on a higher level. Burn and Co., and Indian Iron and Steel shares have been readily absorbed and Bengal Telephone Ordinary have continued in request.

The Exchange market has been very dull, with little business passing either in bills or remittance; Ready T.T. closes at rs. 5½d. Money is in slightly less demand, and rates may be quoted 6 per cent. Short Notice, 5 per cent. One Month.

THE BOMBAY BUDGET.

The introduction of the Budget in the Bombay Legislative Council presented features of unusual interest. For the first time the financial portfolio in Bombay had been entrusted to an Indian. In fact, with a solitary exception in Bihar, we believe it was the first occasion on which an Indian had introduced a Budget anywhere in India. It would have been impossible to find anyone personally better fitted for so responsible a duty than Sir Chunilal Mehta. He had already proved his capacity for administration as a Member of Council in charge of other departments; he belongs to a well-known commercial family, and his father, Seth Vijbhukandas Atmaram, will be remembered by many of the older generation of Europeans as a Hindu merchant of the best type. Some piquancy also was added to the situation by the fact that a member of the same undivided family, Sir Parshottamdas Thakurdas, familiarly known to his friends as Nanabhai, is the bitterest critic of the policy of the Finance Member of the Government of India. Blood kinship is, however, not the only bond between the two knights. They could unite in criticism of the Government of India, though on different grounds. Sir Parshottamdas could attack the Government of India for its currency policy: while the Finance Member of the Government of Bombay lamented the inequitable treatment of that Government, as compared with other Provinces, by the flint-like heart of Sir Basil Blackett.

Everyone would have been glad, if Sir Chunilal could have introduced his first Budget in more auspicious circumstances. Unfortunately almost everything was against him. Owing to the refusal of the former Legislative Council to impose taxation, the Bombay Budget could not have balanced in the most favourable conditions. The conditions of the year, however, had been about as bad as was possible. The rains had failed throughout a great part of the Deccan and Carnatic. The black cloud of depression continued to hang over Bombay trade and industry. It had been accentuated by the failure of the Back Bay and kindred projects. The expenditure and interest on these projects hung like a dead weight round the neck of Bombay, with no fresh sources of revenue from which to meet them. Minor fields of revenue, such as Excise, had ceased to expand, in part at least through the policy of Government, while it had been necessary to increase expenditure on them. Although every effort had been made to reduce expenditure in general, the net result had been a cut of one lakh only. Other reductions had indeed been made, some to the starvation point, but the inevitable increase already referred to in the administration of departments such as Excise, had almost entirely swallowed up the economies so painfully effected.

The sad result was a deficiency of no less than one hundred and ninety lakhs, the effect of which would be to reduce the balances of the Presidency from 664 lakhs to 474 lakhs. Of this deficit, 75 lakhs were attributed to deficiency in Revenue, and 115 lakhs to the amount required to make up the payments for Capital and Debt Charges.

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on the Bombay Revenues appear from one fact in the Budget proposals. Quite apart from the Back Bay Scheme, the Government of Bombay had embarked on a most ambitious project of Suburban Development, the effect of which, if it had been successful, would appear to have been somewhat antagonistic to the scheme in Back Bay and in the North of the Island. But the project was not successful. It had involved the notification of a very large area of land, at a time when the boom was in full force. Government were under the legal obligation to pay for the land at the inflated rates prevalent at the time of notification, and an enormous loss, therefore, seemed inevitable. Fortunately the owners of most of the land were small agriculturists, extremely unwilling to part with their land even at high prices. It was, therefore, possible for Government to withdraw from a great part of the notifications. Even so, however, the Suburban Development Schemes presented a loss of 111 lakhs. For the "liquidation" of these unfortunate schemes, the Finance Member has been obliged to provide an annual "subsidy" of 7½ lakhs, in spite of the urgent need for economy, and the crying wants of other Departments.

No one can fail to commiserate with Sir Chunilal on the unfortunate situation in which he is placed, a situation for which he is in no way responsible, except in a very minor degree, as a member of the Bombay Government during the last few years. But regret must be equally inevitable that he has proposed to take arms so feebly against his sea of troubles. To put matters briefly, he seems to rely on three sources of relief. In the first place, he hopes for a recovery of trade and industrial prosperity. Secondly, he relies on measures of retrenchment, which he hopes will reduce the expenditure by 50 lakhs. Thirdly, he girds at the continual adherence of the Government of India to the Meston Settlement, and apparently hopes to move their hearts by the contemplation of the rapid depletion of the Bombay Balances. Now, to take these points in order, everyone hopes for, and indeed expects, a trade recovery. But, in place of assuming the attitude of Mr. Micawber, the prudent course would appear to be to raise revenue to meet the inevitable obligations: if prosperity returned, it would be easy to remove the additional burdens. Retrenchment is, indeed, desirable wherever it is possible. Excessive establishments must be guarded against with special care in Bombay, because it is sometimes pointed out by other Governments that the cost of administration *per caput* is larger in that Presidency than elsewhere. As Sir Chunilal showed, any attack on that ground is unfair. Bombay has a small territory compared with the other large Provinces: much of it is barren and thinly populated. It has at the same time a highly developed commercial position. The cost of living is high, and it is, therefore, necessary to pay high rates of pay and wages to all classes of its employees. It may be added that Bombay has taken an honourable lead in paying subordinate officers, particularly in the Judicial and Educational Departments, an adequate living wage. The cry of the Indian politician is, however, always for retrenchment at whatever ultimate cost. Sir Chunilal does not appear to be altogether free from the defect implicit in such a demand. A highly paid officer has been employed to suggest economies: but it does not appear from the Budget that these will take place in the lower ranks, where some economy both in numbers and rates of pay would appear possible.

In any case, when the police are admittedly insufficient in some parts of the Presidency, when urgently required buildings cannot be erected, when roads cannot be constructed, it may be doubted whether a reduction of fifty lakhs in expenditure can be regarded as a welcome remedy. But it is in his protests against the Meston Settlement that Sir Chunilal's proposals seem to fail, as a constructive measure, however much we in Bombay believe in the justice that underlies his complaints. The Meston Settlement is a bad makeshift arrangement, and it is unfortunate that one of the Provinces that is believed (at least in Bombay) to benefit by it is that with which Lord Meston was himself connected. To the Industrial Pro-

vinces, and particularly to a Province like Bombay which has, as already observed, a small territory and scanty population, the Settlement seems clearly unfair. It is believed that the Government of India have no admiration for the Settlement in itself. They accepted it because they had to work on some base, and they do not change it, because such a course would cause turmoil in every Secretariat in India. But the Government of India and Sir Basil Blackett in particular would probably maintain that they are trying to temper the wind to the lamb of Bombay, so cruelly affected by the shears of the Settlement. They have remitted 28 lakhs in the present year to Bombay. They propose to remit, temporarily in name but more probably permanently, the whole of the Provincial contributions. It is true that this does not affect the root of the Bombay contention. But it is at least as much as the Government of India is likely to do at present. Is it statesmanlike to hope that further depletion of balances will move them? If it does, is it not likely that every Province in India will follow the dangerous example?

A deficit such as exists in Bombay can only be met by taxation: but this unfortunately is exactly the remedy from which the Indian politician shrinks. Nor is the Bombay Legislative Council any exception to this general rule. The late Council refused to renew the increased stamp duties that had been imposed for two years. In every province, moreover, the Land Revenue, which is far more truly a rent levied for the use of State property than a tax, is the mainstay of the provincial finances. In Bombay, it is true, the Land Revenue is, for reasons already given, considerably less than in other Provinces. Relatively small as it is, it has been further reduced by the demand of the Legislative Council that further revisions of land assessments which have become time expired should not be introduced till the whole agricultural situation has been reviewed. Government, dependent on the votes of the representatives of the agricultural constituencies, has yielded to the demand.

It is obvious, as Sir Joseph Kay pointed out in the Budget debate, that no Government can live for long on its balances. The reluctance to impose fresh taxation to meet necessary developments, seems to be the rock on which the wisdom of Indian politicians is most likely to come to grief. It is a natural reluctance, but one that must be overcome if progress is to be made. It is disappointing to find that the first Indian Finance member makes no effort to surmount it by constructive proposals, but on the contrary appears to share it in full measure.

BOMBAY NOTES.

Sir Basil Blackett, no doubt, framed his remarkably prosperous Budget with the conscious intention of throwing out a challenge to the supporters of the sixteen-penny rupee; and indeed to any man whose convictions are not deeply founded on the rock of obstinacy, the Budget of 1927 seems rather a conclusive argument in favour of eighteen pence. Much has been given by the forces of Nature to assist Sir Basil. Sir Fleetwood Wilson years ago, in less happy times decried the Indian Budget as a gamble on the weather; and Sir Basil has five fat years behind him in putting forward his fourth Budget. But even so, the surplus and the general stability of Indian trade and finance are due in very large measure to the soundness of Sir Basil's methods and principles.

Out of the surplus, Bombay profits chiefly by the remission of the provincial contributions. Just how far the benefits will extend is not yet perfectly clear, but it is obvious that Bombay will no longer suffer under the burden of the Meston award; an award which has from the beginning been a quite legitimate grievance to all concerned with the finances of the Bombay Presidency. Even if some part of the contribution is still to stand,

it is clear that the grievance of an unfair distribution of the burden is to be removed.

The alteration in the taxation of tea affects Bombay very little. Apart from the interests of the Bombay Burmah Trading Corporation, there is, as far as I know, no company domiciled on this side of India which has any concern with tea planting. The Budget seems to have taken a step in the right direction, by removing a charge upon cost and substituting a charge upon profits. That is to say, the export duty of R. $\frac{1}{2}$ per hundred pounds is to be abolished, and income tax will in future be calculated on 50 per cent. instead of 25 per cent. of the profit. The alteration will be a slight advantage to struggling companies, and will make little or no difference to the more successful.

In case the calculation of income tax should be a little puzzling, it may be as well to explain that all profits from agriculture in India, being derived from land on which Land Revenue has been collected, are exempt from income tax. In the later years of the War, Government attempted to make an exception of tea, on the grounds that tea planting was more akin to industry than to agriculture. This was disputed, and it was eventually agreed that three-quarters of the profits should be deemed to have been derived from the exempted land, and the remaining one-quarter from the taxable factory. There is not so much logic about the new arrangement, but, though the planters would, perhaps, have preferred a less double-edged gift, it seems to provide a fairly equitable and satisfactory readjustment of the existing taxation.

While the years of Sir Basil's Ministry in India have been rich and prosperous, there can be no doubt that there is a general feeling that India's export trade is not exactly booming. I have no statistics at my elbow, and I may be proved, by somebody who has them, to be entirely wrong; but wheat is being imported and not exported, and something of the same kind is going on in cotton; which, in view of the present parity between Indian and American cotton is not wholly surprising. The cheapest Bombay cotton cannot at the moment be sold to the Continent below 7d. while middling American is 7½d.

This apparent falling off of exports makes many people a little doubtful whether the eighteen-penny rupee is quite as impregnable as it looks, and it is the strongest argument of those who genuinely believe that a lower ratio is to the advantage of India. Sir Basil has, however, shown that, whatever may be the ultimate outcome, Indian industry will at any rate benefit, as long as the rupee is maintained at rs. 6d. from the advantages of a light taxation. Indians, *fortunati nimium sua si bona norint*, are hardly qualified to appreciate the advantages enjoyed by their industries as compared with those which have to struggle under the burden of European taxation: and it is very doubtful to me whether even the Bombay cotton mills, which have most reason to fear the competition engendered by a rs. 6d. rupee, would be very much better off with the higher taxation of a one-and-fourpenny budget. To work out this problem through all its ramifications would be a very pretty exercise in political economy, and, given normal conditions, I am not at all sure what the answer would be. The answer of the malcontents, that conditions will never be normal under the eighteen-penny rupee, must be ruled out of court, for the simple reason that the Bombay mills were never so prosperous as when exchange was over two shillings.

When the currency Bill comes up in the Assembly, the voting is sure to be very close, with, probably, a small Government majority which will obviate the necessity of certification. But it seems to me quite certain that, whether the Bill has to be certified or not, Government will not let the rupee slip back again to one and four as long as it can be avoided. If a Budget has again to be introduced on the lower basis, it will be because the exports of India have definitely failed to stand up to eighteen pence, and, whatever may be your views of the theoretical rights and wrongs of exchange, you are not likely to find this Budget very exhilarating.

INDIAN MAIL.

Bin-shoots.

The visit of the Viceroy to Bikaner has drawn public attention in India towards the great canal scheme which will, when completed, turn a hopeless desert into fertile land. The Ganga Canal will be of immense value to the State, to which it is expected to bring in an annual revenue of 75 lakhs of rupees on a capital expenditure of 300 lakhs. The Canal is to be lined with concrete, in order to prevent waterlogging: and this is made from a sort of embryo limestone known as kankar, of which a great quarry exists at the Durbari-tank, near the famous shooting centre of Gajner. The kankar is loaded into trucks which are pushed by hand to the top of a railway cutting from where the kankar is shot into iron receptacles with trapdoors, overhanging the railway line within the cutting, and from these receptacles—which are called bin-shoots—into the railway trucks waiting below. Thereby hangs a tale, which the special correspondent of the *Pioneer* during the Viceroy's visit to Bikaner has rescued from oblivion, and is given here in his own words:

"Some time ago an earnest official at Whitehall had to deal with a request from Bikaner for sanctioning bin-shoots at Durbari Tank near Gajner. He was a most earnest, not to say conscientious official. He had dimly heard of Gajner's fame in producing grouse shoots and duck shoots; so he decided that it was not for him to inquire into the habits of the bin, even though he was mystified by the intrusion of another apparently shootable animal in the kankar which, in the dispatch, was closely allied to the bin. Specifications eventually arrived; but, by that time, the earnest official had been transferred or translated; so perhaps he still hopes to see the Zoological Gardens displaying the bin and the kankar in pleasant captivity."

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NOTES AND NEWS.

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Eastern Banking.

The reports of the three Indian banks are now available. Indian trade conditions during the past year were markedly unfavourable, the slack season being unusually prolonged, and it was only to be expected that the commercial movement should find some reflection in the returns of the banks. Two of them show a very slight falling off in profits, but the third which covers a wider field shows a fairly substantial increase in profits. Actually the net profits of the Chartered Bank of India Australia and China amounted to £778,576, an increase of roughly £22,400 on the previous year's figures, a result which must be regarded as particularly gratifying in view of the increasingly disturbed state of one of the spheres of the bank's operations. As a matter of fact, despite the troubles in China the trade of that country seems to have kept up remarkably well during the past year. The distribution of the Chartered Bank is maintained at the same level as for the previous year, and the carry forward is somewhat larger at £215,354 as compared with £209,278. The net profits of the National Bank of India at £534,316 are slightly below the previous year's figures, but for the past three years the variation in the profits has been very small. The proposed distribution is the same as before, and after the same allocations as for 1925 £255,401 remains to be carried forward as compared with £241,085. To these very satisfactory results must be added that of the Mercantile Bank of India, whose net profits of £250,782 are only slightly below those of 1925. The distribution of this institution is again the same and the carry forward is £160,667 as against £162,885.

Smyrna Aidin Railway Recovery.

A very favourable report is forthcoming from the Ottoman Railway from Smyrna to Aidin for the half-year ended December 31 last, the results obtained during that period having been the most satisfactory since the line was restored to full working order. There was an expansion in goods receipts of nearly 28 per cent., while there was a reduction in working expenditure of over 7 per cent., and there was a balance of receipts over expenditure of £136,120 as compared with £84,196 for the corresponding period of the previous year. The effect of this improvement has been that after meeting fixed charges it has been possible with the help of a small contribution from the interest reserve fund to meet the heavy debit balance brought forward. It is of interest to note that the company's results would have been even better but for the increased expenditure for coal owing to the strike here. Three-fifths of the coal used was from Youngouldak, and as is well known Turkish coal rose to a very high figure during the shortage.

The Sudan's Progress.

Elsewhere in these columns will be found a review of the trade of the Sudan in 1926. To some extent as we know the year was marked by considerable depression, and economic progress was hampered by the failure of the millet crop which led to the import on a large scale of this commodity which was an important item in the export list the previous year. Still, it was on the whole a period of consistent progress, and it is not a small thing in a time of falling prices that the volume of trade at £11,002,902 should show an increase of 11.9 on the

1925 figures. The development in cotton production was, of course, the outstanding feature of the year, and it is satisfactory to know that the great rise in output last year resulting from the completion of the Sennar Dam promises to be considerably increased in the present season. The Sudan has already reached the position of a producer of Sakellarides cotton that really counts in the English market, and as anyone who reads the Liverpool reports consistently will be aware Sudan Sakel is regarded in Lancashire with the greatest favour. There is now in sight the prospect of a steady expansion of the output of Sakel in the Sudan as a result of the development of the Gezira scheme, but if the Sudan is to render the fullest possible service to the cause of Empire cotton production it must also develop to the fullest extent the production of American cotton. Fair progress has been made in this direction, and the prospects for the cultivation of the American type in the Southern districts are undoubted, but the rapid development of its cultivation depends on transport and also on the price of cotton.

The Greek Refugee Loan.

In view of the fact that, as I pointed out last week, Greece intends shortly to approach the League of Nations for a further Refugee Loan it may be of interest to quote some figures from the thirteenth quarterly report of the Greek Refugee Settlement Commission which show the position with regard to the first loan. The ordinary service of the loan for the past year required 359,588,152 drachmæ, but the amount actually available was 2,143,332,004. At the end of last year the Commission had at its disposal a balance of £1,800,820, and it is anticipated that this sum will have been exhausted by the end of 1927 in the execution of the existing programme. As showing the success of the scheme for the settlement of the refugees and the valuable element that they promise to be in the country's economic position it may be noted that up to the end of 1926 £102,417 had been repaid by them of which £81,074 was in respect of last year, £40,072 being repaid in the last quarter of the year. Of the amounts thus recovered at least 75 per cent. is handed over to the International Financial Commission to be used for extra drawings half-yearly. On these facts, and provided that a state of stabilisation in regard to the country's finances is attained, it is evident that Greece will be able to make a very good case at Geneva for a further loan.

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Italy and Near East Markets.

On more than one occasion recently I have referred to the growth of Italian competition in the Near East markets, and this feature according to reports is tending to become more pronounced as time goes on. This competition, it may be pointed out, is being increasingly felt by the Manchester cotton goods trade, one reason for the Italian success being that the prices are considerably below those of the Manchester goods. In an exhibition of samples in this country some 200 samples of cotton piece-goods mainly manufactured in Italy and obtained in the Near East markets at low prices are on view, and afford a valuable object lesson as to the nature of the competition that Manchester manufacturers must expect to face in the future. This competition, it may be added, is particularly in evidence in Syria, and it is stated in a recent report of the British Consul General at Beyrout that buyers are regarding Italian products with increasing favour. They have made marked progress, he points out, at the expense of the British manufacturers especially as regards coloured woven cotton goods. Apart from the question of price there appear to be several reasons for Italy's progress in the market. The Consul General cites, for instance, the question of credit. While one or two-monthly credit is the maximum that is granted in respect of British goods. The Italian gives up to three months' credit. Then there is the question of catering for the market, and here Italy holds a great advantage for her commercial travellers frequently visit the country, and so Italian manufacturers are in a position to gauge the exact requirements of the market.

Turkish Petroleum Company.

A specially interesting development is the announcement that the Turkish Petroleum Company is proposing to increase its capital from £1,000,000 to £2,000,000. There is not, I imagine, any likelihood that this fore-shadows a public issue, for the additional capital will

doubtless be provided by the various holders of shares in the enterprise who are the Anglo-Persian Oil Company, the Royal Dutch Shell, a French concern, and Mr. C. S. Gulbenkian. It is reasonable to deduce from it that considerable optimism is now entertained as to the prospects of developing the Mosul oilfields and that news of the preliminary work when forthcoming will be of a satisfactory character.

The Rubber Position.

Nothing has occurred during the past week to discourage those who are looking forward to a reduction in the exportable quota on May 1 to 60 per cent. The price of the raw commodity has fluctuated round 1s. 8½d. per lb., but has so far not gone higher than 1s. 8½d., and the position now is that if an average price of 1s. 9d. is to be attained over the twelve months the price from now onwards must average only practically under 2s. Market developments during the past three weeks suggest that the advent of buying on a scale sufficient to raise the price by 3d. per lb. is extremely unlikely; indeed were one to judge solely by present conditions it might reasonably be assumed that when May 1 comes the price will not be much over 1s. 9d. It may, I think, be taken for granted that there will now be a reduction to 60 per cent., and if that proves to be the case, granted, of course, normal trade developments, the following quarter should see a considerable improvement in the price—how great will depend on the extent to which the demand for rubber causes a reduction of the large London stocks. So long as extensive inroads are not made into them there can be no question of really high prices for the commodity, and it is obvious that even if the reduction in stocks were to proceed at the rate of 1,000 tons a week it would take a good many weeks to make an appreciable difference in stocks which may conceivably by the end of the quarter be nearer 70,000 tons than 60,000 tons.

(Continued on page 356.)

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THE SUDAN'S TRADE IN 1926.

The statistics of the trade of the Sudan for 1926 are now available and show a very marked improvement on the figures for the previous year. There is an increase in the volume of trade of 11.9 per cent., while the exports, due to the great expansion of cotton growing, have increased by 28.2 per cent. The detailed figures are as follows:—

	1926. £E	1925. £E
Imports	5,574,401	5,437,727
Exports	4,876,236	3,801,348
Re-exports	314,269	367,016
Transit	237,996	225,811
Total	11,002,902	9,831,902

The value of the import trade apart from that through the frontier stations totalled £E5,319,699, an increase of £E200,720 on the 1926 figures. This rise was mainly in respect of Government imports, which showed an increase of £E175,996, the principal feature in the list being a rise in the imports of machinery from £E170,996 to £E291,065. The value of public imports was £E3,524,386, at which it shows only a small rise. The chief item in the list, cotton piece-goods, at £E818,953 is down by £E354,721, a development which reflects the adverse economic conditions which obtained in the Sudan during the year, but is also due to some extent to the fall in the price of piece-goods. It is interesting to note that of the ten items in the import list for which the details are given all but two show declines in the unit values, thus illustrating the fact that 1926 was a period of falling world prices. Tobacco, cigars, etc., rank second to cotton piece-goods in imports with £E243,658, which compares with £E255,465 for the previous year. Next comes tea with £E216,097, an increase of £E58,540, due to an increase in the imports of 361 tons and to a rise in prices.

Millet (dura) does not normally figure among the particularised items in the import list, but this time, owing to the partial failure of the home crop, the Sudan imported this commodity to the value of £E211,817 as compared with £E1,133 in 1925. There was also a substantial rise in the imports of wheat flour at £E185,679 as against £E138,374. Of the other features of the imports three may be mentioned. The imports of metals and metalware amounted to £E154,562 as against £E182,840, while those of machinery showed a sharp drop at £E83,322 as against £E142,438. On the other hand, the imports of motor cars, cycles, tyres, etc., increased from £E65,998 to £E88,900, a development which is likely to be much more pronounced in future years.

The outstanding aspect of the list of exports is the great expansion of trade in cotton. For 1925 the value of the cotton exports was £E1,646,102, but for 1926 it was £E2,845,702, Egyptian accounting for £E2,603,040, American for £E231,805, and Scarto for £E10,857. The increase is the more significant since cotton values for 1926 were considerably below those ruling in 1925. There was also a substantial rise in the exports of cotton seed. In 1925 13,939 tons were exported of the value of £E119,269, but in 1926 the exports totalled 39,639 tons of Egyptian of

the value of £E224,552 and 7,032 tons of American of the value of £E31,962. The trade in gum was fairly good during the year, and the value of the total exports was £E844,198 as against £E791,931. Sesame is third on the list of exports with £E257,866 as against £E213,866, while there was also a large increase in the value of the exports of hides and skins, the figures being £E126,665 as against £E98,299. There were some notable decreases in the export list, chief of which is dura, which, as already noted, had to be imported on a large scale. In 1925 25,961 tons of the value of £E220,636 were exported, but for 1926 the figures are 626 tons of the value of £E7,994. Then the value of the export of ground nuts was £E114,611 as against £E170,337, while other notable declines were experienced in ivory, £E39,651 as against £E69,849, sheep and goats £E27,510 as against £E44,351, cattle £E97,605 as against £E119,853, and dates £E47,556 as against £E56,170. The fall in prices in the import list has already been referred to, and it is interesting to note that the position is the same in regard to exports, only three of the commodities showing an increase in price. These were millet, dom-nuts, and hides and skins.

The following table shows the countries trading with the Sudan:—

	Imports. £E	Exports. £E
Great Britain	1,724,107	3,434,210
Egypt	1,381,984	585,197
British India	744,736	2,670
Japan	301,968	40,012
Italy	91,001	100,599
France	84,894	110,788
Germany	65,616	108,514
United States	46,348	296,456
Other countries	879,045	183,692
	£E5,319,699	4,862,138

Great Britain, it will be seen, is easily first as regards exports from the Sudan, and is also first in the import list by a considerable margin. Actually 70.6 per cent. of the country's exports went to Great Britain, while the Sudan took 32.4 per cent. of her imports from us. Egypt occupies the second place as regards exports and imports with respective percentages of 12 and 26, while America is third as regards exports from the Sudan with 6.1 per cent., British India occupying a similar position in the import table with 14 per cent.

THE HOLIDAY SEASON.

This year's late Easter, with the prospect of spring more advanced than usual for the holiday season, is bound to give a considerable impetus to travelling. How wide the field now is for those who would spend less than a month away from home is well shown by Messrs. Thos. Cook and Son's "Spring and Easter Holiday Arrangements, 1927." The book contains some 130 pages of organised holiday tours, ranging from a steamer trip on the Thames to Egypt and Palestine. A copy of the book, which has many attractive illustrations, may be had free from any of Messrs. Cook's Offices, and it is likely to prove a boon and a strong incentive to holiday plans.

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NOTES FROM BULGARIA.

(From Our Own Correspondent.)

Sofia, March 15.

Refugee Settlement.

The authorities dealing with the establishment of the refugees have drawn up a detailed plan regarding their establishment in the regions allocated to them which the latest decision of the Council of the League of Nations has notably enlarged by the permission given to restrict and even abolish completely the prohibited zone along the Greek frontier notably in the neighbourhood of the Maritza.

Already special inspectors have left Sofia to direct the works for the execution of this plan, the construction of houses for the refugees being impending in five departments. Further, engineers have been sent to inspect the old buildings available in order to learn which can be used at once and which need improvements and repairs. The work of drainage of the marshy regions in the neighbourhood of the Danube and the Black Sea is also about to commence.

The general plan, as outlined in the report of M. Charron, the Commissioner of the League of Nations for the establishment of the refugees, includes:—The census of the families to be helped, the nature of the assistance to be accorded to each family, the areas of land available as well as the extent of the works to be carried out for their improvement, and finally an approximate estimate of the cost of the establishment under each of the heads of expenditure. This plan will be published shortly in Bulgaria with the name of each family to be helped and the region of its establishment.

Here is a summary of the position:—

Number of families to be helped (not including 372 families whose establishment is still under consideration) ...		31,271
Approximate Expenditure (in levas)		
Existing houses	15,262	—
To be repaired	2,068	14,616,000
Houses to be constructed	16,019	480,270,000
Agricultural Material to be distributed—		
Ploughs	23,257	49,993,600
Harrows	7,645	49,993,600
Carts	19,758	88,911,000
Fishing Tackle	...	7,000,000
Cattle	28,564	171,384,000
Land Improvement—		
Survey	...	17,360,101
Clearing	...	100,392,590
Ploughing and tilling forest land	...	195,589,550
Draining the marshes (in the region of Bourgas and along the sides of the Danube)	...	95,575,000
Total	...	1,221,091,031

Certain expenses for which there is lacking as yet the data for even an approximate estimate have not been included in the above enumeration, works of a general

character for instance, for the development of the new villages to be constructed, as well as the cost of the Rakowsky-Mastanly railway; the estimates for this railway have not yet been finally settled. The cost of the free distribution of grain has not been estimated for lack of adequate indications.

For the expenses not yet estimated the statement given above leaves of the loan a disposable sum of about £430,000. On the other hand it has to be considered that if in regard to certain heads, the construction of houses, for example, the estimates may be exceeded, as regards others they are probably too high; the detailed survey of the land has not yet been carried out and in this uncertainty the improvement of an area has been estimated for which is probably greater than is actually necessary.

The plan for the establishment of the refugees provides for the following settlements:—442 families along the Greek frontier, 1,029 families along the Yugoslav frontier, and 579 families along the Roumanian frontier. The total area of the land dealt with in the plan amounts to about 175,000 hectares; it therefore exceeds the estimate in the protocol. It is a question of the lands at the disposal of the Agrarian Funds established by virtue of the law for agricultural reforms, after satisfaction in conformity with the laws of the needs of the local population who have no lands or are insufficiently endowed.

A part of this area cannot be utilised, either because the improvement of certain lands would involve too great expense, or because the situation of the lands is unsuitable for the creation of new settlements in the terms of the decisions of the Council. It has further to be remarked that the Department of Agrarian Funds has not been able to some extent to furnish exact indications as to the delimitation of these lands, the survey not being finished. But it is realised that in many cases the reality does not correspond with the estimates; certain areas are absolutely unfit for cultivation and others are already occupied. The margin which exists in the area allocated to the settlement will beyond doubt enable all contingencies to be met.

FORTHCOMING SAILINGS.

The following are the sailings for the Near East and India, the ports of departure and closing dates for cargo being given in parentheses:—

Anchor Line.—S.s. Castalia for Bombay (Birkenhead, April 7). (For passenger sailing and dates see advertisement.)

Anchor Brocklebank Line.—S.s. Imani for Port Said, Colombo, and Calcutta (Birkenhead, April 2); s.s. Mahsud for Port Said, Colombo, and Rangoon (Birkenhead, April 14).

Bibby Line.—S.s. Lancashire for Port Said, Colombo, and Rangoon (Birkenhead, April 6).

British India Line.—S.s. Domala for Bombay and Karachi (London, March 26); s.s. Gandara for Colombo, Madras, and Calcutta (London, March 26).

Cunard Line.—S.s. Tyria for Gibraltar, Malta, Patras, Piræus, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza, also Algiers and Volo if inducement offers (Liverpool, Glasgow, and Swansea, April 6); s.s. Brescia for Gibraltar, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Venice, Trieste, and Fiume, also at Corfu and Gruz and Ancona if inducement (Liverpool April 10, Swansea April 19).

Johnston Line.—S.s. Dromore for Piræus, Volo, Salonika, Bourgas, Varna, Constantza, Sulina, Galatz, and Braila (Liverpool, April 9).

P. and O. Line.—S.s. Razmak for Bombay (London, April 1); s.s. Nankin for Colombo, Madras, and Calcutta (London, April 2).

Prince Line.—S.s. Egyptian Prince for Tunis, Malta, Alexandria, Jaffa, Haifa, Beyrout, and Cyprus (London, March 30).

Ellerman and Papayanni Lines.—S.s. City of Oxford for Malta, Alexandria, Jaffa*, and Haifa* (Cardiff March 31, Liverpool April 6); s.s. Mardinian for Algiers*, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza (Liverpool April 2, Swansea April 2); s.s. Roumelian for Gibraltar, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Brindisi, Bari, Gravosa, Ancona*, Venice, Trieste, and Fiume* (Liverpool April 2, Swansea April 5); s.s. Bavarian for Gibraltar, Malta, Patras, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza (Liverpool April 2, Swansea April 2). * Subject to sufficient inducement.—Transshipments.—Algerian ports via Algiers; Moroccan ports via Gibraltar; Tripoli (Barbary) via Malta; Syria and Cyprus via Alexandria; Greek outports via Piræus or other convenient port; Fiume via Trieste.

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THE WEEK'S FINANCE.

(By Our Financial Expert.)

London, March 22.

The circumstances of the moment are not favourable for any pronounced movement or activity on the Stock Exchange. The monetary position, for one thing, is disappointing. When 1926 closed it was almost generally supposed that a reduction of Bank rate would take place within five or six weeks. But two and a half months have passed and cheaper money does not appear to be in sight. At the same time, the approach of the Budget compels attention. Experts in chorus declare that there will be no increase in the income tax. But obviously the position of the public finances is such that the Chancellor may well be considering possible sources of additional revenue. A substantial deficit for the financial year now closing is a certainty; a balance for next year is dependent on the Chancellor's attitude to the Sinking Fund. It is small wonder, therefore, that the market for tobacco shares took fright this week on the rumour of fresh budget imposition. Anyhow, everyone is glad that Budget day has been put a fortnight earlier than usual. The tension will be over before Easter.

The Small Capitalist.

Investigations recently undertaken by the *Economist* and other authorities have clearly revealed that a very large proportion of the industrial capital of this country is held in small amounts by an enormous number of small investors. At the meeting of the United Kingdom Provident Institution the Rt. Hon. Walter Runciman made a fresh contribution to this line of inquiry. Confining his attention to those forms of investment in which the share of the "small man" can be more definitely determined, such as Savings Bank deposits, National Savings Certificates, Building Societies, etc., Mr. Runciman produced an estimate of a present total of no less than £1,776 millions in the possession of those who may properly be called "small capitalists," mainly wage earners. The comparative figure for 1906 Mr. Runciman gave as £639 millions. Even allowing for the changes in the value of money, the increase in twenty years is amazing, and, in spite of the widespread unemployment and poverty, we may at least claim that immense progress has been made in the diffusion of wealth over the population of these islands.

Industrial Debentures.

To the investor who plays for safety the preference share has in recent years lost some of its attractions, for in a number of capital re-organisations the preference shareholder has been called upon to make sacrifices with the ordinary shareholder. In these circumstances, the cautious investor may be tempted to turn increasingly to debentures. It may, therefore, be useful to give a short list of industrial debentures.

The Peninsular and Oriental Steam Navigation Company's 5 per cent. debentures, redeemable 1930-1948, give a return of £5 4s. per cent. The 4 per cent. perpetual debentures of Guest, Keen, and Nettlefolds also yields £5 4s. per cent. The Eastern Telegraph Company's 4 per cent. perpetual debentures return £5 2s. per cent. The 5½ per cent. mortgage debenture stock of the Dunlop Rubber Company yields £5 10s. per cent. The Mond Nickel Company's 5½ per cent. debentures give a return of £5 8s. per cent. The 4 per cent. debentures of the Metropolitan Vickers Electrical Company yield £5 12s. per cent. The ordinary shares of these companies are receiving good dividends and in each case there exists a substantial amount of ordinary and/or preference stock.

TENDERS INVITED.

Tenders are invited for the following contracts, and must be made by the dates mentioned.

(Particulars of tenders marked D.O.T. are to be obtained from the Department of Overseas Trade, 55, Old Queen Street, S.W.)

EGYPT.

Map Printing Paper.—The Surveyor-General of Egypt invites tenders for the supply of approximately 3,000 reams of map printing paper. May 3. (D.O.T.)

Linen, Etc.—The Director of Stores, Ministry of Education, Sharia Kasr el Aini, Cairo, invites tenders for the supply of linen, table service, needle work materials, school materials and material for cleaning required for the school year 1927-1928. April 18.

Rails.—Tenders are invited by the Survey of Egypt, Giza, Mudiriya, for the supply of about 6,200 tons of rails. April 20. (D.O.T.)

Centrifugal Pump, Etc.—The Director-General of Prisons, 43, Sharia El Bustan, Cairo, invites tenders for the supply of high lift centrifugal pump, fire hydrants, chemical fire extinguishers and air-moistening machine required for the spinning machine workshop at Delta Barrage Prison, April 12.

PALESTINE.

Steam Launch.—A communication has been received by the Department of Overseas Trade from a firm of agents, importers, and distributors at Haifa, Palestine, who state that they have received an inquiry for a steam launch with a seating capacity for 50 persons and suitable for the landing of tourists at the port of Haifa. (D.O.T.)

BULGARIA.

Water Piping and Fittings.—The Bulgarian Ministry of Public Works invites tenders for the supply of water piping and fittings, either of cast iron or steel. April 5. (D.O.T.)

THE AGRICULTURAL BANK OF EGYPT.

Notice is hereby given that the TWENTY-FOURTH ORDINARY GENERAL MEETING of The Agricultural Bank of Egypt will be held at the Head Office of the Bank in Cairo, on Wednesday, the 13th April, 1927, at 4 o'clock p.m., for the purpose, among other things, of:—

- Receiving the directors' report.
- Receiving the auditor's report;
- Approving the accounts for the period ended 31st January, 1927;
- Declaration of dividends;
- Election of directors;
- Election of auditors and fixing their remuneration;
- And the transaction of the general business of the Ordinary General Meeting.

Every shareholder holding a minimum of five shares has the right to attend the General Meeting, provided the shares are deposited at least five days before the day of the Meeting (the last day for depositing the shares in London is the 2nd April, 1927), when cards of admission and proxy forms will be handed to them at one of the following places:—

In Egypt.—At the National Bank of Egypt, Cairo; at the National Bank of Egypt, Alexandria.

In London.—At the National Bank of Egypt, 6 and 7, King William Street, E.C.4.

B. HORNSBY, President

Cairo, 21st March, 1927.

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COLOMBO—Skrine & Co.
BEIRA—Beira Shipping Agency.
DELAGOA BAY—John T. Rennie & Sons.
DURBAN—Andrew Weir & Co.
EAST LONDON—Messrs. Dunn & Co.
PT. ELIZABETH—Mackie, Dunn & Co.

MOSSEL BAY—Messrs. E. Searle & Co.
CAPE TOWN—Thomson, Watson & Co.
HONG KONG—The Bank Line, Ltd.
BANGKOK—Siam Forest Co., Ltd.
SINGAPORE—Hattenbach Bros. & Co.
MAURITIUS—Adam & Co.

LONDON—ANDREW WEIR & CO., 21, Bury Street, E.C.3.

BRITISH CHAMBER OF COMMERCE OF TURKEY.

Annual General Meeting.

At the annual general meeting of the British Chamber of Commerce of Turkey, held recently at Constantinople, H.M. Ambassador to Turkey, Sir George Clerk, K.C.M.G., C.B., the Honorary President of the Chamber, occupied the Chair.

Mr. F. Douglas-Watson, the Chairman of the Council, in his address, said:—We have had a chequered year. At one time it looked as if there would be no more meetings of the British Chamber of Commerce in Constantinople. The whole story of what seemed to be at the time an attempt on the part of the authorities to abolish this Chamber is contained in the Journal and I have no doubt you have all read it. That danger seems to have passed, at any rate up till now we have heard no more of it.

In common with other foreigners in this city we are all more or less upset at the moment with these new laws about the exclusive use of the Turkish language, about the new taxes which have been imposed and which rumour says are still to be imposed, about the Commercial Code which threatens to upset the arrangements of many establishments, both foreign and native, and about the institution of what appears to be an inexhaustible list of State Monopolies: tobacco, spirits, matches, sugar, petrol, the Port Authority. Telephones, of course, one can understand—that is another matter—but when it comes down to chimney-sweeping and hats being added, not to mention a monopoly of Chambers of Commerce, which everybody must join, it is really serious. However, we continue to exist, and I fancy that whatever inconveniences such things may cause us we shall so continue.

It is undeniable, however, that at the present time trade in general is not improving and that in many branches it is dwindling. The calling rate of subscribers to a telephone system can generally be taken as a very fair barometer of trade activity. I am in a position to tell you that up to a year ago the rate of calls in this city was steadily increasing. About ten months ago the calls of subscribers began to decrease and the rate of calls has steadily diminished from week to week ever since.

I would like to say a word upon another subject which is not closely connected with business, although there is a business side to it. My predecessor, Mr. Middleton Edwards referred to it, I think, in his speech last year, viz., the English High School for Boys. It is something of a reproach to us that so little should be done in this town for the advancement of the English language, and it is to be regretted that the school is no longer in receipt of any financial assistance from the British Government. There is such a marked contrast between the way this question is handled here by ourselves and by other nationalities as to make us feel humiliated when we think

of it. There are, I think, apart from the American Schools, all told, only three schools where the English language is the medium of instruction, while there are dozens of German, French, and Italian Schools. I cannot presume even to suggest what would be an effective answer by ourselves or our Government to this state of affairs. It is quite understandable how, placed as we are at home, with a crushing National Debt and oppressive taxation, any Government would hesitate to add even £500 per annum to its Budget for an object not absolutely necessary, but I cannot refrain from expressing the opinion that, while the necessity for something of the kind may not be apparent to our politicians, the absence of any such supports puts an additional obstacle in the way of the advancement of British interests here and British trade. Neither numerically nor financially is the British Community of Constantinople a very important section of the population, and in supporting as we do the British Schools that we have, I think we are doing all that can be reasonably expected. My immediate object in mentioning the question now is to suggest that should there be any danger whatever of any one of these schools shutting down for lack of funds, in addition to opening our purses ourselves somewhat wider than we do now, we should as a Chamber make a strong appeal through our Ambassador to the Government that some help should be forthcoming from that quarter.

The question of the payment of claims made by a large number of British subjects here for damage done to property during the War still drags its weary length along. There were indications given recently that a further payment was about to be made, but, so far as I know up to this present hour, these promises have not materialised and I take this opportunity of repeating what has been so often said in this place before, that it is little short of a scandal that, for one reason or another, eight years after the Great War has finished, and twelve years after the damage was done, many of our citizens in this town are suffering serious financial difficulty in consequence, although there is money available to relieve them.

The Floating Exhibition which was organised by the Turkish Government seems to have been well received wherever it went, and no doubt it has made a good impression, the effects of which will continue for a long time to come. There was some talk several years ago of a similar thing being done by our people at Home, but apparently the idea did not catch on and we have heard no more about it. It is a pity that the Department of Overseas Trade do not do something of this kind. Trade Exhibitions at Home no doubt do a lot of good, but we can hardly expect all our prospective customers to come from all over the world to Great Britain to see what they can buy from us. The Turkish method of sending samples into the countries of their respective customers seems more practical.

Sir George Clerk, who then addressed the meeting,

FOREIGN EXCHANGES.

Country.	Method of Quoting.	Parity of Exchange.	Latest Quotations.
Alexandria.....	Piastre to £	97½	97½
Athens	Drachmæ to £ ...	25.22½	376
Belgrade.....	Dinars to £	25.22½	277
Berlin	Marks to £	20.43	20.46½
Berne	Francs to £.....	25.22½	25.25½
Bombay	Sterling to Rupee	24d.	17—61/64—63/64
Brussels	Belga to £.....	35	34.93½
Bucharest	Lei to £	25.22½	817½
Budapest	Pen to £	27.82	27.83½
Calcutta	Sterling to Rupee	24d.	17 61/64—63/64
Constantinople	Piastres to £	110	960—975
New York	Dollars to £	4.86 2-3	4.85 5/18—11/16
Paris	Francs to £.....	25.22½	124
Prague	Kronen to £.....	24.02	164
Rome	Lire to £	25.22½	107½
Sofia	Leva to £	25.22½	670—675
Teheran	Krans to £	50½	50½
Vienne	Sch to £	34.56½	34.50—34.55
Warsaw	Zloty to £	25.22½	43—44

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said:—One point, on the credit side as regards the position in Turkey itself, but possibly on the debit side in the general estimate of British trade, is that the difficulties which you have to face are not all the result of local conditions. Were you working in Tierra del Fuego or Timbuctoo they would hit you just the same. The world has not recovered, and will not for a long time recover, from the effects of the War, and those effects have nowhere been more hardly felt than in the British Empire. Strikes, cost of living and of raw materials, and so on, are all too familiar to you. But beyond that, dare I wonder whether the British manufacturer has even yet learn the lesson? Is he not sometimes still living in those happy Early-Victorian days when British products ruled supreme, and if the misguided foreigner did not choose to take them, the loss was his, and he could jolly well leave them? I may be wrong, but I have a sort of feeling that a little more enterprise and a little more adaptability on the part of our manufacturers might help our trade and commerce here. The sort of thing I have in mind is that Turkey is an agricultural country and there *must* therefore be a market for agricultural machinery. I know the competition is severe and I know that the question of payment is not easy. But I also know that before the War a British firm of that kind was able to hold its own in the heart of Germany, in the face of the most strenuous local competition, with all the advantages of support from the German Government. Is it fantastic to imagine representatives of British agricultural machinery interests getting into touch with the Ministry of Agriculture here, demonstrating the efficiency of the British machines, and working out methods whereby the Turkish Government could assist the Turkish farmer to purchase them? I believe that some of you have already tried to introduce our agricultural machines into this country, but my point is that it is for the manufacturer himself to study the market, or at least, to adapt his wares to meet the condition of which you, the local experts, advise him. Of course, this would entail a certain expenditure and might not succeed, but there is the market, and the question is whether we are going to acquiesce in its remaining closed to our products without a struggle.

Your Chairman produced some unhappy figures showing the serious diminution of tonnage, and of British tonnage in particular, at Constantinople. I should like to know how much of this is due to the general diminution of trade, especially of British trade, and how much to the drying up of the Black Sea. Constantinople will not recover her former rank among the great ports of the world until Russian commerce again becomes normal. This may not be for years, but it is inevitable, and is one of the considerations which I should put on the credit side if I were making up my outlook for the future.

Roumania's customs duties in 1926 gave a yield of 8,771 million lei, as compared with 7,527 millions in 1925. The import duties produced 4,446 millions, the export duties 3,981 millions, and miscellaneous duties 644 millions.

COMPANY NOTES AND REPORTS.

CHARTERED BANK OF INDIA.

The report of the Chartered Bank of India, Australia and China for the year ended December 31 last shows a net profit of £987,854 inclusive of £209,278 brought forward from the previous year. The interim dividend at the rate of 14 per cent. per annum paid in September last absorbed £210,000. The amount now available is therefore £777,854 and the directors propose to pay a final dividend at the rate of 14 per cent. per annum together with a bonus of 6s. 3d. per share, making 20½ per cent. per annum for the year, free of income tax; to add £25,000 to the officers' pension fund; to write off premises account £40,000; to set aside £100,000 on account of contingencies and to carry forward the balance of £215,354.

NATIONAL BANK OF INDIA.

The report of the National Bank of India for the year ended December 31 last states that the net profits for the year amount to £534,316, and adding £241,085 brought forward, the available total is £775,401. An *ad interim* dividend at the rate of 20 per cent. per annum, free of income tax, was paid on September 15 last, amounting to £200,000. The directors now recommend a further dividend at the same rate, and an addition of £50,000 to the reserve fund, raising it to £2,000,000. They propose to write £30,000 off house property account and to add £40,000 to the officers' pension fund, leaving a balance of £255,401 to be carried forward. A branch of the bank was opened at Eldoret, Kenya Colony, on November 1.

A general census was taken in Bulgaria on December 31, 1926, according to which it is estimated that the present population of Bulgaria is 5,460,000, as compared with 4,847,000 in 1920, an increase of 12.80 per cent. in six years. Urban population increased by 16.98 per cent, pointing to a tendency to concentrate in the cities. Bourgas showed the most rapid advance, with an increase of 42.2 per cent., while Sofia showed a gain of 38.4 per cent.

The British Consul at Muscat in his report on the trade of Muscat for 1925-26 states that the total value was £673,817 as compared with £612,883 in 1924-25, an increase of £60,934, or about 10 per cent. Of this amount £447,910 represented imports and £225,907 exports. Rice, sugar, and piece-goods were the chief imports, while the exports included dry sardines and dry and wet dates. Most of the imports came from India, £394,839, while Persia and the United Kingdom provided £17,046 and £12,333 respectively. Indian with £175,164, and the United States with £26,425 were the principal countries importing goods from Muscat.

The Court of Appeal, consisting of Lords Justices Bankes, Scrutton, and Atkin, by a reserved judgment delivered recently decided that Mr. Khalil Jebara, of Princess Street, Manchester, was entitled not to the judgment of £4,366 awarded by Mr. Justice Rowlatt against the Ottoman Bank in a case relating to pre-War shipments of Manchester goods to Beyrout, but to judgment for damages which in default of agreement will have to be assessed.

In the current report of the Central Economic Board of the Sudan Government it is stated that cotton picking was in full swing on the Gezira Irrigation Scheme throughout the greater part of January. The amount picked at the end of the month was 1.16 kantars per feddan as against 1.21 kantars in the previous season. There has been of course considerable variation between the blocks, the maximum being 1.70 for the Radma and the minimum .64 for Abdel Rahman. The pickings at the end of January do not, however, give much indication of the relative yield of one block and another as the worst cotton is rather apt to open before the better. The ginning factories are working well and the daily output is 800 bales, giving, with the resultant seed, considerably over a train load a day.

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NOTES AND NEWS.

(Continued from page 350.)

It is, it must be admitted, an interesting position, and one in regard to which speculation is futile in default of knowing what the American manufacturers will do for they really hold the key to the problem.

British Chamber of Commerce of Turkey.

Reference is made in the report of the British Chamber of Commerce of Turkey to the decline in the membership of that body despite special efforts during the year (which were very successful) to enlist members locally. During the year 41 new members were elected, but there were, on the other hand, 65 resignations, so that there was a net loss of 24. The membership on January 1 last was 367 as compared with 391 a year ago, 415 on January 1, 1925, 514 on January 1, 1924, and the highest figure so far recorded 633 for 1921. The figures show very plainly that the Chamber is not receiving the full support of the British community in Turkey and of British firms who wish to develop trade with that region, and in this respect the experience of the Chamber is by no means unique in the annals of British Chambers of Commerce. The British Chamber of Commerce of Turkey has done much to further the interests of our traders, and it may be trusted that the recognition of that fact will lead to greater support by British firms interested in that part of the world.

COMMENTATOR.

SUDAN DATE CROP.

The following is taken from the report of the Central Economic Board of the Sudan Government:—

Halfa Province.—The crop of each district, or rather that portion of the crops which is visible to the merchants at Wadi Halfa is as follows, in sacks of approximately 140 kilos:—Wadi Halfa 6,000; Mahas 9,000; Sukkot 12,000; total 27,000. This leaves out of account the quantities consumed locally, and amounts exported South to the Sudan from Southern Mahas, via Kareima.

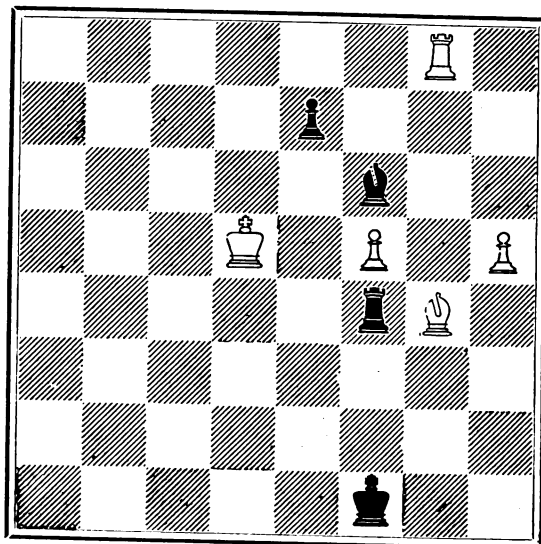
The crop generally is reported to be 30 per cent. larger than the previous year in Sukkot and Mahas, and 15 per cent. larger in Wadi Halfa District. It is reported to be a good crop, but dates are small and it is said that for the first time barakawi dates of Dongola Province are both larger and finer and fetch a better price than Sukkot barakawi. Prices actually received by the natives in cash for barakawi dates in each district were (per sack of approximately 140 kilos.) Sukkot P.T.150, Makas P.T.130, Wadi Halfa P.T.145.

Motor cars, agricultural machinery, and wireless apparatus will be among the exhibits at the Zagreb Trade Fair which is to be held in May.

The value of the trade passing through the Sudan frontier stations in 1926 was £E381,163, as compared with £E427,031 for 1925. Of the imports Abyssinia was responsible for £E238,521, Eritrea for £E15,381, the Congo for £E759 and Uganda for £E41. The Sudan's exports to Abyssinia totalled £E11,710 and her re-exports to that country £E84,031, and the exports to the Congo £E697, the re-exports being valued at £E25,189.

CHESS.

By "CARO-KANN."



Here is an interesting end game which occurred in off-hand play at the City of London Chess Club last week. Black has to move. The solution will be given next week.

The chess season here so called is drawing to a close. At the City of London Chess Club the regular winter tournaments are over, and the players are now engaged in knock-out tournament, suggested by Mr. A. Elliston Fox, a Member of the Committee, who is presenting the prizes. The tournament is arranged in three sections for first, second and third class players, and two from each section will enter the Final where they will play on level terms. Apart from this tournament and a few league matches which have still to be decided the season is over.

But the close season is only in theory a period of inactivity. At Easter there is a Congress at Tunbridge Wells, and there is another one at Scarborough at Whitsuntide, while in the last two weeks of July there will be the international team tournament at the Central Hall, Westminster, when the competitors will include Yugoslavia, who is at present favourite for the event. It is proposed that this tournament should be held each year, but I am of opinion that it will be found, as is beginning to be the case with the Davis Cup, that an annual meeting is too much and that a tournament every five years or so will suffice.

Apart from these events there is the Murton Cup handicap which starts in April at the City of London Chess Club (I hope to give some characteristic games from this competition in due course), while many of the other clubs hold summer handicaps so that it will be seen that we are scarcely devoid of chess in the summer.

The New York Tournament, now nearing its end, is notable not only for the pronounced supremacy of Senior Capablanca, but also for the numerous additions to opening theory. The thing which has interested me most about the play has been the adoption by Capablanca on at least three occasions of the Caro-Kann defence. Speaking generally the text books are not in favour of this defence, though the truth is, of course, that the validity or otherwise of the line of play is a matter of temperament. Now that Capablanca has favoured it I suppose we shall have Caro-Kanns one game out of three next winter.

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Messrs. Samuel Montagu and Co. state in their weekly bullion letter that it is of special interest just now to notice that gold has reappeared in the holding of the Indian Gold Standard Reserve. In the return for February 28 last an item of £424,083 was shown as held in London. This amount almost exactly tallies with the amount purchased in the London market during that month for a "destination not disclosed."

Cotton and Cotton Goods.

THE LIVERPOOL COTTON MARKET.

Messrs. Reynolds and Gibson report as follows for the week ended March 16:—

Egyptian Futures.—Sakel Contract.—Throughout the greater part of the week this market has shown a reactionary tendency, the movement being influenced by a falling off in the trade demand, and, in a lesser degree, by the weakness witnessed in the American markets. Since the turn of the year, outside speculators have been following the trade, and the gradual appreciation in values has enlisted a fair "Bull" account. The initial part of the decline did not bring much of this cotton out, but during the past few days there has been considerable liquidation, and had it not been for trade fixings on the down scale the decline on the week of 42 to 45 points for near and 37 to 41 points for more distant options might readily have been more drastic. Another factor that has exercised a somewhat restraining influence has been the comparative strength of the current position. From reports it would appear as though certain import houses some little time ago purchased cotton at the other side at a presumably tenderable basis, and are now finding that their shipments are outside the contract. This necessitates a rebuying or switching of their March hedges, a not too easy operation at current differences, as the contracts are strongly held. At the first sign of easing values, a marked decrease in trade activity became apparent, and whilst, as mentioned previously, spinners have taken the opportunity of fixing fair quantities on the decline, the offtake, as is customary in declining markets, has suffered considerably. To-day, for the first time during the week, the market has shown rather more resistance and a slight recovery; as we are certainly not pessimistic on the trade situation, we think that, given the encouragement of steady markets for a few days, spinners and manufacturers will resume more active operations perhaps not on the scale witnessed in the earlier days of the year, but at any rate in sufficient measure to counteract for the time being the effects of the rather "bearish" statistical position. Looking ahead, it seems probable that the Sudan crops are going to have a more important effect on Egyptian values this season than during any of its predecessors. Last year's crop of this variety has been almost invaluable in enabling spinners to keep up the strength of their yarns, and consequently has made very serious inroads into the normal Sakel offtake. Provided the new Sudan crop, which is just now starting to arrive, is of equal quality, and we have no reason to think otherwise, it will continue to monopolise the bulk of the demand. The price demanded may not be competitive with the ruling Sakel basis, but if it is, it would appear probable that our contract is going to be seriously affected during the spring and summer months. In recent sessions, the Alexandria market has shown rather a poor tone, and reports from the other side indicate that commercial houses are not receiving sufficient export orders to influence contract prices.

Upper Contract.—This option has enlisted only a very small measure of support during the past week, buyers holding off on account of the decline in other qualities. The trade have only bought sparingly throughout the week, but we are inclined to think this is only a temporary phase and that at the first signs of the movement being arrested, the demand will show considerable improvement.

Egyptian Spot.—The easiness of the American markets, which has been the feature of the past week, coupled with quieter reports from Manchester, has had a market effect on spot business. The local demand has contracted to only moderate dimensions and prices have sagged consistently. Calling by the trade, however, has been quite a feature, and to-day a firmer undertone has developed. Whether the reaction (which has been more or less expected for some time) has now run its course will largely depend on the action of the American markets. The general trend of the inquiry has produced nothing fresh. Spot Sakel continues to drag heavily, except where consignors are prepared to accept prices considerably under the apparent market value.

A quiet, steady trade in Uppers has continued and spinners who have the courage to take advantage of the present level will probably reap the benefit later in the season. A fairly good trade has again been done in Sudan Sakel, and the American seed variety has also been in good request, but with what result it is difficult to ascertain. C.I.F. business has been much quieter. Forwardings last week were returned as 5,683 bales Egyptian and 1,406 bales Sudan. Estimated sales, 1,200 bales Egyptian and 2,300 bales Sudan. Quotations of Sakel show a decline of 55 points on the week and those of Upper 45. F.G.F. Sakel to-day, 13.35d. F.G.F. Upper to-day, 10.65d.

THE EGYPTIAN MARKET.

The Alexandria Commercial Company, in their report for the week ended March 10, state:—

Since our last report the future market has been fairly active but not so good as last week. The week's summary of price movements is as follows:—Sakellaridis: March, 26.32 dollars, 0.32 dollars down; May, 26.48 dollars, 0.44 dollars down; July, 26.78 dollars, 0.42 dollars down; November, 27.43 dollars, 0.32 dollars down; January, 27.38 dollars, 0.32 dollars down. Ashmouni: April, 19.23 dollars, 0.32 dollars down; June, 19.55 dollars, 0.35 dollars down; August, 19.80 dollars, 0.40 dollars down; October, 20.07 dollars, 0.25 dollars down.

Sakel.—There has been a fair amount of business during the week but the tone of the market was easy to-day and prices show a slight decline since last Thursday. The demand from abroad has not been very good; spinners have not shown the same eagerness to buy as they have recently been showing. Reports from Lancashire, however, continue to be good and it may be that the falling off in the demand will prove to be only temporary. It is reported that a good deal of the recent shipments to England are for account of Russian buyers. Speculators have shown only intermittent interest in the market; we think that there is still a small speculative long position open. The March position is well held and the discount at which this delivery stands in comparison with the distant deliveries has recently narrowed, contrary to what might normally be expected in view of the large stocks and the relatively only moderate demand.

Uppers.—The market for this variety is quiet as a result of the reaction in New York; the demand from spinners, however, is fairly good.

The week's receipts amount to 238,254 kantars against exports 111,703 kantars; the stock in Alexandria stands at 3,363,108 kantars.

The official figures of arrivals and exports for the period September 1, 1926, to March 3, 1927, are as follows:—Arrivals: Lower Egypt, 3,827,000 kantars; Upper Egypt, 2,455,000 kantars; total, 6,282,000 kantars. Exports: Sakel, 1,853,549 kantars; Ashmouni, 2,156,459 kantars; Various, 271,242 kantars; total, 4,281,250 kantars.

Spot: We have had a series of fairly good markets at Minet el Bassal this week, but actual spinners' demand has rather fallen off. Sales amount to about 22,600 bales, of which we estimate 10,700 bales Sakellaridis, 11,000 bales Ashmouni and Zagora, 700 bales

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Crop, 1927: Weather conditions have been favourable during the week. Sowing has been pushed along energetically and the whole of the South Delta and more than half of the Central Delta has now been sown. Ploughing is progressing steadily in the Northern districts but very little sowing has yet been done. Estimates of the acreage planted or to be planted are very contradictory: everyone looks for a reduction on last year but, for the time being, it is impossible to say what the reduction will be. Water supply is sufficient everywhere and the prospects for summer irrigation are, so far, satisfactory.

The African and Eastern Trade Corporation announces that it has been decided to recommend to the shareholders the payment on April 25 of a dividend of 6 per cent., less tax, for the nine months ended September 30, 1926. The annual meeting will be held on April 8.

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MULBERA...	9,100	Apr. 6	Apr. 14	East African Ports
WARFIELD...	6,060	Apr. 16	Apr. 23	Madras and Calcutta
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City of Lahore	6,983	May 18	Colombo & Calcutta
City of Calcutta	7,679	June 22	Colombo & Calcutta

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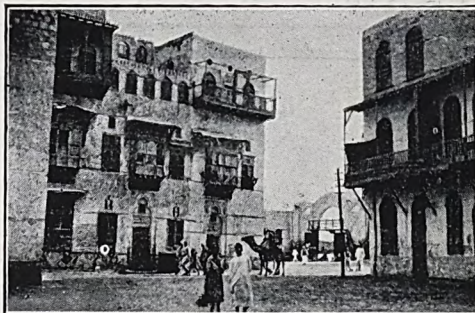
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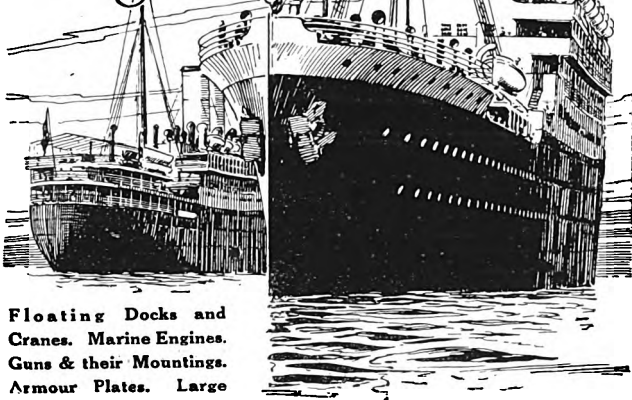
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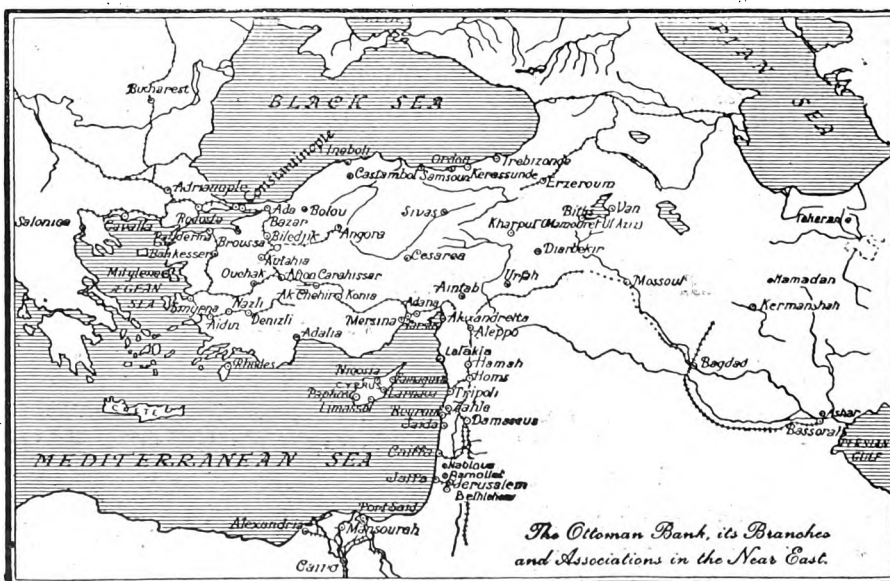
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No. 828.—VOL. XXXI.

THURSDAY, MARCH 31, 1927.

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Notes of the Week.

A Balkan Inquiry.

It is just possible that a Commission representative of Great Britain, France and Germany, will conduct an inquiry into conditions on the Albano-Yugoslav frontier. We are not disposed to belittle the value of such an inquiry, as it is obvious, that, even if the delegates do not come across armed men lining the frontier with rifles pointing across it, they should be able to throw some light on the general position on each side of the boundary line. As, however, the goal to be aimed at should be the elimination of friction between Yugoslavia and Italy, it will be a matter for regret, if the Commission be not given a much wider scope in its terms of reference. The present trouble, it may be inferred, has arisen in the first instance from the fact that certain Albanians are dissatisfied with the existing Albanian régime. *More Albanico* they have prepared a revolution or insurrection; across the frontier, on Yugoslav territory, are large numbers of Albanians whom the Peace Treaties have cut off from Albania and given to Yugoslavia. These have been persuaded, we may suppose, to make common cause with malcontents in Albania, and they have been able to enlist the sympathy and support of hot-headed Yugoslav patriots, who are alarmed at what are regarded as Italian designs on Albania and the Balkans in general, and consider that they will be performing a patriotic task in helping Albania to obtain a less pro-Italian Government. Now, in any Balkan State, owing to the conception that local officials have of their duties, a considerable amount of activity on these lines can take

place in frontier districts probably without the knowledge of the Central Government, and certainly without any need for interference being recognised by that Government. Unfortunately for the Yugoslav Government, it would seem to have chosen this particular moment for strengthening its troops in the frontier areas, and it is no matter for surprise that both in Albania and in Italy the military measures were regarded as being connected with the *komitaji* activity. Even so, Italy would have been better advised to draw the attention of the Yugoslav Government to what was taking place on the Albanian frontier before she raised a scare in Europe.

The Real Crux.

No problem connected with the Balkans is simple and straightforward, each one is inter-related with several others, and the only chance of undoing any Balkan tangle is to keep some fundamental proposition clearly in view. In the present instance, it is evident that the real problem is not confined to the *komitaji* evil. Balkan *komitajis* are a local curse, but need not be accorded the status of a European factor. The crux of the problem now engaging the attention of Europe is, or should be, the maintenance of the integrity and independence of Albania. As between Italy and Yugoslavia the country that is to blame is the one which does not subscribe whole-heartedly to that postulate and whose actions are not entirely consistent with it. Unless we are mistaken, Italy will find it much harder than Yugoslavia to justify before any impartial body her interpretation of Albanian integrity and independence. This is said in no spirit of antagonism to Italy nor in ignorance of the Yugoslav attitude towards Albania in the past. It is, however, very evident that the Balkan States are consciously moving towards the

goal of "the Balkans for the Balkan peoples." Tentatively, and committing many mistakes all the while, they are trying to come together. In these circumstances the attempt of Italy to claim special privileges in relation to Albania, on the strength of some arrangement between herself and other Great Powers a number of years ago, is an anachronism. The obvious destiny of the Balkans does not provide for any special position for Italy in Albania. The Balkan markets are open to her trade, and it is probable that geography will always give her an advantage over her rivals. Politically she must claim no special position. On the other hand she has a legitimate concern in maintaining her supremacy in the Adriatic Sea; but that must remain a naval question and must not be solved by territorial designs on the Balkans. Unless Italy is anxious to try conclusions one day with the whole of the Balkan Peninsula, the sooner she abandons the idea of a protectorate, veiled or otherwise, over Albania, the better for her and for the peace of Europe.

Yugoslav Responsibility.

It is to be hoped that Yugoslavia will not disturb the good impression that her attitude since the outbreak of the "crisis" has created by seeking to hamper the inquiry or to restrict its scope. At the same time it would be well for the Press of the country to refrain from the scare reports that so frequently figure in its pages. Any military movements on the Albanian side of the frontier will quickly be detected by the Commission of Inquiry, and as there is no question of those activities, if they exist, having any other object than the protection of the Albanian Government, they are no concern of the Yugoslav newspapers. On the other hand it has to be borne in mind that Yugoslavia has not, as far as is known, denied the possibility of some stirring among Albanians on Yugoslav territory, and if it can be shown that there has been anything in the nature of a *komitaji* concentration a grave and embarrassing responsibility rests on the Yugoslav Government, which in many quarters has never been forgiven for Ahmed Bey Zogu's successful invasion of Albania from Yugoslav territory. Yugoslavia could, no doubt, have counted on a much readier championship on the part of Great Britain and France, if a certain amount of misgiving had not been caused by the political instability that has characterised the S.H.S. Kingdom for two or more years. It is strange that such an ardently patriotic people cannot realise that internal differences can be carried to a point when they are no longer merely a matter of party politics but become a serious prejudice to the nation. Fully half of the economic or financial pro-

blems that weigh heavily on Yugoslavia would have been settled by now if there had been reasonable political stability in the country during the last few years.

Imperial Airways and Persia.

The report that the Persian Majlis is putting obstacles in the way of the ratification of the agreement concluded in 1925 between Imperial Airways and the Persian Government, should cause little surprise to those who know Persia. Quite patently the Cairo-Karachi air route has no political significance whatever; and the Persian Government, at any rate, appears to recognise that fact. Recently, indeed, the Persian Minister of the Interior, in reply to a question in the Majlis on this subject, stated that the Government had been perfectly justified in signing this agreement. But Ministers are one thing and Deputies another, and the Nationalist opposition that has been shown to the ratification of this agreement would seem to imply the dismal Russian influence that has latterly been too often manifest in certain action of members of the Majlis. Bolshevist complicity in this latest action cannot be proved, but it is widely assumed. The Cairo-Karachi air route, however, belongs to the realm of progress which neither Bolshevist nor reactionary intrigues in Persia can destroy. To Persia herself the route can do no conceivable harm, and it is quite certain that eventually Persians will come to accept this view. It will be remembered, however, that the Majlis works but slowly: the Junkers Company have particular reason to remember this fact. In the meantime, it is instructive to observe in which ways the hand of the Bolsheviks seeks to intrude itself into purely Persian affairs. There are grounds for believing that Bolshevist propaganda among the Persian Nationalists is on the increase—presumably the Chinese imbroglio is an opportunity not to be lost.

Minority Rule in the East.

We commented last week upon certain aspects of Mr. H. G. Wells' remarkable Sorbonne lecture upon "Democracy under Revision." Professor Arnold Toynbee, in a letter to the *Manchester Guardian*, draws attention to another. Mr. Wells spoke of the possibility of the "profoundly serious minority" taking control of the destinies of mankind, and instances Italy, Russia, and China as places in which this had taken place. Professor Toynbee suggests that Turkey, with its "Kemalists," and Egypt, with its "Zaghloulists" might have been added to this list. But he gives the caveat that "the examples all occur in countries in which the modern democratisation of the Renaissance way of life—a joint achievement of England, America, and France—had obtained only a superficial hold or else no hold at all." There is a good deal in this. But the point to be made here is that in the East it is one of the easiest things in the world for the minority to take control; the mistake that is so often made by Western, particularly by English, observers is to suppose that because it is a minority in control it will not indefinitely endure. Quite certainly the force of the original Kemalist and Zaghloulist organisations was seriously underestimated by certain Occidental authorities. The paradox would be, if this logic were pursued, that the minority is most in danger when it represents the majority. That, however, can scarcely be accepted as a guide to the politics of the Near East, although it is perfectly true that no man would care to prophesy upon the fate of Kemalism or of Zaghloulism when Mustapha Kemal and Zaghloul Pasha are no more. But to return to Professor Toynbee's original point, that alike in Russia, Italy, Turkey, and Egypt, the "Renaissance way of life" had obtained little hold. The difference between the two European and the two non-European countries is this: that whereas in the two former the prevailing system of Bolshevism and of Fascism at least spring from previously held or heard-of theories, the organisations in the two other countries, Kemalism and Zaghloulism, derive from the activities of a single man, as indeed their name denotes. There is significance to be found in this distinction.

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THURSDAY, MARCH 31, 1927.

ITALY AND THE BALKANS.

Within a week a considerable amount of cold water seems to have submerged the Italian attempt to raise a scare over alleged Yugoslav designs in regard to Albania. More than anything else, the prompt suggestion of the Belgrade Government that Military Attachés should be sent to examine the situation on the Yugoslav-Albanian frontier served to weaken Italy's case. If the Rome Government had had any evidence in support of its accusation, it would have procured the immediate departure of the Military Attachés from Belgrade, and some signs of the general "mobilisation" must have been discovered. It has, however, made no attempt to substantiate its charges against Yugoslavia, and the Governments of Great Britain and France are left to liquidate an incident which may prove as damaging to Italian prestige as was the panic-stricken bombardment of Corfu. For Italy's action in denouncing Yugoslavia to the Powers could have been justified only on the possession of unchallengeable proof of the complicity of the Yugoslav Government in a pending attack on Albania. If it had been merely a case of reported *komitaji* activity on the Albanian frontier, the proper course for Italy to have adopted would have been to call the attention of the Yugoslav Government to the matter. She chose a line of action which was a deliberate affront to Yugoslavia, and at the same time displayed her own eagerness to intervene in Albanian affairs. It is this aspect of the Albanian question which is a source of trouble for Europe. Revolutions in Albania would have little more than local interest in whatever country they were hatched, if it were not for the risk of foreign intervention. The rising that brought Ahmed Bey Zogu to power may have been prepared on Yugoslav territory, but it remained an exclusively Albanian incident. Italy, on the other hand, has trumped up a grave charge against the Yugoslav Government and in the same breath announces her intention, unasked, of moving to the support of the Albanians. Of the two rival neighbours of Albania, therefore, she is the only one who has deliberately threatened encroachment on Albanian rights, which is the root of all the trouble.

It is well to keep this aspect of the case clear. The peace of Europe requires the strict preservation of the integrity and independence of Albania. There is no evidence to-day that Yugoslav policy has any other aim in view in regard to the country; but there is good ground for suspicion that Italy is in no way content with this solution of the Albanian question. The Tirana Treaty does nothing to dispel that suspicion; this recent denunciation of Yugoslavia on unsubstantiated evidence goes a long way towards confirming it, as the communication to the Powers threatened an Italian landing in Albania. Now there is

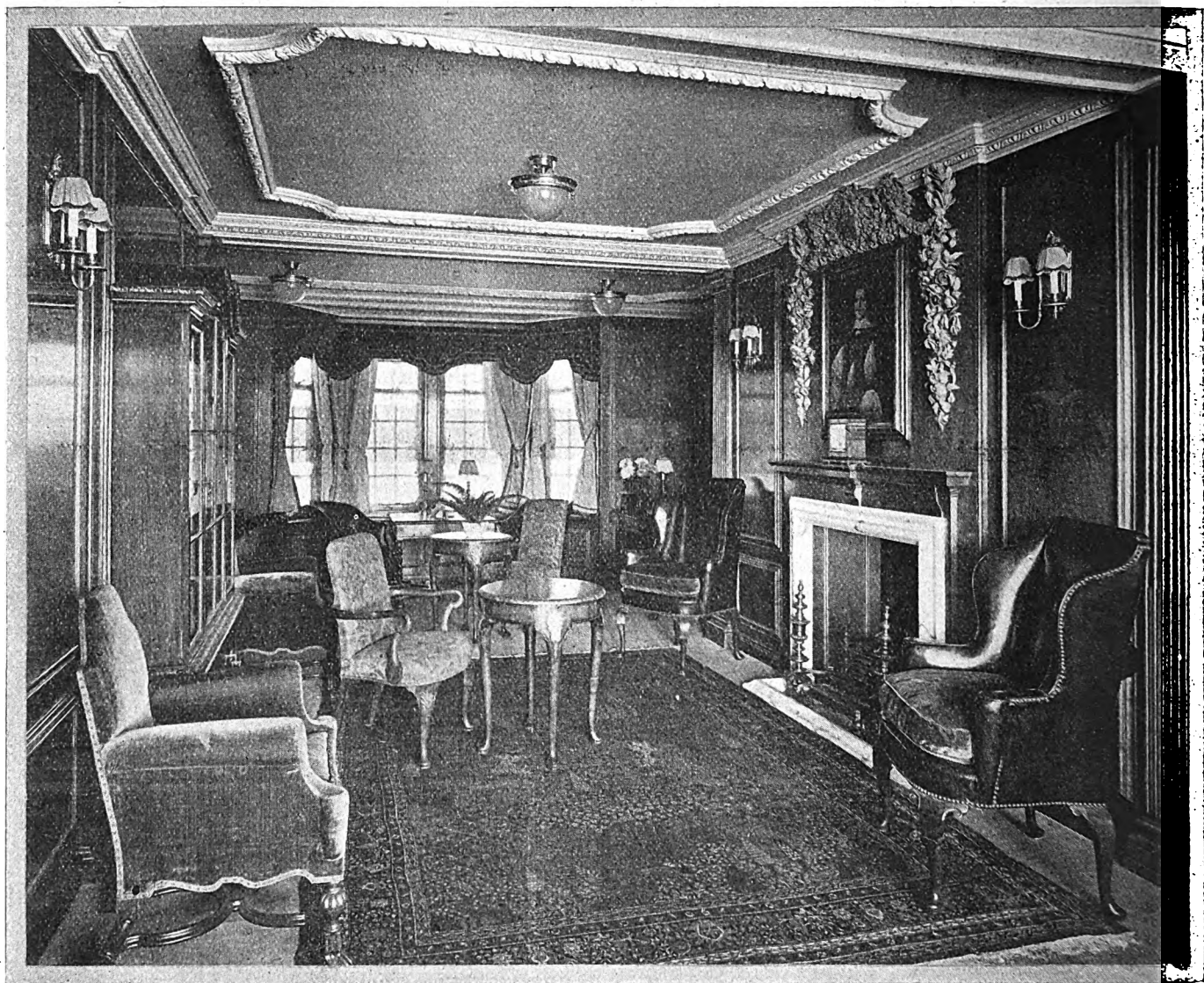
always admittedly a wide margin for misunderstanding in the foreign policy of any Government. If Yugoslavia had been fomenting a new revolution in Albania, Italy would have had good reason for annoyance. Genuine concern for Albanian independence, however, would have prompted the Italians to any other course than the one that they actually took, and this failure to rise to their responsibilities as a Great Power is the most dangerous factor in the situation. It is possible to-day for a quarrel in the Balkans to be localised, as was done in the case of the Greek violation of Bulgarian territory in October, 1925. Italian intervention in the Balkans, on the other hand, may well provoke a general conflagration. It will be at once challenged by Yugoslavia, and quite possibly by Greece as well; France too is unlikely to remain an indifferent spectator of a permanent Italian foothold in the Balkans. In spite of local friction the idea of the Balkans for the Balkan peoples is becoming fixed in the public imagination. At the present time the only challenge to which the idea is regarded, rightly or wrongly, as being exposed comes from Italy. If Italy is not a danger to the realisation of the ideal, it is easy for her to make this point quite clear. Neither in the Tirana Treaty nor in these recent allegations against Yugoslavia has she gone the right way, if her intention is to disarm criticism. Her action will tend to confirm every Balkan State in its conviction regarding the reality of the Italian danger, and one result will be seen in an agitation for strong armies, with all the concomitant risk to inter-Balkan peace that the existence of large standing forces entail.

In view of the character of *komitaji* bands, which can dissolve into peaceful industrious peasants when required, it is unlikely that any inquiry along the Albanian frontier after the lapse of several days or even weeks will be able to throw much light on the situation. The gravamen of the Italian charge was not that *komitajis* were active but that a Yugoslav "mobilisation" was in progress, and it is Italy's failure to avail herself promptly of the Yugoslav offer for an international investigation that has damaged the Italian case. What is required now is a Committee of Inquiry appointed by the League of Nations to decide upon the measures necessary for the better conservation of peace in the Balkans. There would be no question of enforcing its findings, but its report would be there, for the better understanding of the Balkan problem and for every honourably intentioned country to act upon, if it desired the permanent peace of the Peninsula. The Committee of Inquiry would deal *inter alia* with the *komitaji* curse and the responsibility of each country in regard to the freedom of movement allowed to these organised disturbers of the peace; it would also examine the Tirana Treaty in the light of the Italian communication to the Powers before any formal request had reached the Italian Government from Albania; and it would consider the question of political refugees being allowed to settle near the frontiers of the countries from which they are exiles. We can conceive of a report, drawn up with knowledge, and without fear or favour, that would be of the greatest advantage as a basis on which the Balkan States would come together to elaborate the framework of a future federation. If there is any reality in what those States regard as the Italian danger, the only effective answer is to be found in a Balkan federation. The chief obstacles to such a federation to-day are the impressions of aggressiveness that Yugoslav policy has conveyed in the past to her neighbours, and Bulgaria's discontent with her existing territorial arrangements. Both these hindrances are capable of comparatively easy removal, if long-sighted views can be taken by the different Governments concerned.

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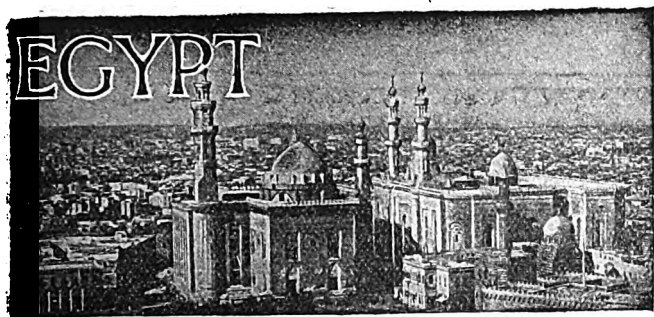
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From Our Own Correspondents.



Cairo, March 20.

A Murder Trial.

The often-heard complaint that the machinery of Justice moves slowly in Egypt found no justification in the proceedings of the Cairo Assize Court on Thursday last. On the calendar was the charge against Abbas Kandil, accused of the murder, in particularly brutal circumstances, of Hermann Bercovitz, the jeweller of Shareh Fuad el Awal, and his son René. It will be remembered that this crime, which was committed only five weeks ago, caused a considerable sensation at the time, on account of its taking place in one of the city's busiest thoroughfares, in the middle of the day. The Parquet had shown commendable zeal in getting the case ready for hearing in so short a time, for the witnesses for the prosecution numbered no fewer than twenty-one. The Assize Court was no less expeditious. Beginning the proceedings at half-past nine, the Court, by a quarter to two in the afternoon, had concluded the hearing and had announced that the papers would be sent to the Grand Mufti. This indicates that sentence of death had been pronounced. The assent of the Grand Mufti to the infliction of the capital sentence on any Moslem is a formality which takes but little time, so that there is every prospect that Kandil will be executed within two months of his arrest. The value of this speedy punishment as a deterrent to other criminals is particularly great in Egypt, where public memory is even shorter than in most other countries and where, unless trial and punishment follow swiftly upon the committing of crime, few people ever realise that a particular evil doer has been brought to book and has met with his deserts.

There was never any doubt about the verdict in the case of Kandil. The prosecution had sufficient evidence to secure a conviction three times over, and the defence did not attempt to dispute the testimony of any essential witness, the plea put forward by defending counsel being that of insanity, for which, however, he produced no supporting evidence. The most interesting evidence for the prosecution was that of an English schoolmaster who happened to be passing the shop at the time of the committing of the crime, heard the shooting inside and saw, through the glass door, the feet of a man lying on the floor. This witness described how he called the attention of the policeman on point duty near by to what was going on in the shop, to receive the reply from the policeman that he was looking after the traffic, and could not concern himself with anything else. A second Egyptian policeman was sought and brought to the shop which, however, he would not enter, as he could not do so, he said, without an order from a superior officer. Eventually, when the criminal emerged and emptied his revolver, first at the English schoolmaster, who ducked and so escaped, and then at the surrounding crowds, some of whom were hit, the witness closed with the man, wrested his revolver from him and handed it to still another policeman, who had by now

arrived on the scene. This guardian of the law gave the witness a blow with his truncheon, told him to clear out and mind his own business, and replaced the revolver in the murderer's pocket! It is all rather typical of local police methods and gives rise to a feeling of surprise that the criminal, after all, was secured.

Influenza.

A mild form of influenza has been as prevalent this winter in Egypt as, according to reports in the Home Press, in England. The latest victim is Lady Lloyd, who has been in bed for several days and has, in consequence, been obliged to cancel a large number of social engagements. Fortunately, the type of influenza from which Lady Lloyd and so many others are suffering just now, is very mild indeed, much less virulent, apparently, than the English variety, and the death-rate has been infinitesimal.

Changes in Journalism.

Russell Pasha, Commandant of Cairo City Police, has submitted to the Ministry of the Interior a report urging that effective action be taken to deal with a new form of journalism which has sprung up here during recent years and which has already been responsible for at least two violent crimes. It used to be an unwritten law in Egypt, as in most other Moslem countries, that the private lives of public men were never discussed in the Press which, indeed, scarcely ever mentioned the existence of Moslem women, or their affairs. The social evolution of the last decade has effected a considerable change in this as in many other matters. The change is, in the main, for the good, but it has also its bad side, for a number of unscrupulous journalists, taking advantage of the greater liberty of criticism now permitted them by public opinion, have produced weekly or monthly papers which are little better than blackmailing sheets. Egyptians are particularly sensitive to printed criticism of themselves, especially when, as has happened in many instances of late, purely private and domestic details, of no concern, even if true, to the general public, are published. The object of this scandal mongering is not always blackmail, being sometimes inspired by personal enemies of the victims, but in any case it is entirely reprehensible. Already two proprietors of discreditable journals have been waylaid and assaulted at night, and the police rightly regard this new form of journalism as being, apart from its obviously undesirable character, a potential cause of crime. Most of the Arabic daily Press has welcomed the step of Russell Pasha, and has expressed the hope that a means will be found to put a stop to the activities of the publicists who bring discredit on the calling to which they belong.

The Season.

This is the season in Egypt of intense activity in social and sporting circles, for the Spring is upon us and there is difficulty in squeezing into the few weeks that remain before the beginning of the hot weather exodus all the tennis tournaments, dances, dinners, football finals and other fixtures necessary to bring the winter's activities to a conclusion. The principal tennis tournament of the year, the Gezira Sporting Club's tournament, is now in progress, with a larger entry than ever before. But, in spite of the huge number of fresh adherents which tennis claims yearly in Egypt, there is little sign at present of new champions to dispute the long-maintained supremacy of veterans like the Hon. Cecil Campbell, who remains as invincible for his opponents as he is attractive to spectators. An undistinguished opera season concludes this afternoon, the company leaving to-morrow for a month's stay in Alexandria. The only noteworthy event of the winter at the Royal Opera House has been the production of "Turandot," magnificently and most expensively put on. Whether the work itself justifies the huge cost of producing it adequately is a point on which local musical critics are divided. But the production of "Turandot"

*Under this heading appear weekly or at regular intervals, communications from correspondents in Egypt, the Sudan, Roumania, Yugoslavia, Greece, Bulgaria, Albania, Turkey, Cyprus, Palestine, Iraq, and Persia.

is certainly too much of an undertaking for this posthumous opera of Puccini to win a regular place in repertoires. There is some talk of a season of German opera next winter and many of us hope that it may materialise, for we have had a surfeit since the War of Italian opera and could well do with a change.

THE HIJAZ.

Jidda, March 8.

Ramadhan and Wireless.

The great fast of Ramadhan was ushered in with a salute of 21 guns fired at 10 p.m. on the evening of Thursday, March 3. The crescent of the new moon escaped observation at Jidda and Mecca, but the advantages [sic] of modern material civilisation are aptly illustrated by the fact that, for the first time in its history, Wahhabi Arabia was on this occasion roused by a wireless message to gird up its loins for the fast, which was to begin with the coming dawn. The message came from the wireless station of distant 'Ula on the Hijaz Railway and, though in time for insertion in the Stop Press column of the Mecca newspaper published next day, was not in time to prevent the publication of an official notification, already in type, that the fast would begin on Saturday, as indeed it would have done, but for the existence of the wireless station in question. It is always interesting to note the clash, however trivial, of ancient and modern standards, but, despite the accuracy of our modern calendars, the human eye still remains, as it will probably ever remain, the decisive factor in the determination of the beginning and ending of Ramadhan.

Jidda was not prepared for the coming of Ramadhan a day too soon and the arrangements in prospect for the continuance of the electric light supply (usually cut off at 10.30 p.m.) until 1 a.m. were not in operation the first night. Friday, however, saw the life of Jidda, private, official, and commercial, entirely switched off on to the Ramadhan current. The streets lie empty all through the day, the shops are shut, the Government offices manned only by emergency staffs, the Customs department working half-time, and so on until the sunset gunfire, when for two hours the population of the town is given over to the various processes connected with the breaking of the fast. At 8.30 p.m. the shops and offices open for the serious work of the day and a herald goes round with a drum from time to time telling the hours of the night as they pass rapidly away into the approaching dawn. For the period of Ramadhan social life is at a standstill. Work and fasting alone are the order of the day. The King will now in all probability not return to the Hijaz until the end of the month.

The Negotiations with King Ibn Saoud.

His return will open the door to the resumption of the negotiations recently suspended near Madina, although it may be that they have to be deferred until after the

pilgrimage owing to his pre-occupation with other matters. Nothing will be lost by such delay, as it is now known that Mr. Jordan, who has acted as Consul here for nearly two years, is to be succeeded by Mr. Stonehewer Bird from Rabat, who is of full consular rank and is presumably familiar with Arabic. If the latter is to conduct the negotiations he will require a few months to pick up the threads of Arabian politics before he begins; but it is hoped here that the conduct of negotiations so delicate and so important will be entrusted to the hands of so experienced a diplomat as Sir Gilbert Clayton, who is apparently unemployed and is very decidedly a *persona grata* both to the King and to the leaders of opinion here. In view of the second Moslem Congress at Mecca, which will either follow or precede the Anglo-Arabian negotiations, the utmost tact and discretion will have to be used by the British representative, who will be in a very delicate position unless, as is to be hoped, there has been a substantial reorientation of British policy on such vital matters as the Hijaz Railway, Aqaba and Maan.

Asir and the Yaman.

Peace seems to reign on the Yaman border and there need be no question of the pacific intentions of King Ibn Saoud in that direction. The Idrisi is effectively muzzled, but occasional signs of a bellicose attitude among various officials in the Imam's service are not wanting. It is to be hoped, therefore, that the gist of the understanding arrived at at Rome between Sir Gilbert Clayton and Commendatore Gasparini will be made public without delay.

The Pilgrimage.

Pilgrims continue to arrive in a steady stream, and the numbers are now estimated at some 45,000. Estimates for the future are already beginning to envisage an overseas visitation of some 100,000 in all and a total concourse of well over 150,000, from which it would seem that the movement for the suspension of the Hajj, advocated in some not altogether disinterested political quarters and referred to in THE NEAR EAST AND INDIA of February 3, is having but little effect on those who have none but religious motives to impel them towards the Hijaz. Those people have every reason to know "whether the reforms which the Wahhabis are said to have made in the interest of the pilgrims are all that is claimed for them." A safe and peaceful Hijaz is at all events a phenomenon so unusual as to merit careful study.

The Navy and Cricket.

The lighter side of Jidda life has been marked by the first visit of the "Dahlia" which has recently replaced the Cornflower and absorbed a considerable number of her officers including Commander Wickham in command. The latter has, however, now seen Jidda for the last time as he is due to relinquish his command at Aden in the near future. The sloop's visit was signalled by a cricket match between the crew and the British community at

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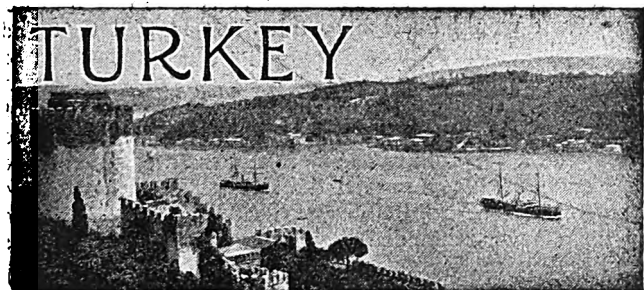
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Jidda ably assisted by Commander Wickham and some of his officers. The "Dahlia" won by the narrow margin of one wicket after a most enjoyable game played on the desert sand on a pitch that rolled out extraordinarily hard and fine.

The Question of a Flag.

In conclusion, it may be worth recording that a new flag has recently made its appearance among the gay and various emblems of the nations, that float on the breezes of Jidda. The State of Sarawak, recognised as an independent State under British protection since 1888, has long been represented here by an absentee Consul on whose behalf, although he is still absent, the State flag has been flown for some few weeks on the flagstaff of a well-known British firm for the delectation of pilgrims coming from the domains of Rajah Brooke. This proceeding is open to question on various grounds—absenteeism being not the least of them—and the problem is doubtless receiving the attention of the British Foreign Office.



Constantinople, February 23.

The Turco-Russian Agreement.

Now that the much discussed Turco-Russian Commercial Agreement is at last an accomplished fact the Press of both countries have during the last fortnight devoted themselves to eulogistic descriptions of each other and to rosy forecasts—in view of the annoying commercial differences having been overcome—of the future. There are certain commercial elements here, however, which still remain unenthusiastic as they happen to be among those omitted from the lists of past, present and future exporters to Russia. Under the new Treaty's stipulations only a restricted quantity of exports from Turkey (up to a value of seven and a half million liras) is allowed, and this has necessitated the drawing up of a list of firms already having a market for their goods in Russia. Consequently exporters who have hoped that under the new agreement everyone would stand the same chance of disposing of their products to Russia are now completely disillusioned.

There is a possibility, however, that in future years the limit of seven and a half million liras may be extended, as this operates only so long as Russia's exportations to Turkey do not exceed this figure. In the contrary event Turkey may bring the value of her exports up to that of Russia. A detailed list controlling the amount of every product exportable is annexed to the Treaty.

The Aviation League.

The Turkish Aviation League is never at a loss for discovering new sources of revenue with which to swell its already considerable reserve funds. It has now been decided, subject to the approbation of the Grand National Assembly (and there is no doubt of any opposition) to transfer to the League's coffers all proceeds derived from the disposal of abandoned and unclaimed merchandise collected from the Customs depôts.

A second national lottery is at present being run which is bringing in thousands of pounds per day. The latest appeal to the bounty of the Turkish public is made in the form of a proclamation couched in the following terms:—"If you do not want to become a slave; to see your houses wrecked by enemy bombs; and if you do not wish your wives and children to die from enemy gas, hasten to the aid—in the limits of your means—of the Aviation League. Give to it the alms prescribed in the Quran on the occasion of Bairam because our need for aeroplanes is far greater than any other." The Turkish Aviation League has certainly little to learn about enterprise.

Filming Turkish Products.

In order to demonstrate abroad the manner in which Turkish products are grown, treated, packed and transported the Minister of Commerce has had certain films specially taken in the principal packing and exporting centres. These films, which are stated to be interesting and absolutely authentic are shortly to be sent to every country in Europe for the purpose of combating the hostile propaganda which has been directed against Turkish products during the last two years.

Excavations at the Hippodrome.

The extensive archaeological excavations at the Place de Sultan Ahmed—which was once the Place de l'Hippodrome—which are to be carried out under the direction of Mr. Casson will begin to-morrow. The Museum Authorities are manifesting a very keen interest in this research, but Halil Bey, the Director of Museums, is not very hopeful about the results, as he considers that the systematic destruction of which the Hippodrome was the object during the Crusades of the thirteenth century has left nothing of any value intact. Mr. Casson's arrangement with the Constantinople Municipality extends over a period of three years, for which privilege he has had to deposit a letter of credit for five thousand liras in favour of the Municipality. The excavations will cost an enormous sum of money, as it is an established fact that the old Hippodrome is many metres below the present surface of the ground.

Tourists.

The number of tourists visiting Constantinople is considerably bigger every year. Up to 1924 not more than 5,000 to 6,000 tourists came yearly, but the figures for 1925 and 1926 are 39,819 and 45,784 respectively. If the present average continues this year will show a total of nearly 60,000.

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ALBANIA.*Tirana, March 13.***Re-Opening of Parliament.**

Parliament began its summer session on March 1, and the Cabinet has been completed with the appointment as Minister of Justice of M. Pierre Poga, who on several occasions has been at the head of that department. M. Poga in his capacity as President of the Council of Ministers, has formulated a Government programme which may be summed up in two aims: at home, to balance the Budget and to effect economies in the finances; and abroad, to foster good relations with all States.

The Albanian Church and the Patriarchate.

My readers will remember that last May Mgr. Chrysanthos, Greek Bishop of Trebizond, arrived at Tirana as Delegate of the Patriarch of Constantinople to settle with the Albanian Government the question of the Autocephalous Church and its official recognition. After an agreement with the ecclesiastical commission Mgr. Chrysanthos returned to Constantinople; he has now just arrived again in Tirana. His visit was preceded by the rumour that the Phanar had issued the *Tome*, that is to say, the Act, the instrument which would legally and ecclesiastically recognise the Albanian Orthodox Church, which has indeed existed in fact and in right since 1922. The surprise may be imagined when Mgr. Chrysanthos, instead of the *Tome*, brought with him new projects to assure for the Albanian Church privileges of such a nature as to perpetuate here the advantages which Hellenism enjoyed under the Turkish régime. These propositions have met with a plain *non possumus*: and the delegate from the Phanar has once again departed for the shores of the Bosphorus. It is thought that the hand of Athens can be seen in this attitude of the Patriarch, which has been so easy and smooth-running towards Poland, Czechoslovakia, Yugoslavia and Roumania, where the Autocephalous Church has been recognised without difficulty—but proves itself so difficult with regard to Albania.

Albania and Italy.

Since 1923 there has been in Albania a German aviation company "Adriatic Aero Lloyd," which linked up Albania's four principal towns: Tirana, Scutari, Valona and Koritza. The shares of this company have just been acquired by an Italian company as the result of an agreement with the three Governments interested, Italy, Germany, and Albania. It is interesting to recall that Italy has since 1925 held the concession of the air service with Greece, through Corfu and Athens; and that she hopes that now, by the purchase of the Adriatic Aero Lloyd, further to extend the air service in the Balkans and doubtless also to Constantinople.

On the other hand, the Government has proposed to the Chamber of Deputies to limit the maximum period of lease of land to foreign subjects to 10 years, and to annul contracts signed prior to December 1925. In fact, there is a question of the cancellation of the lease of 99 years held by the Italians for 2,000 hectares of land at Shiak (between Durazzo and Tirana) and to forbid the restoration of such Acts. After somewhat lively discussions, Ilias Vrioni, Minister for Foreign Affairs, has asked for an adjournment of the debates.

CYPRUS.*Nicosia, March 14.***Mr. Amery's Dispatch.**

The *Cyprus Gazette* of March 7 publishes a dispatch from Mr. Amery to Sir Ronald Storrs, dated February 24, transmitting two Orders in Council, which provide for the appropriation of the revenues of Cyprus during 1927, and for imposing certain Customs duties, respectively. It will be remembered that these were rendered necessary owing to the action which the elected members of the Legislative Council took in rejecting, last November, the Estimates proposed for 1927. The dispatch points out that in taking that step the members failed in the responsibility which the Constitution of the island imposes on them, namely, that "on all major occasions" they should give to the Government their adequate co-operation. It thus became necessary to invoke the Royal prerogative, "to enable the Government of the Colony to be carried on with due form of law." Unless Government can rely on such co-operation, the alternative is obvious. The constitutional arrangements which at present exist will have to be modified, a course which H.M. Government would be loth to take. It is well that this warning should have been given—for the second time be it remembered—on the inevitable results of obstruction, at the present juncture. It is to be hoped, for the good of the island, that the Greek leaders will lay it seriously to heart. The comments of the Greek Press are such as one would expect. They regard the dispatch as an example of the exercise of might over "right," and observe that they have never regarded their present "privileges" as of any real value.

American Tourists in Cyprus.

On March 10 about 400 tourists, chiefly from the United States, with a few from Canada, arrived in the Cunard liner *Samaria* (of 20,000 tons) at Larnaca, whence, in parties of about 100 each, they proceeded to Nicosia. Here they visited the mosque of Ayia Sophia, formerly a Christian Cathedral, some Greek Churches, the Museum (where objects of glass and pottery were purchased), the bazaars, and other places of interest. At the palace of the Greek Archbishop, Kyrillos, they received a warm welcome from the Prelate, who in an address expressed the gratitude of Greece in general, and of Cyprus in particular, to the great Republic for the protection afforded to settlers. In a buffet arranged in one of the halls they were entertained with the famous Cyprus wine, "Commanderia," and preserves of Cyprus fruits. They were all presented with an illustrated card representing the bestowal of the peculiar privileges of the Autocephalous Cypriot Church, and bearing the signature of the Archbishop. One of the tourists, Rev. J. E. Tuttle, of the Presbyterian Church of Philadelphia, expressed the gratitude of all the visitors, and in the afternoon a deputation of three waited on His Beatitude to assure him of their deep feelings of satisfaction. This visit may well encourage the immediate establishment of an efficient tourist agency towards which some steps are at last being taken. The Governor proceeded to Larnaca by invitation, and dined on board the *Samaria*.

The Late Chief Justice.

On March 8 a farewell reception was given by members of the Bench and Bar to Sir Sydney Nettleton, who has been greatly esteemed in Cyprus by all classes. Speeches were made which showed with what affection Sir Sydney, and also Lady Nettleton, were regarded, and the great regret of the judicial body at his departure, after a comparatively short time in Cyprus. Sir Sydney, in a long speech, expressed his gratitude, and his sorrow at leaving the island. But his final words appear to have caused some surprise and annoyance. Cyprus, he said, constituted in itself a beautiful entity, which she should be careful to preserve. It stands as a priceless ornament in

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its position at the gates of the East, the North, and the South. There are not lacking those who are watching it like birds of prey, and the island must take care not to fall to their talons. The words are regarded as of ambiguous import. Cyprus, say some commentators, is not a separate entity, but an inalienable part of her mother, Hellas.

THEOCRACY IN THE YAMAN.

Mussolini's Arab Ally.

BY DR. WOLFGANG VON WEISL.

Imam Muhammad Yahya al Mutawakkil bin Hamid ud Din rules in the Yaman as if he were a Caliph of the days of Haroun al Rashid and as if his kingdom were a Muslim Church State. The Italians have recognised him as King; but no one in Arabia ever thinks of giving him this worldly title—least of all his subjects. For them he is and remains the "Imam," the almost sacred Law-giver, Commander of the Faithful of his land and successor of Muhammad, whose spirit and blood have passed in a mystic way through Muhammad's daughter Fatima and Muhammad's nephew Ali, her husband, and their descendant Sayyid Muhammad Yahya ibn Hamid ud Din. The Imam of the Yaman is not only a temporal ruler and religious chief, but he is also for the one million Zaidis who pay him honour the incarnation of Muhammad and forerunner of his Ambassador, the Mahdi, the last Imam, who will come to complete Muhammad's work.

All this exists—however unreal it may seem in the twentieth century—real, decisive, and definite for Arab politics of to-day. The Zaidis are a Shiah sect, that is to say, they reject, as the Persians do, the elected Caliphate, which is law for all other Moslems, and maintain that the Commander of the Faithful must be of the blood of Muhammad and of Ali his son-in-law. Like other Shiahs, the Zaidis of the Yaman on the tenth of Moharram, the anniversary of the death of the brave Hussain, son of Ali, curse the Sunni murderers of their saint, but in other respects the Zaidis and the Shiahs go different ways. The Shiahs in their prayers call upon the name of Ali, the Zaidis refer only in a mystic way to the "grace of good works"; the Shiahs scourge themselves on the tenth of Moharram, the Zaidis only mourn; the Shiahs regard as binding the sayings handed down to them in their religious books of their (sixth) Imam Jaafar as Sadig son of the (fifth) Imam Muhammad al Bakr, the Zaidis recognise as law the books of Zaid, the younger brother of Muhammad al Bakr, who after the death of Haroun al Rashid came to the Yaman and there founded a theocratic dynasty, on the strength of his qualification as the actual great-great-grandson of Muhammad, the Ambassador of Allah.

The Law of Zaid, from whom his followers are called to this day Zaidis, still holds good. The wisdom of the founder of the sect—the wisdom of the Court of Haroun al Rashid—constitutes to-day the foundation of the policy of government of his latest descendant. Nowhere in the whole world have the Muhammadan early middle-ages—in good and in bad—kept themselves so pure as in the Yaman, hardly modified by Turkish Mausers and Italian wireless.

Zaid, son of Ali, son of Hussain, son of Ali ibn Abu Talib, has established fifteen conditions which from his time have been binding on the Zaidis for the attainment of the Imamate:—

"The Imamate belongs to him who, descended from Ali, descended from Fatima, is the wisest in religious questions, the bravest in battle, grown to man's estate, of the male sex, intellectually and bodily sound, without bodily blemish, free-born, gifted in administration, upright, bold and pious, and who wins the Imamate by the sharpness of his sword."

This last condition opens the door to all revolutions, all pretenders of the House of Zaid can attempt with

impunity to snatch the rulership for themselves. If they are victorious, it is a proof of their mission; if they are defeated, it is a proof that the ruling Imam enjoys his title by right; he can, however in no circumstances punish the rebellious who have availed themselves of their lawful right, to put his divine mission to the proof.

The outcome of this wise law was that from 1251 to 1316 (of the Muhammadan era) the date of the accession of Imam Yahya, that is to say for a period of 65 years (1832-1897 A.D.) no fewer than 20 rulers reached the throne in the Yaman. Only two of them died on the Throne, only four ruled for more than five years, all the others were deposed in quick succession and there were Imams who gained the throne 5 times and lost it 5 times.

One of the greatest acts of the Imam Yahya was that he recognised how much this unfortunate law weakened his country, and while he made full use of his authority as Imam to modify or create religious laws on the strength of his inspiration and wisdom, he simply abolished the saying of the founder of the religion, Zaid, which gave the right to conquer the Imamate by revolution. He introduced hereditary succession and had his son Ahmad, a good poet and a bad general, proclaimed Saf ul Islam, the sword of Islam, i.e., Crown Prince. He had only one serious attempt at rebellion, that of Ahmad bin Qasim Duhyani in 1900 to deal with, and from that time Muhammad Yahya has reigned undisturbed. This length of reign, however, is almost the only modernism of which the Imam Yahya is guilty; otherwise nearly everything in his kingdom remains more or less as it was in the time of Imam Zaid, the army, naturally, excepted. Imam Yahya is, of his kind, a really important ruler. He is represented as kind-hearted, not in the least cruel or blood-thirsty—he has never had a single one of his enemies put to death—as mild and modest in contradistinction to the peevish King Hussain, as learned in the theology and the philosophy of the Arabian middle ages, as learned too in history and national economy, but only as they were in the time of the Abbassids. Of what has happened or been written during the last thousand years he knows nothing. The Imam Yahya passes as unusually upright (the corruptibility of many of the subordinate judges of his country does not worry him). Practically every day he sits on a chair in one of the open squares of his capital Sana and waits for his people to come to him. Everyone has the right to approach him as in the case of King Ibn Saoud. The supplicants approach, stretch out a piece of paper on which their suit is written, the Imam reads it, asks a question or two, writes his decision on the same piece of paper and the matter is settled. Even children are listened to. There is no bureaucracy in judicial matters, at least in the King's capital.

The Imam Yahya is, perhaps the only Arabian ruler who has a flair for autocratic State organisation. He is the only person of Arabia who has deliberately disarmed his subjects and formed a regular army, the largest and best organised in Arabia, which takes the place of "the

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people under arms." He has 60 battalions and 150 pieces of artillery. A general staff, a military school and a company of engineers, he has had organised by the Turkish General Staff Officer, Qanan Bey; the same officer has introduced a commissariat department, and a repair shop for guns, rifles and munitions. He has kept up the military administrative system introduced by the Turks, has set up telegraph and postal services, and his Palace in Sana is lighted by electricity. In a word he understands exactly what is useful to him personally.

Two weaknesses, however, prevent him from developing his country. He suffers from morbid avarice and from an unreasonably reactionary fanaticism. Both of these, however, are in his case not chance peculiarities, but in combination with his extreme piety constitute the foundation of his governmental system, the highest wisdom of which provides that "the people must be poor, the people must be uneducated, the people must not come in contact with the unfaithful and then it is easy to rule and to remain pious."

The Imam Yahya is fanatically pious. According to the religious law a $2\frac{1}{2}$ per cent. tax has to be paid on all moveable property as well as on income. Immediately after the departure of the Turks he reduced the customs duty from 11 to $2\frac{1}{2}$ per cent. In this way he destroyed every possibility of an industrial development for his country; he ruined even the considerable home industry of the coast lands, but it is the law of Allah. Imam Yahya also compels his wives and daughters to pay annually $2\frac{1}{2}$ per cent. on all the ornaments which he gives them. It is the law of Allah and, moreover, the taxes paid by his wives go into his own pocket.

Piety and greed go hand in hand in grotesque form. Even still more striking examples of his avarice are quoted. Great Britain's representative, Sir Gilbert Clayton, gave the Qadi of Sana £10,000 for the poor. The Imam Yahya pocketed it, but without conceding anything to the British. One of his representatives in Aden, Qadi Arashi, was regularly in the pay of the English. The Imam Yahya left the Qadi alone, then took the money from him and promoted him as Commandant of Maidi. The salaries of his officials are ridiculously small. The Chief of his General Staff, Qanan Bey, receives 40 thalers, i.e., £4 a month. Officers who attend as pupils in the Flying School established by the Italians, were to receive 10 thalers a month during their period of study and were promised 20 thalers a month on qualification. The officers, however, refused to fly on this pay, and so he has closed down the Flying School, as he will not set a precedent by paying higher salaries. Officers of the Military School, like the ordinary soldier, receive only the raw material required for their meals. Each officer has to cook for himself what he wants to eat; there are neither servants nor cooks. The customary excuse of officers for non-attendance in class is "I had to cook." The Imam's avarice prevents him from building railways, roads and hospitals. He would much like to have them, but they must not cost anything. The doctors sent him by Italy he received in a friendly manner, because they are paid by Signor Mussolini. He even allowed them to establish hospitals, but the attendants who were required to serve in the hospitals and paid only the wage of an ordinary soldier, 10s. a month. Without extra pay, however, as one of the Italian military doctors complained to me, the men will not serve and simply offer passive resistance, and so it is impossible to use the hospitals. Yamani soldiers who go sick receive no pay during their illness. When they die their pay ceases on the day of their death, and their families receive nothing more.

The army's food is supplied by the Imam in the form of grain. It is supplied in part from the great granaries in which the taxes of the peasants are paid in kind. The grain for his soldiers is always taken from the oldest granaries, shortly before it becomes spoiled. The soldiers also receive kat leaves containing opium, which the Imam himself likes and uses.

This avarice, which dominates the whole land, is a method, after the manner of Abdul Hamid's. Just as the Imam Yahya has disarmed the Yaman in order to be able the more easily to rule it, so he makes his people poor according to plan in order that they should work and have no time to concern themselves with politics. When he hoards his gold in hidden subterranean cellars without using it; when he himself lives quite poorly and when he even compels his harim to sew uniforms and bags for his army for the daily pay of an ordinary workman without making his princesses any other allowance, so is it all method. The riches of the State must be kept for the Mahdi, the Messiah who will come one day. They are a war chest for the world war against the unbeliever.

This reactionary attitude of a fanatic dominates the whole life of his country. Imam Yahya forbids any bank to be established, for it is against the Quran to take interest. He forbids Europeans to own land in the Yaman, or even to rent houses for more than six months. The shipping companies in Hodaida must not hoist any flag on the arrival of their ships. Flags are the privilege of the Imam. The King of the Yaman never eats with an unbeliever. He will never rise to meet an English or Italian representative, although he would show this honour to the humblest of his faithful subjects. To an unbeliever he dare not do it. The Imam Yahya prevents the building of schools. He closed down the schools founded by the Turks after their departure, with the exception of the Military School and one or two public schools in which the Quran and arithmetic are taught. *Nahda*, or progress, is forbidden. The only modern science on which he sets any store is technical training for his munitions works and war knowledge. Medicine is tolerated when it does not cost anything, but the Imam Yahya does not think much of it as, in the long run, it rests not with the doctor but with Allah whether a man gets well or dies. The Imam is terribly suspicious of all foreigners. He forbids his subjects, especially the 40,000 Jews of the Yaman, to leave the country under penalty of confiscation of all their property. At the same time he hinders the immigration of nearly all foreigners except Turks, whom he loves, and his new Allies, the Italians. It must be borne in mind that the Imam is unusually ambitious, that he considers himself called to be King of the Hijaz in the place of "the mere Bedouin" Ibn Saud, that in order to accomplish this he even altered the rite of the Ziyud (the Arabic plural of Zaid) in order to bring his subjects nearer to the Sunnis. Such is my impression of this ruler of the Middle-Ages, who has been introduced into European politics by his alliance with Signor Mussolini.

CYPRUS.

On April 5, at 8.30 p.m., Mr. William Bevan, O.B.E., Colonial Commissioner for Cyprus, will deliver an address, under the auspices of the Royal Colonial Institute, on "Cyprus, Our Newest Colony." The meeting will take place at the Edward VII. Rooms, Hotel Victoria, and Sir Charles King-Harman, K.C.M.G., will preside:

The Earl of Lytton left Calcutta on March 29 for London.

The Viceroy and Lady Irwin left Delhi privately by special train on March 27 for Jammu and Kashmir.

Mr. Patel, President of the Indian Legislative Assembly, is leaving for London on April 2 for a short holiday. He will take the opportunity to meet the Speaker of the House of Commons and to exchange views on the procedure of the House, the rights and privileges of the Chair, and otherwise to post himself in House of Commons practices.

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THE PROBLEM OF PERSIA.—I.

The beginning of the New Persian Year would seem to be a peculiarly appropriate time for discussing the problem of regeneration that confronts Persia, and it happens that we are fortified in undertaking this task by the receipt of two remarkable essays upon Persia. Both are in the French language: the first is an unsigned pamphlet (which reached us from Berlin and contained no other outward indication of its source or authorship) entitled "La Perse sous le Signe de la Revolution," and signed by "Parti Revolutionnaire Republicain de Perse"; the second is an article by Mirza Ishak Khodadad in the issue of March 7 of *Le Phœnix*, a Cairo monthly periodical.

To take first the pamphlet, which is patently and illuminatingly Bolshevik in inspiration. It deserves, to our mind, the closest consideration, more especially in view of present events in China. It begins:—

The history of the development of the capitalist system (economy) has, for all its anarchy, its own laws. One of the most important laws of this modern system is the tendency to free itself from the narrow national *cadre* and to get under its influence economic domains as large as possible. The market and the sources of raw materials are decisive factors of expansionist tendencies of countries having an advanced capitalist development. But there is one law more powerful than all economic conditions: that economic laws govern (are the mothers of) all politics. The laws of modern European-American capitalism end in a policy which is their own, and which is generally designated under the name of "Imperialism." The word Imperialism to-day represents, for all peoples who are in the sphere of European and American capitalism, a picture of violence, oppression, and corruption.

With the ball set rolling in such a manner, we know, so to speak, what game we are playing. The truths that are in the above statement have long ago been emphasised by our Guild-Socialists; the untruths in it are the stock-in-trade of Communists and other Marxians. But what the reader may ask, has all this to do with Persia? This:—

Persia, by reason of its importance for world economy and of its backward state, in the economic and social aspect, is soon absorbed by the foreign policy of countries with an advanced capitalist development. That is why the national economy of Persia and all that touches on public affairs depend upon political laws and the modern world's economic system. Persia constitutes an object for the expansionist tendencies of this modern economy and of its foreign Imperialist policy. But to make clear the dependence of Persia on those countries of Europe and America which have an advanced capitalist system, it is necessary to give a short analysis of the social and economic condition of Persia.

The Bolshevised Persians who are responsible for this pamphlet thereupon explain that, of Persia's population of ten millions, half belong to the peasant class.

The small artisans, the merchant bourgeoisie and the big landowners constitute from one to two millions. A million and a half to two million inhabitants constitute the dispossessed and pauperised mass of Persia. These figures show what are the interests of the small artisans, of the peasantry, and of the dispossessed mass who must play the decisive rôle in the social and political life of the country. From these figures it can be seen that the industrial bourgeoisie is almost non-existent and that the commercial bourgeoisie, by reason of the lack of national capital, can take only a feeble part in the national production. To live, it depends absolutely upon foreign capital. These foreign capitalists participate in nearly all of the most important branches of production, or even possess them entirely (production of oil, in the hands of an Anglo-Persian Company; production of carpets, in the hands of American capital) or, owing to the organisation of credit, govern absolutely the production of imports and of exports. On the other hand, by reason of the lack of national capital and of internal markets, production in Persia is absolutely dependent upon the foreigner. More than half the total production of Persia goes to foreign markets. And it is precisely this stratum of the population of which we have spoken above, the poor peasantry and the small artisans, who have to furnish the profits of foreign capital. Now it is a known fact that when a country is much under the economic dependence of foreign capital it falls inevitably into a political dependence. . . . The whole history of the Persian people, since the establishment of Capitalism in Europe and its spreading abroad, is woven with the acts of violence and the horrors which Persia had to undergo at the hands of so-called civilised neighbours.

Is this really the voice as well as the hand of Esau? The pamphlet goes on to explain that these "civilised" countries were above all others, England and Tsarist Russia. After vilifying the period of what it satirises as "peaceful penetration" on the part of England and Tsarist Russia, it boldly repeats the lie to which Chicherin first gave public utterance: that THE NEAR EAST AND INDIA suggested that the tribes should rise, in the interests of

British Imperialism, against the Central Government of Persia. It says: "Et lorsque le gouvernement central, sous la pression du peuple, opposa la résistance à l'imperialisme anglais, ce furent encore les agents anglais qui dressèrent les Nomades contre le gouvernement, et eurent même le front de s'en vanter dans un article du 'Near East,' paru en 1926." Once more, we challenge the Russians and those Persians who are attracted by Russian generalisations, to find any passage in THE NEAR EAST AND INDIA which can by any conceivable stretch of the imagination be made to bear such an interpretation.

The pamphlet proceeds to castigate Russian imperialism. But, it says, when the Persian people began, in 1906, to move, the British Imperialists were clever enough to see that they would have to change their tactics. And so it was that the English supported the revolutionary movement. At this time Russia still represented reaction, and the reactionaries in Persia, including the Shah, went to the Russian Embassy for protection. But the movement failed, and the "feudal" representatives regained power. In 1907 came the partitioning of Persia into two spheres of influence. "The feudal aristocracy which for a moment had seemed beaten, developed its power anew, and retook the reins of the State. Parliament and all the Governments were occupied by representatives of this caste."

Then came the Great War. As soon as this was over, the Persian people again asserted itself, rejected the "shameful" Anglo-Persian Agreement, revolted against the Central Government, and, in a word, once more threatened the feudal aristocracy. This aristocracy, therefore, saw that mere reaction would not do. They had need of a man whom they could put forward as a representative of advanced ideas. "The conception of this plan was born in the corridors of British diplomacy; after the defeat which it had suffered from the annulling of the Treaty of 1919, it tries another method by which to establish this Treaty." Then comes a remarkable picture of the present Shah of Persia.

The limitless egoism, the boundless vanity and the insatiable greed of a man as ignorant of politics as Reza Khan was gave an excellent opportunity to the wire-pullers of the puppets of the feudal Persian aristocracy. But Reza Khan, to satisfy his egoistic aims, has become an instrument of British diplomacy and is transformed into a reactionary. His suzerains confide in him dictatorial powers. Through him British Imperialism succeeds in making itself complete master of the mechanism of the State. The American Financial Mission which as a wholly foreign Mission was asked for the purpose of freeing Persian finances can do nothing but be the instrument of British Imperialism.

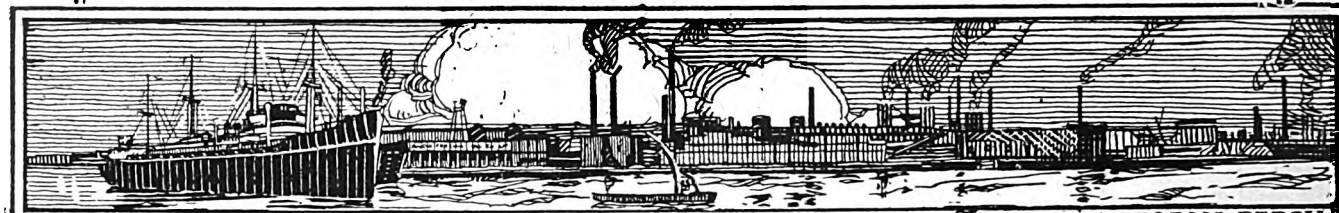
A few paragraphs are then devoted to exposing the present situation of Persia under the domination of Reza Shah. Alike from the points of view of the freedom of the Press, of speech, of meeting, of the Parliament, of the economic position, the régime of the present Shah is assailed by the authors of this pamphlet. And it is always the same class, or stratum of Persian society, which has to shoulder the burdens which the present régime is imposing upon Persia. To put an end to this state of affairs, there must be a revolution, and the pamphlet concludes with an outline of what is desired by these revolutionaries.

The sufferings endured by the Persian people during so many years and the sacrifices which they have made have not been in vain. The people understand that they cannot wage a struggle with antiquated methods. The revolutionary conscience of the masses is gaining ground. It is understood that as long as there is not a solid revolutionary party among the masses, there can be no question of a victory over either internal or external foes. The people has learned well the world historic importance of the Chinese revolution, and has profited by its organisations and experiences. The people has placed at the head of its movement the most proved, faithful, and conscientious elements. In its struggle against the enemy, it disposes to-day of a powerful army: it disposes of the advance guard of the Revolutionary Party.

We who consider ourselves as servants of and combatants for the liberation of the people and the revolution, on whom falls the duty of waving the flag of liberty, we make our appeal throughout Persia. We fight in the holy cause of the liberation of the Persian people from the foreign yoke and for the destruction of the domination of the feudal aristocracy and of its representative, Reza Khan.

How much the Russians love the present Shah of Persia, and how much he must love them!

(To be continued.)



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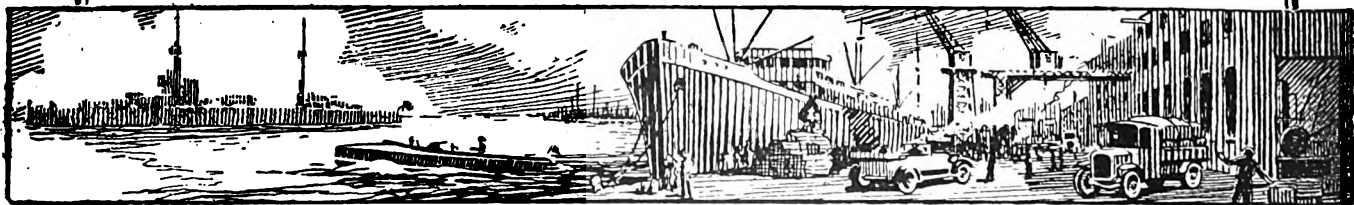
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PERSONAL AND GENERAL

TO-DAY

March 31, 1927 (New Style).
 March 18, 1927 (Old Style).
 Ramadhan 27, 1345, A.H., of the Muslim Calendar.
 Adar II, 27, 5687, of the Jewish Calendar.

Sir Edward and Lady Stern have returned to 4, Carlton House Terrace from Egypt.

Sir Harry and Lady McGowan returned to 40, Park Street on March 26 from Egypt.

Lord and Lady Greenway returned to England on March 26, after their visit to the East.

Air Marshal Sir John and Lady Salmond have returned to Chesnut House, Uxbridge, from Italy.

Fald Sabib Bey, the Egyptian Minister in Madrid, and Mme. Fald Sabib last week left the Ritz Hotel for Spain.

Mr. and Mrs. Raoul H. Foà have left 45, Hans Mansions for 95, Park Street, W.1., which will be their permanent London address.

Sir Stanley and the Hon. Lady Birkin were among the passengers in the *Mauretania*, which arrived at Southampton on March 27 from Alexandria and Naples.

Mr. Francis Brooke Girdlestone, of Oxford, late of the Indian Navy and Topographical Survey of India, and general manager of the Bristol Dock Estate, 1875-1911, left £27,434.

Lady Butler, wife of the Governor of the Central Provinces of India, who was in indifferent health towards the end of the cold-weather season, has come home for the summer.

Sir Ronald Macleay, K.C.M.G., who has been appointed to be his Majesty's Envoy Extraordinary and Minister Plenipotentiary at Prague, has served among other places in Constantinople and Belgrade.

General Sir John Du Cane was received in audience by the King at Buckingham Palace on March 22, and kissed hands upon his appointment as Governor and Commander-in-Chief of Malta and its Dependencies.

The Greek Minister held a reception on March 26 at the Greek Legation for members of the Greek Colonies in England on the occasion of the 106th anniversary of Greek Independence. Before the reception, Lieutenant-General Sir Alfred Codrington spoke on the battle of Navarino, and Admiral Sir Reginald Tupper presided.

Mrs. Wilfred Brownlow and Miss Frances Shirley, after a journey across Asia Minor to Mersina, where they were the guests of their cousin the British Consul, Mr. R. E. W. Chafy, left for Cyprus on March 13. They were seen off on departure by the Governor, Abdullah Sabri Bey and the Chief of Police Husni Bey.

The appointment of Mr. Chettor Madhavan Nayar, Barrister-at-law, and Advocate-General for the Presidency of Madras, to be one of the Judges of the High Court of Judicature in Madras in the place of the late Sir Cheruvuri Krishnan, Diwan Bahadur, was gazetted on March 22.

The death is announced at Mombasa of Sayyid Khalid Bin Barghash, who in 1896 attempted to usurp the Sultanate of Zanzibar, causing a British Fleet to destroy at point blank range two palaces. Khalid was exiled to St. Helena but was allowed to return to Mombasa five years ago.

RECEPTION AT THE PERSIAN LEGATION.

To celebrate the Persian New Year, the Persian Minister was "At Home" on March 22, at the Legation, 47, Bramham Gardens, S.W.5. H.E. Abdol Ali Khan Sadri, supported by the members of the Legation, received his guests in the drawing-room. Masses of pink and white azaleas, tulips, and hyacinths decorated the reception rooms and staircase with pleasing effect. One reception room was used for dancing. Among the guests present were: the representatives of the Diplomatic Corps in London, the Marquess and Marchioness of Reading, Countess of Clancarty, Lord Headley, Lord and Lady Peel, Sir Atul and Lady Chatterjee, Mrs. Stanley Baldwin, Mrs. L. S. Amery, Mr. Lloyd George and Dame Margaret Lloyd George, Sir Percy and Lady Cox, Sir Joseph and Lady Cook, Lady Tyrrell, Sir Henry and Lady MacMahon, Sir E. Denison Ross, Sir Arnold Wilson, Sir John and Lady Cadman, Sir Charles and Lady Wakefield, Sir Harry and Lady Foster, Lady Chadwick, Mr. and Mrs. Ameer Ali, Mr. J. B. Monck of the Foreign Office, Lt.-Col. Fox, Major F. S. Greenhouse, Captain and Mrs. Algernon Holland, Captain and Mrs. Kelvin Greenway, Captain and Mrs. Townley, Mr., Mrs. and Misses Sen, Mr. and Mrs. V. A. Caesar Hawkins, Mr. and Mrs. and Miss Montague Bell, Dr. and Mrs. Léon, Mr. and Mrs. Storry Deans, Mr. and Mrs. C. E. Parish, Mr. Mrs. and Miss Mollinson, Mr. and Mrs. Gordon, Mrs. and Miss Halahan, Mrs. Charles Hancock, Mrs. and Miss Bruce Dick, Mrs. L. S. Cobham, Mrs. Bruce Robinson, Mrs. B. Burland Tukes, Mrs. E. Gibson Smith, Mrs. Edward Hore, Misses Parish, Miss M. A. Broadbent, Miss M. M. Farquahson, Miss M. E. Dowling, Mr. J. B. Lloyd, Mr. Charles F. de Nordwall, Mr. C. G. Hancock, Mr. H. B. Heath Eves, Mr. H. Daly Stanford, Mr. E. W. H. Barry, Mr. Dryhurst, Mr. C. Isbell, Mr. J. C. Nicholson, Mr. Reginald Soames, Mr. Hamilton Lamplugh, Dr. Ernest Griffin, and Mr. G. H. N. Boffin.

Sir Stanley Jackson, the new Governor of Bengal, and Lady Jackson arrived at Bombay on March 24 on board the *Ranchi*. They stayed with the Governor of Bombay until March 26 before proceeding to Calcutta.

Colonel William Westropp White, C.B., C.M.G., late of the Indian Medical Service, died at Rake's Halt, Cove, Bampton, Devon, on March 21, at the age of 64. He served in the Hazara Campaign of 1891. He also was in the relief of Chitral. In the operations on the North-West Frontier in 1897-98 he was in the Samana, and Kurran Valley campaigns, as well as in Tirah. He was with the Indian contingent in the Boxer Expedition of 1901. In the Great War he was with Indian troops through the whole period, in France, in Mesopotamia, and in Palestine.

The death has occurred at Monte Carlo of Mr. Langton Prendergast Walsh, C.I.E., late of the Indian Political Service. Entering the Marine Postal Service in 1873, says *The Times*, Walsh transferred to the Bombay Political Service in 1879. He was attached to the staff of the Indian Division in Egypt in 1882, and was present at Kassassin and Tel-el-Kebir. Two years later he was lent to the Foreign Office, and from that time until 1892 he was in Consular and administrative charge of Berbera and Zeila, North-East Africa. During this period he raised the Somali Coast Protectorate Police; took part in the operations against the Jibril Abuker tribes (for which he received the thanks of the Government of Bombay in 1886), and served with the Esa Expedition in 1890, and was present at Hussein Zareeba. His services were commended by the Governments of India and Bombay, and he was created C.I.E. in 1890. He served afterwards as Political Assistant in Kathiawar, Aden, and the Southern Maratha country, and as Political Agent at Sawant Wadi, and commandant of the Sawant Wadi Local Infantry Corps.

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Book Reviews

SOME BALKAN PROBLEMS.

"**THE NEW BALKANS.**" By Hamilton Fish Armstrong. With an Introduction by Archibald Cary Coolidge. (London and New York: Harper and Brothers. 8s. 6d. net.)

Readers of the American Quarterly *Foreign Affairs* have often had occasion to appreciate Mr. H. F. Armstrong's trenchant handling of Near Eastern subjects. In "The New Balkans" he has incorporated a series of articles, some of which have already appeared in *Foreign Affairs*, which cover the more important problems now exercising the Near East. Starting from a point on which THE NEAR EAST AND INDIA has often laid stress, that even from the mere physical point of view the Balkan States, with a population of over 40,000,000 souls, are far from insignificant, the author reviews the chief difficulties in the way of a complete understanding among the Balkan States—difficulties that will have to be solved before the proposal for a Balkan Pact can take effect. He is satisfied that there is such a thing as a Yugoslav national spirit and that, when put to the test, it overrides sectionalism; but he realises that conciliation is more trying to the Yugoslav character than conflict. The future of the sovereign State of Albania, he holds, is still highly uncertain, but one would be rash to say that its continuance as a separate national entity was improbable. "From being a mute geographical expression Albania has become a political factor in its own right, with a voice of its own and with a world forum where it has already found that it does not appeal in vain for attention." It is to be hoped that the Tirana Treaty does not imply that Albania wishes to exchange that forum for a cruder method of obtaining recognition of her rights. As for Bessarabia Mr. Armstrong inclines to the belief that the chief indication in judging whether the present arrangement will continue—short of war—is to be found in the internal state of Bessarabia itself. "Until the Roumanian administration is able to give the economic life of the province a distinct turn for the better, agitators from over the border will always find favourable soil there for the sowing of communist tares." Other chapters deal with Fiume, the Adriatic Railway, the Unredeemed Isles of Greece and the Salonika Dispute. The subjects are handled in a manner searching yet dispassionate, which makes the author a much safer guide in Balkan affairs than many who are unable to envisage the Peninsula as a whole and

have their vision limited to a single country. He wrote before the recent Italian scare had troubled the current of Balkan affairs, but he had recognised the chief danger that threatened the Peninsula. "No outside Power," he points out, "should again be allowed to secure the Balkan keys to the East. . . . What the Balkan States need is to stand together, promising nothing more than to refrain from aggression against each other and avoiding entanglements outside their special sphere."

In the Introduction Professor Coolidge gives a brief character sketch of the peoples of the Peninsula. If there is anything to challenge in his description it is the statement that Serbs and Bulgarians are kept apart by a rivalry, not to say a hatred, "which goes back to their remote past." As a matter of fact the embittered feelings that have of late been so prominent a factor in Balkan life hardly go back more than a couple of generations. A hundred years ago the feeling of kinship and common interests were paramount.

THE NEAR EAST YEAR BOOK 1927.

This week is published a book which should be of special interest and utility to readers of THE NEAR EAST AND INDIA—The Near East Year Book. The more closely anyone keeps in touch with a subject the greater the need for the handy marshalling of facts and figures. The Year Book aims at supplying all that general information which contributes to accurate knowledge of the countries concerned; it will enable the student, the writer and the politician to inform themselves in regard to details, and it will suggest to the business man openings in a variety of directions. The countries dealt with are Yugoslavia, Roumania, Bulgaria, Greece and Turkey, and as far as possible the treatment of each country from the point of view of subject matter has been the same. Although the Great War had its genesis in the Near East, and the Near Eastern Question has not yet found its settlement, and politically, as recent events have served to remind the world, the Near East has lost none of its importance as a factor in the world's affairs. From the economic point of view this region of fifty million inhabitants has yet to come into its own and it is certain that those who recognise its potentialities early enough will reap the benefit, when the Peninsula, freed from faction, settles down to the steady development that the remarkable industry of its peoples bespeaks for it. In this connexion the Year Book is most suggestive. From its pages a very clear idea can be obtained of the resources that these countries possess—agricultural and mineral wealth, great forest reserves and water power; lists of manufactures and factories make the book of practical utility to those who want to trade with the Balkans. For those who, with no first-hand acquaintance with the Balkans, are apt to think of them only in terms of wars and raids may be commended the many pages that tell of an ordered intellectual existence, of societies, scientific, artistic, and philanthropic, and of the wide ramifications of sport. The Danube, an important trade and tourist highway, has a chapter to itself; the collection of Near Eastern Treaties is a useful feature, and the curious will find the steady perusal of the Who's Who by no means uninteresting.

Copies of the Near East Year Book may be had from the offices of THE NEAR EAST AND INDIA, 170, Strand, London, W.C.2., post free for 25s.

A CORRECTION.

We much regret that in the review of Mr. Edward Hutton's excellent book "The Valley of Arno" which was contained in this issue, the title should have been wrongly given.



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CORRESPONDENCE

The columns of THE NEAR EAST AND INDIA are open for the discussion of subjects of general interest to its readers. The publication of such letters must not be taken, however, as indicating that the views expressed by the writers are those of THE NEAR EAST AND INDIA.

PALESTINE RAILWAYS.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—It is stated in Mr. K. W. Stead's report on Palestine, extracts from which are published in your issue of February 17 that "the sum of £1,000,000 is due to His Majesty's Government in respect of railways, roads, telegraphs and other capital assets acquired by the Palestine Government." As you know, the assets in question were valued by experts—I think in 1922—at £2,190,000. The generosity of the British taxpayer knows no bounds, for not only has he agreed to guarantee a loan of £4,500,000 for Palestine but also apparently he has, without his knowledge or Parliament's, made that country a present of £1,190,000 by writing off its debts to that extent. It scarcely seems worth while protesting against such scandalous abuse of authority—Parliament does not care nor does the taxpayer! But it is as well to place on record that the grandiose and unnecessary project for a harbour at Haifa is in fact to be paid for not out of the proposed loan but out of the proceeds of an unauthorised gift.—I am, etc.,

H. ST. J. B. PHILBY.

[Experts may possibly have once valued our Allies' War Debts at their face value; but its is doubtful whether the Government's acceptance of considerable reductions in the amount to be paid merits the term of "scandalous abuse of authority."—ED.]

ABOUKIR.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—I notice that some Egyptian newspapers, mindful of their Arabic grammar, wish to treat this place name, as two words, and so they speak of it, as Aboukir and Abakir, and Abikir, according to its being, nominative, accusative, or genitive!

Whereas the rule is, that names of places, once fixed, must not be corrupted, and hence we find our lexicographers entering Aboukir as *one* word, but Abou-Bikr as two, which is the correct thing to do.

Egyptian newspapers will, therefore, do well to correct their mistake, and keep to the acknowledged rule; otherwise only confusion and loss of identity can be the result of the corruption.—I am, etc.,

A. SEFL.

Buckingham Gate, March 26.

INAYAT KHAN.

News was received last week that Inayat Khan, Pir-o-Murshid of the Sufi movement in the West, died at Delhi of pneumonia on February 5. Inayat Khan, who was born at Baroda in 1882, was well known in this country, where, says *The Times*, he spent several years in an effort to spread the Sufi religion, with the assistance of a band known as the Royal Hindu Musicians. The professor sang his own compositions and played the sacred *vina*. Before coming to Europe he had appeared at the Courts of the leading Indian Princes, who accorded him their patronage. The Royal Hindu Musicians also appeared in America, France, and Russia, winning distinction wherever they went. Their leader, Inayat Khan, was a grandson of Mula Bux, who invented the modern Hindu notation system. At the rooms of the Royal Asiatic Society on his arrival in 1915 he gave a series of lectures on philosophy and Eastern music, with demonstrations. He described Sufism as a brotherhood with no distinctions of race, colour, or creed, and claimed that it had for its aim social and religious unity. He said there was to be no interference with special customs, faiths, and beliefs, but it was to be realised that behind all these there was a fundamental knowledge of unity, a religion of love and wisdom. The light and power latent in man was to be discovered, and the East and West brought together. Inayat Khan established his headquarters in Gordon Square in 1919, and held an anniversary celebration of the opening in the following year, when a large company assembled. He also started the *Sufi Quarterly*. Later he returned to India.

NEWS IN BRIEF.

H.H. the Maharaja of Indore arrived recently at Nice.

Mr. E. E. L. Hammond, I.C.S., has been appointed Governor of Assam in succession to Sir John Henry Kerr.

King Boris received in Sofia on March 25 the new French Minister to Bulgaria, M. Henri Cambon, who presented his letters of credit.

Mr. G. W. Dillon, an Indian Government advocate, died in Allahabad last week of wounds received while tiger-shooting near Manikpur.

The Grand Duchess Constantinovitch, of Russia, who died in Leipzig on March 24, was a sister-in-law of the Dowager Queen Olga of Greece.

Captain C. E. Turle, D.S.O., R.N., and the other members of the British Naval Mission to Greece, reported for duty on March 24 at the Ministry of Marine in Athens.

The King has given Miss Annie Josephine Dickinson authority to wear the insignia of the Order of Saint Sava, of the Fourth Class, which decoration has been conferred on her by the King of the Serbs, Croats, and Slovenes, in recognition of valuable services.

General Sir John Du Cane (General Officer Commanding-in-Chief, British Army of the Rhine) is assuming duty as Governor of Malta at the beginning of May. He will embark at a French port in H.M.S. Bryony for Malta.

General Averescu, the Roumanian Prime Minister, has taken charge of the Ministry of Finance, vacant through the resignation of M. Lapedatu in consequence of a disagreement with M. Manolescu, the Under-Secretary of State for Finance.

It is announced that Rear-Admiral Mark L. Bristol, who is at present United States High Commissioner in Constantinople, will succeed Admiral C. S. Williams in the command of the United States Atlantic Fleet in the autumn.

Imperial Airways draw attention to the fact that letters posted by Air Mail now reach Baghdad 17 days, and India five days, earlier than if sent by ordinary mail. The cost is 3d. to Baghdad and 6d. to India for a letter weighing up to 1 oz.

Reuter reports from Belgrade that Yussuf Sali Bey, a former Albanian Minister and leader of the Albanian Independents, who had for some time past been living at Ochrida (close by the Albanian frontier), has been murdered there. Yussuf Sali Bey played a considerable part at Tirana (the Albanian capital) in the time of Essad Pasha.

The *London Gazette* announces that the Secretary of State for India has approved the grant of a vacant Good Service Pension to Lieut.-General Sir Richard Wapshare, K.C.I.E., C.B., C.S.I., Ind. Army (retired). General Wapshare, who retired in 1921, commanded the Baluchistan Force during the Afghan War of 1919. He was in command of the 4th Quetta Division from 1917 to 1920 and in military and political charge of the Expeditionary Force against the Marris in 1918. He joined the Indian Army in 1882.

Two of the sloops stationed in the Persian Gulf, the *Crocus*, Commander J. G. Bower, D.S.O., and the *Cyclamen*, Commander C. R. E. W. Perryman, D.S.C., have been paid off and recommissioned at Bombay, drawing full crews from Portsmouth and Chatham depôts respectively. They are due to return to the Gulf shortly.

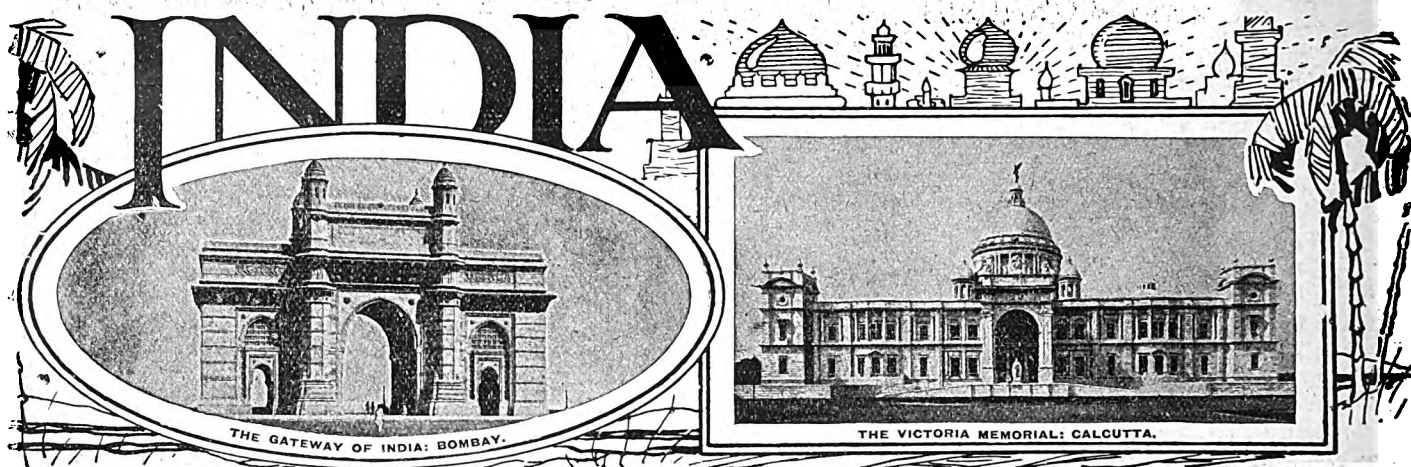
The King has approved the award of the Founder's Medal of the Royal Geographical Society to Major Kenneth Mason (Survey of India) for his connexion between the surveys of India and Russian Turkestan through the Pamirs in 1913, and his organisation and conduct of the Shaksgam Expedition of 1926.

The Colonial Office announces that the King has approved the following appointments:—

Sir Hugh Clifford, G.C.M.G., G.B.E., Governor of Ceylon, to be Governor and Commander-in-Chief of the Straits Settlements and High Commissioner of the Malay States, in succession to Sir Laurence Guillemard, G.C.M.G., K.C.B., who will shortly complete his term of office.

Sir Herbert James Stanley, K.C.M.G., Governor of Northern Rhodesia, to be Governor and Commander-in-Chief of Ceylon, in succession to Sir Hugh Clifford.

Sir Frederick Green, Wimbledon Park, S.W., formerly of Chigwell Row, Essex, and Fenchurch Avenue, E.C., late of F. Green and Co., one of the founders of the Orient Line, a director of the Suez Canal Co., chairman of the Trust and Agency Co. of Australasia, Ltd., deputy chairman of the United River Plate Telephone Co., Ltd., chairman of the London Board of the Bank of New South Wales, and a director of several other concerns, who died in February, aged 81 years, left unsettled property of the gross value of £338,060, with net personality £321,875.



MAIL DELAYS.

Great and growing dissatisfaction is being voiced by the European business community of Calcutta at the persistently late delivery of its mail correspondence from England. Before the War, the Home mail used to be delivered early on Sunday morning; but delivery now takes place on Sunday afternoon at the earliest, and not infrequently not until Monday morning. The chief delinquents are the Railway and Postal Departments, with the P. and O. for a period as an accessory. The contract time for the arrival of the mail steamer at Bombay is daylight on Friday morning: but, until lately, it has failed to keep its appointment punctually. The P. and O. Company has been able to marshal various excuses for this state of affairs—labour troubles at Marseilles, the enforced use of inferior foreign coal owing to the strike, fog in the Bitter Lakes on one occasion, and an accident to an anchor cable at Aden on another. It, at least, has acknowledged the error of its ways and has not only promised, but has also brought about, an improvement; while the Indian Railway and Postal Departments resolutely decline to do either. It is, of course, common knowledge that the P. and O. always has time up its sleeve, and could easily complete the run to India in less than the contract time, except when it uses its oldest and slowest boats. So it is not difficult for the P. and O. to rise to the occasion, once it has been convinced that the effort is worth while. In other matters, such as that of the proportion that the passenger fare to Bombay bears towards the fare to Sydney, which is practically twice as far though the fare is only half as much again, the P. and O. is not so easy to convince: and here also it has more or less valid excuses—the cost of the Suez Canal dues, which is the same for the Indian passenger as for the Australian, the reduced cash price that it has to accept on the “Lee Concession” fares, where the Government of India pays the Company only the contract price, credits the passenger with the full ordinary fare on paper, and saves the difference—and the undoubted fact that, at certain times of the year, the boats to or from India run partly empty, while it is, if only by implication, denied that the same thing is the case with Australia.

The Railway and Postal Departments also have excuses; but, unlike the P. and O., they have made no attempt at rectifying the causes of the delay. Before the War the postal special from Bombay to Calcutta, running over the G.I.P. and E.I. Railways, did the journey in 38½ hours. Later, the time dropped to 40 hours, at which figure it remained until the floods of last year destroyed the railway bridge over the Nerbudda and necessitated a diversion that increased the time of transit to 44½ hours, which is the schedule time now, though it is not always adhered to. The cheery optimism, of which Sir Samuel Hoare gave an example in his recent speech on the Air Estimates, is a praiseworthy characteristic of India's railway staff. He said, it will be remembered, that, while waiting at the Delhi aerodrome for weather reports regarding the advisability

of starting for Karachi, one of the most helpful messages he received was from a railway station down the line—“Everything is up to time. The express has just gone through 2½ hours late.” The destruction of the Nerbudda Bridge is, on the face of it, a thoroughly valid excuse for the time now taken by what the Anglo-Indian newspapers of Calcutta have christened “the Snailway.” But it ignores the fact that there is an alternative line—the Bengal-Nagpur Railway—by which the distance between Bombay and Calcutta is 200 miles less than by the ordinary route. The latter is used because it also serves Northern India, whereas the Bengal-Nagpur Railway does not; but this argument also ignores the fact that there is an alternative route between Bombay and Delhi—the Bombay, Baroda, and Central India Railway—which is quicker than the ordinary mail route *via* Jubbulpore in the Central Provinces, near which place the bridge over the Nerbudda was washed away. Another fairly good excuse is the increased bulk of postal matter that has to be carried nowadays, which not only needs more powerful and heavier engines to draw it at the old rate of speed, but also the strengthening of some of the old bridges in order to carry them in safety. This work, the Railway Department says, is progressing, but was unavoidably delayed owing to the dislocation caused by the War. In the absence of statistics, it is impossible to say to what extent the bulk of postal matter has increased; but it may safely be surmised that the increase is nothing like what would normally be expected if it were possible to revert to the old penny rate. It seems unlikely that such a reversion can be much longer delayed: and it would seem that, when it does occur, Calcutta residents will have to wait for their mail considerably longer than they do at present. The chief complaint against the Postal Department, apart from its refusal to take advantage of the alternative routes that would avoid the broken bridge, is its quite recent decision to stop the sorting of correspondence in the train. The excuse given for this is that it has been necessary to reduce the load of the postal special, and that the only possible way of doing so has been to cut down the mail accommodation: and the result has been several hours' delay after the arrival of the mail, while it is being sorted at the Calcutta Post Office.

The rebuilding of the Nerbudda Bridge will take some months: estimates vary between three and twelve, though inclining to the latter. After that period, say the official apologists, a reversion to the “normal” timing of 40 hours be expected. But they do not hold out any hope of a reversion to pre-War timing in any foreseeable period: and they decline to consider at all the possibility of resuming the practice of sorting in the train. The Member in charge of the Postal Department was subjected to considerable heckling in the Legislative Assembly in the middle of February, when the chief points elicited were that it was only a week previously that he had given his attention to the matter: and that, in that interval, he had been unable to acquire information whether there is a saving of mileage by the Bengal-Nagpur route and, if so, how much: whether it would be feasible to use either or

both of the alternative routes and, if so, how much this would cost: whether it would be reasonably possible to separate the Calcutta mails from those intended for Upper India before they are loaded on the train: and what is the difference between the "normal" timing of the postal special and the timing that obtained before the War. It would seem that some other authorities are involved in what the Calcutta *Statesman* calls "this welter of nescience"; for the Bombay *Times of India* describes the protest as that of "a small faction" and suggests that the claim is put forward "merely to enable the residents of Calcutta to indulge their nostalgia for distant Dundee in the privacy of pyjamas and the cool of the morning"; particularly as Sunday is a *dies non* in business circles. At the same time, it admits that the apparently unnecessary delays of the P. and O. Company definitely merited the rebukes which they earned, "for failure on its part to observe the strictest punctuality affects the whole of India"—especially Bombay: which is in the happy position, if it receives its mail betimes on Friday, to answer it the next day, and thus to gain a week on the rest of India. Being thus fortunately placed, Bombay is able to observe its Sundays as business *dies non*; whereas the Calcutta business man welcomes the chance of giving his undivided Sunday attention to important communications likely to have a vital influence on his week's conduct of business. Moreover, the Calcutta complaint is confined to the mail train that carries its own correspondence, and has no concern with the others that carry the mail to other destinations. It has been reckoned that Calcutta's share in the English mail, leaving Bombay by the postal special bound for Calcutta, amounts to about 70 per cent.; so that the Bombay suggestion, that the protest of a relatively small community has been exaggerated into a similitude of national clamour, does not perhaps accurately state the case. It is, of course, quite true that the whole of India would have to pay if extra expense is incurred by postal arrangements that will remedy a crying injustice to Calcutta; but the business community there, even if relatively small in numbers, is so important that to do what is reasonably possible to meet its pressing needs is a matter of national concern: and it is the obvious duty of the Postal Department to remedy a serious grievance where it exists, irrespective of the fact that there are other places in India where it does not.

CURRENT TOPICS.

"Pertab."

The appearance of a biography of that gallant old soldier, Sir Pratap Singh, is a great source of satisfaction to his innumerable friends. The spelling adopted by his biographer is, of course, the correct one: and, to judge by the signature on a photograph of him, which is one of the writer's most cherished possessions, it is the one he adopted himself—though he would be a bold man who would say so with any certainty, as writing in the English character was not one of the General's strong points, his a's and r's, in particular, being indicated by the same symbol—one not unlike the "pot-hook" of a child's copy book. But his English friends always knew him as "Pertab," and will doubtless continue to cherish his memory under that name. His one overmastering ambition was to be killed in action in a cavalry charge at the head of his own men: and it was a lasting regret to him that he had to return to India from the Great War without having had the chance of realising it. In these days of Indianisation, there are many people—as witness the Sandhurst returns—who look askance at the probability of themselves, or their sons, having to serve in the Indian Army under Indians; but it is safe to say that no British officer in India would not have been both glad and proud to serve under Pertab. The last time that the writer saw him was when the Jodhpur polo team won the Prince of Wales' Cup at Delhi in the presence of its

donor, after the finest game that it has ever been his privilege to see. Playing against an older and more experienced team, the Jodhpur youths were three goals down, half way through the match: a state of affairs that would have been fatal to 99 out of a hundred Indian teams. But the young men of Jodhpur never lost heart, got back two goals in the last chukker but one, and equalised and then won in the last. There can have been few prouder moments in Pertab's life than that one; for the success of his team was, above all things, a tribute to himself, who had taught them not only to play the game, but to play a losing one with the same pluck and gallantry that distinguished him throughout his life.

The Council Chamber Roof.

The alarming report of the fall of a brick, from the roof of the newly opened Council Chamber, on to the desk of a member of the Legislative Assembly, has been promptly discounted by Sir Herbert Baker's explanation that it was not a brick, but only an "acoustic tile made of light porous material for sound absorption." The original report said that the brick was not a part of the roof structure, but one of a number that had been stuck on to the plaster with cement: and that, when it fell, it brought its original cement with it. This would probably have reduced the lightness, if not the porosity, of the material: and it is certainly as well that brick catchers have now been spread under the ceiling, even if these are likely to interfere with the acoustic properties of the Chamber. For, in case other tiles should decide to follow the example of the pioneer, and should do so with a more accurate aim, they might fulfil their primary function of "sound absorbers" with regrettable completeness.

The Governorship of Assam.

His many friends will most heartily congratulate Mr. Laurie Hammond on his election as the next Governor of Assam. The fact that he was not elected for the Governorship of his own Province, Bihar and Orissa, was a source of considerable disappointment, not to say surprise, at the time that the latter selection was made: and it is pleasant to find that his claims to high preference have now been recognised, even if his new post turns out to be but a temporary one. It is difficult to believe that the Statutory Commission will recommend the retention of Assam as a separate Governor's Province of India; though, for that matter, Bihar and Orissa may perhaps be in almost equal danger as a Governor's Province. Both Provinces offer their Governor a considerable amount of leisure, though Assam is certainly the more attractive from this point of view: and their dignity is equal, though the pay is much better in Bihar. The Governor of Assam also has the additional advantage of a most beautiful headquarters at Shillong, and a comfortable yacht for his "camp office" during the touring season. In this respect, the Governor of Bihar and Orissa is not so fortunate, though he has no less than four official residences—one more than any of the most favoured of his brethren, unless one reckons the Circuit House at Dehra Dun as one of the seats of the Governor of the United Provinces: to which, at any rate, his claim has been regularly jumped, of late years, by the Viceroy. Bihar's only real hill station is at present in embryo—if, indeed, it can be said to have got even so far as that—at little out-of-the-way Nettihaat. Puri, on the sea, is pleasant for a brief season; but the official winter capital of Patna, and summer capital of Ranchi, are both set in what is little more than a wilderness, with little to choose between them, during the hot weather, in the matter of temperature. The Governorship of Assam is generally quoted nowadays as one of the only two really "soft jobs" remaining in India—the Presidency of the Council of State being the other. Mr. Hammond is to be congratulated on getting it, if only as a stepping stone to something more important; and Assam is certainly most heartily to be congratulated on getting Mr. Hammond.

CALCUTTA LETTER.

(From Our Own Correspondent.)

Calcutta, March 10.

Communal Troubles.

Further details in regard to the Moslem riots in the Barisal district arrived immediately after the last mail, and these do not diminish in any way the seriousness of the occurrence, although they show that the number of men who were wounded by the firing was exaggerated in the first reports. Both official and unofficial accounts appear to agree that the people who suffered were ignorant Muhammadan cultivators who had been brought into a small town under the influence of a holy man, preaching to prevent a Hindu procession from passing a mosque, and particularly to stop it from playing music while doing so. It is not denied that the procession was an annual one and that it had not been interfered with previously; but in the present state of communal ill-feeling the question of music before mosques has assumed an altogether new importance. The preacher succeeded only too well; eventually a fanatical mob, wildly excited and armed with spears and clubs, surrounded and charged the small body of officials and their armed escort, and it was not until the rioters had been fired upon that they would disperse. But Hindu and Moslem extremists are using the tragedy as a weapon for attacking Government and, although both profess to be anxious to put an end to the present tension, there is no sign of any responsible effort to do anything else but aggravate mutual distrust and animosity.

The New Irresponsibles.

One of the most unfortunate incidents in connexion with this matter is the visit of Sir Abdur Rahim to the locality and the speeches and statements that he has made from there. It is pathetic that a man who is an ex-High Court Judge, an ex-Minister and a so-called leader should so display complete irresponsibility and what might conceivably be regarded as open incitement to mischief. His speech at Barisal will have satisfied both Hindus and the remainder of the Moslems that they were completely right when they refused recently to co-operate with him as a Minister, but in a discursive press statement he makes a grievance of the fact that, although he was the senior member of the Council at the time, Sir John Kerr was brought from Assam to act as Governor when Lord Lytton was temporarily appointed as Viceroy at the end of the Reading régime. Sir Abdur has only himself to blame if it is suggested that he is not able even to govern himself, let alone a province. It would seem that we are now to have a group of Moslem Extremists to compete with the *Forward* party in irresponsibility and the prospect is not an alluring one.

Congress Amenities.

The break-up of the Congress party has become complete. The rebels, "The Big Five," are the people who have most of the power, and most of the money, and they also own *Forward*, which has always been the Congress and Extremist organ up to date. It need hardly be said in such circumstances that *Forward* can say nothing bad enough about the people who still retain control of the Bengal Congress in spite of the fact that a note of "No-Confidence" has been passed against them. Money speaks very loudly in politics here, and, if the Indian papers which are still open to the official Congress party are to be believed, the only point at issue between the two sections is who is to obtain control of the income which arises out of the corruption in the Corporation. Neither side appears to be concerned to conceal the existence of corruption itself and the worst that is said of it is that it should not be allowed to rear its head too high into the air. Meanwhile the election preparations are proceeding apace, and meetings of both sides are about equally interrupted; but at the moment the honours in regard to the throwing of stones and brickbats at speakers

must be awarded to the "Big Five" and their supporters. This probably means only that they have more money to spend in hiring the *goondas*, or roughs, who are always available for such purposes in the large cities of the East.

One and Sixpence.

The battle between the ratios has been fought, and won by Government, and, even if there should be an adverse decision upon some minor subsequent point, it appears certain that the rupee will be stabilised at eighteenpence. From some points of view it was a pity that Sir Basil Blackett should have announced in advance that if the rupee were not fixed at this figure no statutory ratio whatever would be adopted at present. This line of action, as is so often the case in similar circumstances, enabled the irresponsibles to enjoy themselves without any fear of consequences, as they knew that Government would save them from themselves, even if they won. The vote, 68 to 65, is an indication of the assiduity with which both sides have been canvassing, and it is agreed that never before has so thorough an attempt been made to whip up every possible voter on both sides. Certainly the defeat of the one-and-fourpence men has not been due to any lack of effort by the Bombay magnates.

The Y.M.C.A. and Politics.

The Annual Meeting of the Y.M.C.A. took place this week and on the morning of the day of the meeting a long statement was issued under the signature of Dr. S. K. Dutta, the General Secretary of the National Council, Y.M.C.A., in regard to the recent resolution of the European Association charging the Y.M.C.A. with interfering in politics. The principal business of the meeting turned upon this resolution, and the Bishop of Calcutta stated with some emphasis that the European Association must either substantiate its charges or withdraw them. Dr. Dutta also made an aggressive defence of the Association and its officers, and Sir George Rankin, the Chief Justice of Bengal, who presided, mildly suggested that, if the case of the Y.M.C.A. failed, it would not be for want of advocacy. Many members of the European Association are beginning to feel that they were stampeded by Mr. Hobbs when he moved the resolution, and others may rightly think that it is a pity that it should be possible for it to be stampeded in such a way; but the same people are not altogether comfortable in regard to the point at issue, and possibly this is partly explained by the fact that *Forward* finds in Dr. S. K. Dutta's statement, as well as in the Bishop's remarks, a useful text for a typical condemnation of the European community in India.

Men and Things.

On the eve of the municipal elections, the controversy in the Corporation in regard to the Deputy Mayor has solved itself by the submitting of his resignation; to judge from the brief debate which preceded its acceptance, everyone is relieved that a public discussion has been avoided.

Sir Alfred Chatterton addressed the Rotary Club this week on the desirability of the greater industrial development of India; he made the interesting statement that India is now producing the cheapest pig iron in the world, and, aided by Railway rebates, the industry is rapidly growing.

The strike on the Bengal-Nagpur Railway has fizzled out as suddenly as it began; no reason has been assigned by the so-called Labour Union for the return of the strikers, but following the refusal of the Agent to consider a series of extravagant demands, a deputation waited on him and at the conclusion of the interview they announced that "the strike was off"; up to the present no other reasons have been given.

At the annual meeting of the Indian Council of Women, Mrs. R. L. B. Gall expressed the opinion that the time had come when the Council must look forward to a considerable increase in the number of Indian women, not only as members, but as office bearers in the Council;

the social worker is following the politician in claiming self-government.

In the Assam Council a Swarajist amendment to omit the amount of the Ministers' salaries from the Budget was defeated, and provision has been made for the forthcoming year accordingly. A similar resolution will be moved at the next meeting of the Bengal Council and an organised attempt is being made to refuse supplies for the Governor's Band, his Bodyguard, his Executive Council and his expenses of going to the Hills; if the Moslem differences are not healed before the meeting, it is more than likely that the Swarajists will succeed in carrying some of these cuts.

The Trivial Round.

The first day of the March races took place on Saturday last at headquarters under a cloudy sky and somewhat uncomfortable conditions; on the whole the racing was good and the backers fared better than they have done for the past few weeks; Ryan, the trainer, led in three winners.

The paperchase season has wound up this year with the usual events and the winners of the Cups are as follows: the Average Cup, Captain Leatham; the Paperchase Cup, P. S. Warren; and the Heavyweight Cup, Ian Maitland Heriot. The latter also carried off the Light Horse Cup at the Regimental meeting. The season has been a successful one and members are now in training for the annual dinner.

The Hockey League matches are attracting larger crowds this year; at present the Customs, the Rangers and Calcutta are all undefeated.

A Tennis League has been started this year amongst the principal clubs and matches commenced last Saturday; the entries include the following amongst others: Calcutta Cricket Club, the North, South, Japanese, Dalhousie and Delta Clubs; there should be some good sport out of these.

The Joybells Company have been continuing their season at the Empire and the promise of the first programme has been fulfilled, with a satisfactory response from the public. The latter Heifetz concert on Thursday night last produced a "record" house and the eminent violinist gave an ample demonstration of his right to be deemed a master; Calcutta is beginning to appreciate real music.

Markets.

The recent improvement in the jute and gunny markets has been well maintained, and in jute particularly there has been a very fair daily business, with Mills ready buyers. On a strong demand from New York and Pacific Coast, hessians have been active both for near shipment and for forward positions, the latter up to June of next year; the market closed firm. The piece-goods market has passed a rather quieter week mainly owing to the near approach of the "Holi" festival and to the continuance of the railway strike; as a result, prices have given way in some cases, but it is anticipated that as soon as the holidays are over, buying will be resumed. The tea sale here fetched satisfactory prices considering the low quality of tea on offer; reports from the gardens indicate a normal crop for next season, but it is yet early to prophesy.

On the Stock Exchange, Government Securities continued to be very dull up to the issue of the Budget, when a somewhat improved inquiry set in; transactions in investment stocks have been restricted, mostly in debentures, but it is noticeable that a number of operators are investing their funds in jute Ordinaries in preference to Debentures and other such stocks. Jute shares have shown little material change during the week, apart from the speculative shares, and one or two of the favourite stocks, which have registered further rises. The market is strong and, with the firmness of the hessian market, is likely to go stronger. There is nothing to report in the cotton and coal sections, and little business has

been done in tea shares owing to sellers being unwilling to reduce their rates; there is, however, every evidence of inquiry for the favourite stocks at something below current prices. There has been little doing either in rubber or tin shares, but with tin at over Rs. 310 a ton and stocks at the lowest figure since 1918, there is every possibility of an improvement. In the miscellaneous section, there has been a fair turnover at previous quotations the only material improvement being in Cawnpore Sugar as a result of a satisfactory report. In the Exchange Market the rate for Ready T.T. declined to Rs. 5 27-32d. pending the decision of the Legislative Assembly on the Currency Bill, but has since firmed up to Rs. 6d. The money market remains almost unchanged, with rates as quoted last week.

KARACHI NOTES.

Aviation.

Karachi has received a larger share of the limelight during the past cold weather than usually falls to its lot in the Press of England and India. The principal reason for this has been the visit of the Air Minister, Sir Samuel Hoare, in the great aeroplane the Hercules, afterwards re-christened the City of Delhi. The air service between India and Europe was thus formally inaugurated, though it will in fact be spasmodic in operation for some time. The work of the Air Ship base at Drigh Road is, however, proceeding apace. This little suburb of Karachi is rapidly acquiring importance. It is the supply base for the whole of the Royal Air Force in India, and has the distinction of being the only Cantonment in India controlled by that Service. It is also the new site of the Arsenal, removed from the City itself.

Aviation has had a very good reception among the civil population of Karachi of all races. The moving spirit of air communication with Europe, Sir Sefton Brancker, was fêted by the leading Cosmopolitan Club. Meanwhile Sir Montagu Webb, still the dæmonic force of Karachi commercial enterprise, has, with his usual foresight, established a Civil Aviation League.

Railway Communication.

The establishment of air communication with Europe has lent further strength to Karachi's serious complaints about the insufficiency of its railway communications with the North of India. The aeroplanes and airships are likely to be specially useful for the journeys of officials and other visitors who are pressed for time, and for the carriage of specie and urgent mails. Why, ask Karachi merchants, should a great part of the saving of time thus gained have to be thrown away by the absence of direct lines to the capital of India, and to other great cities of the North?

The question of goods traffic is, however, of far greater importance to Karachi than the transport of passengers, however eminent. How badly Karachi is served may be shown by a few figures. The mileage by the shortest broad-gauge route is 905 miles to Delhi, and 1,027 miles to Agra, though the mails are actually sent round by Lahore, which adds 150 miles to the journey to either place. There is a far more direct metre-gauge route, which reduces the distance to 775 miles between Karachi and either Delhi or Agra. But the metre-gauge stops short at Hyderabad, 120 miles short of Karachi, and there are similar breaks of gauge at the other ends. The consequent transshipment is a most serious handicap to trade. This has been the subject of complaint by the Karachi Chamber of Commerce for more than a generation, and so far back as 1914 the Railway Board of the Government of India agreed in principle to the scheme for the conversion of the metre-gauge to broad-gauge, and stated that the work would be authorised as soon as estimates had been prepared. Then, however, came the War, and subsequent disorganisation, and now the Government of India and the Railway Board have taken up the position that the work must be proved to be remunerative before

it can be undertaken. The Chamber maintains that, apart from this being perilously near to the breaking of a promise, it is an entirely wrong principle to apply to a Trunk Railway Line, which must be expected to foster and create its traffic. The general recognition of the justice of the Karachi claim was shown by the Chairman of its Chamber, Mr. Pearson, obtaining the support for it of all the Chambers, with one exception, (and that the only one entirely unaffected by the scheme in any way), at the recent meeting of the Associated Chambers of Commerce. Karachi naturally hopes that the Prosperity Budget of the Government of India will enable a more liberal view of its obligations to be taken.

In the meanwhile it is pleasant to notice that the construction of local feeder lines within Sind itself is being actively assisted by the Government of India, who are doubtless influenced by the fact that the responsibility for financial loss will fall, not on them, but on the local Government or on local bodies. The practically entire absence of roads in Sind increases the need for these lines.

The Sukkur Barrage.

The Sukkur Barrage is receiving criticism in the Bombay Legislative Council, but the details of this may be left to another occasion. Probably such criticism is largely a repercussion of the Back Bay failure. To us in Karachi the scheme appears an absolute necessity, both for the Province in general, and for the trade of Karachi in particular. With the increased internal consumption of wheat in India, it is doubtful whether the export of grain will ever recover its former importance; and the trade of Karachi will depend to an ever-increasing extent on cotton, which again is entirely dependent on an assured water supply.

LANDOWNERS AND THE REFORMS.

The speech of the Maharaja of Darbhanga, reproduced in the issue of March 17, contains at least one point on which all dispassionate observers are agreed: the danger of "popular" legislation being subordinated to communal interests. This, it is true, is a point more often made by Muhammadan speakers than by members of the Hindu community, of which the Maharaja is a prominent champion; but the danger is a very real one. A recent cable from Delhi spoke of an attempt, by Muslim and Hindu members of the Central Legislatures, to co-operate in seeking a solution of the communal problem; but the bare truth is that, whatever the politicians may say, no solution is possible. So long as Islam and Hinduism remain living faiths, communal divisions must inevitably continue; the efforts of leading members of both communities may possibly succeed in bringing about the appearance of unity on the surface, but the essential gulf remains as wide and deep as ever. This being the case, as it is beyond all possibility of dispute, the presence of an impartial third party, to act as arbitrator, is indispensable. Such an arbitrator exists at present in the British official: and even the most rabid Indian extremist will admit that, if there must be a "foreign" element in India, the Englishman is very greatly to be preferred to any other foreigner. But, in order to remain an effective arbitrator while the tide of democracy advances, the Englishman needs moral as well as material power. In the restricted sense of the word, he can only obtain moral power by the force of personal example; but, in its wider sense, he needs, as well, the support of sane and sober Indian opinion.

A few days ago Lord Irwin spoke of the need for the use of cement, rather than of dynamite, in the building up of a sound constitution. In no walk of life in India do all communities meet on better terms than in industry, where the British non-official can act as the cement that binds conflicting interests together and, at the same time, supply the imagination and organising power that industry requires. It follows that any move towards the foundation

of a political party that would embrace all those with a real stake in the country, without distinction of race or creed, is one that deserves full recognition: and, if non-official Englishmen in India can assist to bring it to fruition, they will have achieved something that will go far to confirm the belief held by the great majority of India's true well-wishers nowadays—that on them, in a very great measure, depend the future greatness and prosperity of India.

It is not necessary to follow the Maharaja in his suggestions as to how such a political party could attain the important position that it deserves. The abolition of direct voting—a method altogether foreign to Indian ideas—is a reasonable probability of the future; but the institution of bi-cameral legislatures in the Provinces is much less so. A less unlikely development is the alteration of the Provincial "popular" chambers into something more nearly resembling the Central Council of State—a single chamber of the "Senate" rather than of the "House of Representatives" variety. But the suggestion that half of the rural seats in the existing Council should be reserved for landlords, and half for tenants, must necessarily remain far beyond the pale of practical politics. There are already five "landlord constituencies": and, in the 58 "general" rural constituencies in the Province, the Maharaja said that the seats are "gifts for the tenants—at the last election the landed interest was swamped by a violent propaganda." It may well be asked why the landlords should accept this state of things as a necessary one: and why they should not make a serious effort, by propaganda of their own, to change it. On their ability to do this depends, in great measure, the future usefulness of a political party of those with a real stake in the country. If they, with their special facilities and special local influence, cannot successfully combat the carpet-bagger—usually an urban lawyer—in their own rural constituencies, there is not much hope for others less fortunately situated.

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NOTES AND NEWS.

170, Strand, London, W.C.2.
Tuesday Morning.

The Turkish Debt Question.

In the report of the Corporation of Foreign Bondholders, extracts from which will be found in another column, a detailed survey is given of the position with regard to the Turkish debt question. During the past year there have frequently been reports that a settlement has been pending, but unfortunately no definite progress has been made, and the serious statement is made in the report that the attitude of the Turkish negotiations does not encourage "the belief that they are sincerely animated with a desire to arrive at a prompt and genuine settlement, or that the Turkish Government have any intention to carry it out, when agreed to, at an early date." This is poor comfort for the bondholders, and in the light of this view the recent rise in the price of Turkish Unified is difficult to understand except on the hypothesis that buyers have been actuated more by hope than by knowledge. While nothing can excuse the attitude of the Turkish authorities in not making a real effort to achieve a settlement it must in justice to them be pointed out, however, that the problem with which they are confronted is an exceedingly difficult one because in present conditions it is an impossibility for Turkey to find the means for extensive payments abroad. If she were able to obtain foreign assistance in the shape of loans she would be able to recover economically so that such payments would soon be feasible, but at present any question of foreign loans is quite out of court as Turkey's attitude over her debts has very effectively damaged her credit in the countries which could help her. The way out for Turkey would seem to lie in a settlement which while generous to the bondholders would provide at first only for such payments as she could readily afford out of her existing resources. The effect of this on her credit would be pronounced, and it would no doubt be found that the difficulties in the way of financial assistance would speedily vanish.

The Indian Trade Position.

At the meeting of the Eastern Bank the Chairman, Mr. J. S. Haskell, dealt in detail with conditions in India during the past year. India had a good though a late monsoon, but the failure of the autumn rains counteracted its beneficial effects, and it was necessary to import considerable quantities of wheat from Australia. The cotton crop showed a reduction of about a million bales on the previous year's total, but it coincided with a record American crop, and there was a cessation of trading during the period of declining prices. The trade figures of the year are particularly interesting, and show very plainly the strength of India's trade position, for while there was a decrease of £58,000,000 in the value of the exports and an increase of £6,000,000 in that of the imports there was still a balance of trade in favour of India, including specie, of over £40,000,000 as compared with one of £76,000,000 for 1925. Mr. Haskell referred to the Report of the Currency Commission, and said that the recommendations for the stabilisation of the rupee at 1s. 6d. and for the establishment of a Central Reserve Bank are sound in principle. He pointed out, however, that other aspects of the scheme would bear very hardly on other banks, and he expressed the view that the exchange banks deserved greater consideration. It is proposed that the banks should place 10 per cent. of their current accounts and

5 per cent. of their fixed deposits with the Reserve Bank free of interest, and Mr. Haskell suggested that if a deposit were found to be necessary the percentages should not be more than 5 and 1½ respectively for current accounts and fixed deposits.

Iraq in 1926.

The position in Iraq last year was also dealt with by Mr. Haskell. It was an unfortunate period from the trade point of view, but the fall in the imports of cotton goods from £3,300,000 to £1,538,000 was indicative of the gradual fall in the price of cotton rather than of the reduced market. The rains were good, with the result that there was a large surplus of grain for export. The date harvest was also excellent, and it is to be regretted that the quantity of dates available was far in excess of the capacity of the consuming markets. Reference was made in these columns recently to the suggestion put forward at the annual dinner of the Basrah Chamber of Commerce that an advertising scheme should be instituted to remedy the present situation. Obviously it is an essential step if Iraq is to benefit as she should from this important crop. The worth of this expedient has been abundantly proved by Greece in respect of currants, and Iraq also has the precedent of Australia before her.

The Next Fair.

It is suggested that the next British Industries Fair may not be held at the White City owing to the increasing need for space for the exhibits. A change to another venue would, in my view, be all to the good, for the Fair at the White City always has a curiously straggling appearance, and in some of the long and narrow galleries it is difficult to set out exhibits to the best advantage. There are a number of buildings at the White City which have not been utilised for the Fair so far, but possibly there is some difficulty in making them available. The alternative to the White City is the Crystal Palace, it appears, and the Fair has been held there in the past. The Crystal Palace has the disadvantage of being nearly as inaccessible as Wembley, but there would be plenty of room there for the continued expansion of the Fair, and from what I remember of the exhibition there it is more suitable in some respects than the White City. The one thing which is obviously impossible is to erect a building specially for the Fair as there are too many exhibition buildings scattered round London as it is.

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Egypt and the Cotton Position.

The effect of the developments in regard to cotton on the situation in Egypt was referred to by Sir Bertram Hornsby in his speech at the general meeting of the National Bank of Egypt. He pointed out that the large Egyptian cotton crop of 1926-27 combined with the record output of America and the poor demand from consuming countries has occasioned some difficulty in Egypt. The influence on the trade figures has, of course, been very marked. The value of Egypt's exports for the year ended August 31 last was £E52,855,630 as compared with £E67,952,808 for the previous twelve months, while the value of the imports of that period at £E55,973,075 was slightly down. The figures for the whole of 1926 reflect much more strongly the fall in the price of cotton, and its resulting incidence on conditions in Egypt. Sir Bertram Hornsby emphasised the point that owing to the prosperity of the last few years the economic situation of Egypt compares favourably with that of most countries in the world. It appears now as if cotton had reached its lowest point and that henceforward the trend of prices is likely to be upward, but the fact cannot be sufficiently insisted upon that Egypt is now faced with increasing competition in the type of cotton which is peculiarly her own, and that in the best conditions her crop in the future cannot be quite the asset that it has been in the past. Sir Bertram Hornsby also touched briefly on the Sudan, and expressed the view that it would be a mistake to expect any very rapid expansion of trade in that region. The commercial statistics of the past few years have, however, been of a distinctly encouraging nature, and given fair prices for cotton it is probable that the rate of progress since 1922 will be considerably exceeded.

COMMENTATOR.

ECONOMIC SITUATION IN TRANSJORDAN.

Transjordan is largely desert country, but the long strip of land between the Jordan River and the Hijaz Railway is for the most part under cultivation (says the American Consul at Jerusalem, Mr. Clayton Aldridge, in a recent report). The plain of Jabbath, south of Amman, is a very flat, fertile area of considerable size, through which passes the road from Amman to Maan, due south for an hour's journey by car. On the east the plain stretches as far as the eye can see, and on the west to the bordering mountains of Moab, 15 or 20 miles distant. Wheat is planted here after the first winter rain; when harvested, a second crop is planted of millet, which is said to require only the moisture supplied by the dew. The plain is without stones, and in every way adapted to the use of modern agricultural machinery, but crops are still planted and harvested by the most primitive hand methods. The country surrounding Amman is cultivated and very fertile. The region around Jerash, with its fields of grain and olive trees, shows surprising fertility. Jerash itself has an abundant water supply, and even poplars and other trees grow there. South of the Plain of Jabbath the land, although apparently fertile, is used only to pasture the

animals of Bedouin tribes. Because of the unsettled condition of the country, this part of Transjordan has remained virgin soil, but as public security increases it seems probable that land cultivation will extend gradually southward. Farther south the vegetation dwindles and finally disappears. Several hours before Maan is reached, even the coarse desert grass ceases to exist, leaving only barren desert surrounding the town. West of Maan the desert changes to rolling country and vegetation gradually reappears, so that the land surrounding Ain Musa is fertile and well cultivated. Throughout the rest of Transjordan there are only occasional oases and small areas of vegetation.

The resources of the country are limited to a few agricultural and pastoral products, chiefly grain and cereals, and a certain number of horses and camels. Horses are bred near Kerak. Camels are bred on the desert, but not on a big scale, for that would require a larger grazing area than is found in Transjordan, owing to the breeding camel's innate necessity for food only of its own choosing. The camel breeder is therefore obliged to follow his animals about the desert, often for a tough thistle in preference to the most tender grasses. The large number of camels seen on the Transjordan desert are chiefly *en route* from Nejd for the Egyptian market.

As regards mineral resources, there are reported to be some phosphate deposits, as yet undeveloped. Platinum has been reported in the Sinai Peninsula, across the Gulf of Aqaba, but not as yet in Transjordan proper.

While no definite plans have yet been formulated for such a project, the advantages of railway connexion between Maan and Aqaba are readily apparent. It would offer quick and easy means of exporting Transjordan grain and of importing needed commodities. It would develop the trade of Transjordan with Egypt and India and eliminate its Suez Canal dues. Through this closer contact with neighbouring countries the development of this most backward part of the country would be encouraged. The estimated cost of such railway would be approximately £E1,000 (about 5,000 dollars) per mile. Unfortunately, the obstacles to be met in the shape of mountains would add to the expense and to the engineering problem. If a line should be constructed in spite of these difficulties, it would complete the communication between Haifa and Beyrout on the Mediterranean Sea and Aqaba on the Red Sea, and would give Damascus an export outlet to the Red Sea. In view of these facts it is not improbable that the railway, which to-day can support only one train a week from Amman to Maan, might become a very profitable avenue for the country's trade.

It has further been authoritatively reported that plans are now under consideration for the construction of a new railway from Port Fuad to Baghdad, which would cross Transjordan from west to east, through El Arish, Beer-sheba, Hebron, Jerusalem, Amman, and Kaf, thence on to Rutbah Wells and Kerbela in Iraq. Funds for such a road are reported to be available, and, if an agreement is reached as to the route, construction should be begun in the spring of 1927.

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THE BONDHOLDERS' REPORT.

The report of the Corporation of Foreign Bondholders for 1926, which has just been issued, deals extensively as usual with Near East conditions. With regard to the Turkish debt question, it is pointed out that the negotiations with the Turkish Government have been unsuccessful, and that the attitude taken up gives small encouragement to the belief that a prompt and genuine settlement is desired. We give the following extracts:—

Bulgaria.

In June, 1926, application was made to the League of Nations by the Government of Bulgaria for the sanction of a new loan, which was to be devoted to the humanitarian purpose of providing for the settlement of refugees. This application was favourably received, but it was indicated to the Bulgarian Government that inasmuch as the existing arrangement with the bondholders expired in April, 1927, it would be necessary, before the new loan could be issued, to arrive at a satisfactory agreement with the holders of pre-War Bonds.

M. Molloff, the Finance Minister of Bulgaria, thereupon came to London with the object of arriving at a settlement with the Bondholders. A conference was held in London, at which the delegates of the Committees representing the French and Dutch holders were present, and, after protracted negotiations, bases of arrangement, which the Council and the French and Dutch representatives were prepared to recommend their respective committees to accept, were drawn up. These, having been approved by the Minister, were embodied in a definite agreement, which was signed at Geneva on December 11, 1926. The arrangement was ratified by the Bulgarian Assembly on December 16.

The Council are of opinion that, all things considered, the settlement of the old debt is fair and reasonable, and contrasts favourably with the treatment accorded to the holders of Austrian and Hungarian pre-War Bonds.

Greece.

The total gross receipts in 1925 applicable to the service of the old Gold Loans amounted to 1,380,664,300 dr., against 1,075,659,620 dr. and £6,217 in 1924, and out of these sums the Monopolies and the stamp and tobacco duties from which the plus-values are derived yielded 129,129,498 dr. in 1925 and 110,604,206 dr. in 1924. [The amount in pounds given above consists of duties paid, at the choice of the importer, in sterling at the exchange on London.]

With the addition of (1) the portion of the revenue from the tobacco duties which is not applicable to the old Gold Loans (viz., 12,771,363 dr.); (2) the Customs receipts of the ports of Corfu, Patras, Laurium and Volo (viz., 140,066,859 dr.), which constitute an additional contingent security of the old Gold Loans, and those of the ports of Salonika and Kavala (viz., 293,536,150 dr.), on which the Five per Cent. Loan of 1914 has a first charge; and (3) the gross receipts of the revenues assigned to the Refugees Loan of 1924 (viz., 707,872,718 dr.), the total receipts in 1925 assigned to the service of the Greek Public Debt subject to the Control of the International Financial Commission were 2,534,911,391 dr.

Including (a) sums granted by the Greek Government of 4,000,000 dr. in consideration of the prejudicial effect of issues of paper, and of 416,929 dr.—the balance required to make up the full original interest on the loans of all the groups; (b) balances from the previous year, and (c) the interest saved on bonds redeemed from 1898 to 1925, the net amount available for increase of interest and sinking fund in 1926 was 20,424,813 francs, against 10,744,990 francs in the previous year. With this sum, as anticipated in the Council's last report, the full original interest was paid in 1926 on all the old Gold Loans, and the ordinary sinking funds on the loans were increased by 32 per cent. of the original interest in the case of the first and by 34 per cent. in those of the second and third groups.

In 1926 the gross receipts for the service of the old Gold Loans were 1,867,258,789 dr., and the proportion applicable to the plus values was 226,709,435 dr. With the additional receipts from the Monopolies and other sources, the total gross receipts in 1926 were 2,997,932,988 dr.

A dispute having arisen between the Government and the International Financial Commission as to the method of calculating the plus-values payable in 1927, and the former having demanded arbitration, coupons maturing on the loans concerned will, pending its result, be paid at the minimum rates, and any additions by way of plus-values decided by such arbitration will be added to subsequent coupons.

A satisfactory feature in the finances of Greece is the gradual extinction of the National Defence Bills which form the bulk of the floating debt, partly by consolidation and partly by repayment out of the proceeds of a special surtax.

Notwithstanding this favourable factor, however, the finances are still in a very embarrassed condition, and, in order to meet the most pressing needs, the Government has had recourse to such expedients as the forced loan from holders of notes, mentioned in the Council's last report, and the Swedish Loan.

Turkey.

In spite of the formal stipulations of the Decree of Mouharrem, the Turkish Government have continued to appropriate to their own uses the revenues ceded to the bondholders in 1881, and the Council of Administration is unable to carry out its duties in respect to the collection of the six revenues which the Turkish Government had solemnly and irrevocably pledged to their creditors at that time. The numerous protests of the Debt Council have received no attention, and the Treaty of Lausanne has remained a dead letter as far as the share of Turkey in the Ottoman Public Debt is concerned, no payments having been made, whilst even the reduced expenditure of the Administration has not been provided for.

The Council of Foreign Bondholders are further informed that the tobacco and spirit revenues, the property of the bondholders, have been repledged to meet certain fresh liabilities, amounting to £T200 millions, which are apparently of a more pressing nature than the desire to carry out previously existing obligations in an honourable manner.

The negotiations, commenced in July, 1925, broke down completely in May, 1926, owing to the unreasonable and entirely inadequate character of the Turkish proposals. The bondholders appealed for the support of the respective Governments, signatories of the Treaty of Lausanne, and the Turkish Government intimated, through the French Ministry of Foreign Affairs, that they were anxious to reopen negotiations. A meeting of the representatives of the French, British, and Italian holders took place in Paris on November 29 to determine what preliminary conditions should be laid down in order to render negotiations effective. At that meeting a unanimous resolution was passed stipulating the terms on which the bondholders' representatives would be able and willing to negotiate an arrangement, but, in spite of the very moderate character of the compromise suggested, no further progress has been made.

The Resolution reads as follows:—"The representatives of the bondholders having been informed by the French Ministry for Foreign Affairs that the Turkish Government desires to resume the negotiations regarding the service of that part of the Ottoman Public Debt for which it is liable, express the unanimous opinion that a reply should be given to this request for the resumption of the negotiations, interrupted in the month of May, 1926, owing to the refusal of the Turkish Government to accept the basis of the arrangement then formulated in writing by the representatives of the bondholders. The representatives of the bondholders, however, in order to ensure the successful issue of the negotiations, consider it necessary to lay down the following conditions:—1. The

Turkish Government will communicate in writing its counter proposals, which shall cover all the points referred to in the communication addressed to the Turkish Government by the representatives of the bondholders in May, 1926: amount of the annuity in £T gold, the maintenance of the right of option as to the currency of the contracts, the progressive increase of the annuity, the date of resumption of the service of the Debt, the application of the annuity to interest and sinking fund, the method governing arrears of interest and amortization, the method of settlement of the Treasury Bonds, etc., etc. 2. In the event of the Turkish Government offering to replace the ceded and assigned revenues by new guarantees (customs or monopolies, etc.), the Turkish Government will specify the new guarantees, which shall suffice, with a sufficient margin, for the payment of the annuities to be paid by Turkey. The Turkish Government will at the same time indicate the method of control and collection of these new revenues to the amount necessary to cover the total liability including all relative expenditure, the cost for which the Turkish Government is responsible, and the service of 'centralisation' of the contributive parts of the Ottoman Public Debt. 3. The Turkish Government will include in the Budget of 1927-8 the sum required for the execution of the agreement with the bondholders. 4. The Turkish Government will conclude an agreement with the Council of the Debt regarding the payment of general expenses already incurred and due to the Council, including extraordinary expenditure, such as: indemnities in connexion with the reduction of the staff, expenses arising from the reorganisation of the administration, etc., etc. 5. The Turkish Government will come to an agreement with the Council of the Debt respecting all modifications of existing stipulations affecting the rights of the Council, the conclusion of such agreement to be arrived at before such modifications are submitted to the bondholders.

"Finally, the representatives of the bondholders consider that the question of the Turkish Debt must be treated in its entirety, and that the isolated examination of one or other points only of the above conditions (such as, for example, the amount of the annuities) would have no other result but to delay the conclusion of an arrangement, which would be contrary to the common desire of the Government and of the bondholders."

The attitude of the Turkish negotiators gives little encouragement to the belief that they are sincerely animated with a desire to arrive at a prompt and genuine settlement, or that the Turkish Government have any intention to carry it out, when agreed to, at an early date.

The Turkish Government must understand that they have not only to make a paper settlement, but that they have to take immediate and effective measures to make payments under that settlement before they can hope successfully to approach international markets, and they must realise that even then it will need a long period of

regular payments before Turkey can regain her pre-War credit. In default of any arrangement, the bondholders are justified in maintaining that the Decree of Mourharrem remains in full force, and that the neglect of that solemn contract with the bondholders is a breach of good faith on the part of a debtor towards creditors who have already had to submit to sacrifices of very great importance in the past.

The Italian Government, on behalf of the territories detached from Turkey, and for which Italy is responsible, having offered to pay off the whole of their quota of capital and annuities partly in bonds at their nominal value and the balance in cash, the Council of the Debt decided to accept the offer. Negotiations with Syria and Palestine and with Iraq have not yet been concluded, and no definite proposals have been received from the other Detached States—including Greece, Bulgaria and Serbia—in spite of the express stipulations of the Treaty of Lausanne that payments are due from the date of ratification of that Treaty.

TRADE INDEMNITY COMPANY.

A satisfactory report is forthcoming from the Trade Indemnity Company for the year ended December 31 last. The amount transferred from the underwriting account to the profit and loss account is £12,583, while interest on investments amounts to £16,669, and with the balance brought forward of £5,540 the total is £34,799. After the deduction of income tax, bad debts, and commission there remains £29,552. It is proposed to place £10,000 to the general reserve and to pay a dividend of 5 per cent., leaving £7,052 to be carried forward.

FORTHCOMING SAILINGS.

The following are the sailings for the Near East and India, the ports of departure and closing dates for cargo being given in parentheses:—

Anchor Line.—S.s. Castalia for Bombay (Birkenhead, April 7). (For passenger sailing and dates see advertisement.)

Anchor Brocklebank Line.—S.s. Imani for Port Said, Colombo, and Calcutta (Birkenhead, April 2); s.s. Mahsud for Port Said, Colombo, and Rangoon (Birkenhead, April 14).

Bibby Line.—S.s. Lancashire for Port Said, Colombo, and Rangoon (Birkenhead, April 6).

British India Line.—S.s. Dalgoma for Bombay and Karachi (London, April 9); s.s. Malda for Colombo, Madras, and Calcutta (London, April 9).

Cunard Line.—S.s. Tyria for Gibraltar, Malta, Patras, Piræus, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza, also Algiers and Volo if inducement offers (Liverpool, Glasgow, and Swansea, April 9); A steamer for Gibraltar, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Venice, Trieste, and Fiume, also at Corfu and Gruz and Ancona if inducement (Liverpool April 16, Swansea April 19).

Johnston Line.—S.s. Dromore for Piræus, Volo, Salonika, Bourgas, Varna, Constantza, Sulina, Galatz, and Braila (Liverpool, April 9).

P. and O. Line.—S.s. Razmak for Bombay (London, April 1); s.s. Nankin for Colombo, Madras, and Calcutta (London, April 2).

Prince Line.—S.s. Korean Prince for Tunis, Malta, Alexandria, Syrian Coast, and Cyprus (Manchester, April 7).

Ellerman and Papayanni Lines.—S.s. Mardinian for Algiers*, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza (Liverpool April 2, Swansea April 2); s.s. Roumelian for Genoa, Leghorn, Naples, Palermo, Messina, Catania, Brindisi, Bari, Gravosa, Ancona*, Venice, Trieste, and Fiume (Liverpool April 2, Swansea April 5); s.s. City of Oxford for Malta, Alexandria, Jaffa*, and Haifa* (Liverpool April 6); s.s. Fabian for Gibraltar, Malta, Alexandria, Jaffa*, and Haifa* (Liverpool, April 13); s.s. Lesbian for Gibraltar, Malta, Patras, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza (Liverpool, April 16); A steamer for Gibraltar, Malta, Alexandria, Jaffa*, and Haifa* (Glasgow, April 27). * Subject to sufficient inducement. Transhipments.—Algerian ports via Algiers; Moroccan ports via Gibraltar; Tripoli (Barbary) via Malta; Syria and Cyprus via Alexandria; Greek outports via Piræus or other convenient port; Fiume via Trieste.

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THE WEEK'S FINANCE.

(By Our Financial Expert.)

London, March 29.

It seems to be too much to hope that we shall get any prolonged period in which the investment markets are free to go ahead without disturbance from outside factors. Early in 1926 the only cloud in the sky was the threatened coal trouble. That particular cloud burst with a vengeance, and although investors had reason to be relieved at the way in which markets emerged from the strike period, the year was one of anxiety and restricted business. With the coal trouble over the markets might have expected a period of calm, in which intrinsic considerations would have full opportunity of exerting their influence. But it was not to be. In addition to the inevitable anxiety about the Budget, markets have had to contend with a growing menace in China and a new threat to European tranquillity arising in the Balkans; while, over and above this, the expectation of a lower Bank Rate has been disappointed. Generally, markets are, therefore, listless and irregular. Big operations are awaiting more settled conditions. Speculators are discouraged, and are coming to the conclusion that there is more chance of making money by "staggering" new issues than by dealing in existing securities. To the experienced observer there appears to be little ground for thinking that markets generally will regain buoyancy at any rate until after Easter. By that time Mr. Churchill's decision not to increase the income-tax—which we believe to be a most probable decision—may act as a stimulus, always supposing that events in China or the Balkans or elsewhere do not obtrude themselves too violently.

The Budget and Allied Debts.

Indeed the Budget prospect becomes a little less alarming as the date approaches. Alarms and excursions take place here and there. For instance tobacco shares and gramophone shares have in turn shown signs of fear that their industries are to be singled out for the Chancellor's unwelcome attention. But the general position has improved. Revenue has been coming in very well in the last week or two and the deficit is steadily narrowing. A deficit at March 31, and one of substantial dimensions, remains, of course, a certainty. But it will not be quite as large as was at one time feared. Also a slightly better complexion is put upon the outlook for next year's revenue

both by the steady recovery of trade and by Mr. Churchill's statement that he will get over £22 millions next year from German reparations and Allied War debt payments. The Chancellor gave this figure in the House of Commons in the course of a statement in answer to a recent speech by Mr. Mellon, Secretary of the United States Treasury. The latter was reported by the cables to have said that Britain was receiving more from her War debtors than she had to pay to America under the Anglo-American debt settlement. It is difficult to believe that Mr. Mellon really said anything so clearly erroneous. We shall be £11 millions short this year, and shall not be in sight of the position suggested by Mr. Mellon for some years to come. In any case Britain has declared that she will not under any circumstances exact more from her Continental War-debtors than is needed to cover the British debt payment to America.

Trade Recovery and Home Rails.

While markets mark time, two important questions are still being much canvassed:—"Has a real lasting trade recovery set in? Or does the present progress merely represent overtaking the arrears of the coal strike period?" A general review of industry does not as yet suggest any definite answer. To date, however, progress is quite satisfactory; and this leading fact is partially responsible for the comparative steadiness of Home Railway stocks in spite of the dismal showing of the accounts. Another fact in favour of Home Rails is that on February 1 of this year goods freight rates were increased. Already this increase is showing itself in the traffic returns. Indeed on the traffic figures a rise of five per cent. or so in goods receipts over the whole year would seem to be a probability. Against this, passenger receipts are still well below those of last year; while the restoration of the guaranteed week for railway employees will add somewhat to the expenditure of the companies. Well placed judges, however, are beginning to envisage the possibilities of the four great railway system earning their full standard net revenue this year (or at any rate next year), for the first time since the big railway amalgamations. If such prophecies are justified, then the quotations of railway ordinary stocks will almost certainly tend to appreciate during the next two years. On the other hand, lest investors should on this account veer towards excessive optimism, it must be remembered that the railway companies' reserves have been very sadly depleted in recent years, and that, as more prosperous conditions return, the directors are likely to devote a portion of their revenues to re-establishing their reserve resources.

Public Utility Preference Stocks.

Last week we referred to the disfavour with which some investors regard preference shares. This has its origin, as we explained, in the fact that in a number of recent capital re-organisations preference shareholders have been called upon to make sacrifices with the ordinary shareholders. There may be something to be said for this disfavour, so long as it is confined to the preference shares of industrial and similar concerns, whose earnings are liable to considerable fluctuations. But it should not extend to the whole field of preference shares. In the case of public utility undertakings, for instance, revenue is generally steady, if not progressive. These preference shares are, therefore, well worth consideration, the more so since they give a fairly good return.

The 7 per cent. cumulative preference shares of the Newcastle-upon-Tyne Electric Supply Company return £5 18s. per cent. The Midland Counties Electricity Company's 7 per cent. cumulative preference shares give a yield of £5 13s. per cent. The 7 per cent. Cumulative preference shares of the Midland Electric Corporation return £5 12s. per cent. The Newcastle-upon-Tyne and Gateshead Gas Company's 4 per cent. preference shares yield £5 14s. per cent. The 5 per cent. preference shares of the South Staffordshire Waterworks return £5 10s. per cent.

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THE PRODUCTION OF SILK COCOONS IN BULGARIA IN 1926.

(By Our Sofia Correspondent.)

The total production amounted to 1,863,160 kilogrammes as compared with 1,700,000 in 1925. It is the highest total which has been reached since before the War, and it can be said that the pre-War production in this industry has now been achieved. It is necessary not to forget, however, that Bulgaria includes in her present limits regions in which the breeding of silkworms is highly developed. The districts of Svilengrad (formerly Mustapha-Pasha) and Ortakeuy, annexed in 1913 after the first Balkan War produced about 300,000 kgs. of cocoons per annum.

The increase in the production is specially in Northern Bulgaria, where sericulture has for a long time been neglected. In many of the districts, as for instance, Tétéven, Péleven, Lovetch, Elena, and Vratza the production of cocoons is double that of the previous year. In the region of Stara-Zagora there was however, a reduction.

The following statistics show the production of cocoons and of silkworm eggs in the principal producing districts where the quantities of cocoons obtained has exceeded 50,000 kgs.:

District.	Silkworm Eggs (Ounces.)	Production of cocoons (Kgs.)
Svilengrad	5,205	288,890
Harmarly	3,427	182,690
Ortakeuy	3,344	166,150
Plovdiv	2,881	131,660
Vratza	2,745	127,810
Stanimaka	1,467	75,250
Haskovo	1,205	58,880

Four-fifths of this production has been taken by the Agricultural Bank, various co-operative societies, and by individuals; the remainder has been absorbed by local spinning mills or has been utilised for the needs of the producers themselves.

Although certain districts such as Plovdiv, Stara Zagora, Pléven, and Yambol have a notable production it is all the same poor in comparison to the area and the population of these districts. Owing to the sustained interest in the sericulture and the measures taken by the Ministry of Agriculture for the development and improvement of this industry it is possible to anticipate a fresh increase in production which this year should exceed two million kgs.

Egypt's imports during February totalled £E3,277,985, as against £E4,162,226 last year, and exports £E3,465,058, as against £E4,897,117.

The annual report of the London Chamber of Commerce which has just been published, shows that, notwithstanding the prolonged coal strike, more than 1,000 new members joined the Chamber in 1926. The outstanding feature in this striking increase is the preponderance of manufacturers. A chart which is included in the annual report shows that the percentage of merchants and manufacturers is now almost equal. It is also interesting to note that practically all the banks, insurance companies, and railways are now members of the Chamber. The Chamber now has 70 Trade Sections, representing nearly every branch of trade and industry in the country. The council of the Chamber now represents more than 60,000 business men and firms.

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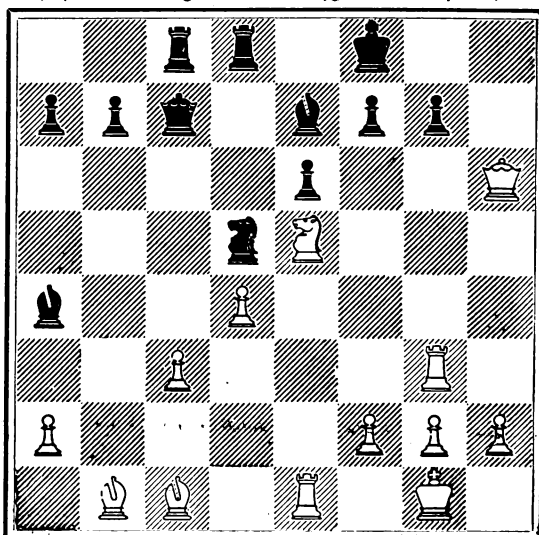
CHESS.

By "CARO-KANN."

The University match was played on March 24 at the City of London Chess Club, and, as I forecasted two weeks ago, resulted in a win for Oxford, the score being 4-3. In the lean times through which Oxford is now passing athletically—last year not a single full-Blue event fell to the senior university—the win of a minor event is perhaps small consolation, but in the record of the chess match since 1904 Oxford has certainly every cause for gratification, for with, I think, three exceptions since that year every match has been either won or drawn with the result that Oxford now stands only one match behind in the total of 51 matches.

Speaking generally the play in this year's match was better than anything that has been seen since the War. The game at the first board between Mr. K. H. Bancroft, of Pembroke College, Oxford and Mr. P. S. Milner-Barry, of Trinity College, Cambridge, was marked by an admirable combination by the Oxford player

White, Mr. Bancroft; Black Mr. Milner-Barry. 1. P-Q 4; 2. P-Q B 4; 3. Kt-K B 3; 4. Kt-B 3; 5. P-K 3; 6. B-Q 3; 7. K PxP; 8. BxB P; 9. B-Q 3; 10. Castles; 11. Q-K 2; 12. B-K Kt 5; 13. Q R-Q; 14. B-Kt; 15. B-B; 16. Kt-K5; 17. PxKt; 18. R-Q 3; 19. R-Kt 3; 20. R-K; 21. Q-K 3; 22. QxR P; 23. BxP ch; 24. R-Kt 8 ch; 25. RxB ch (3); 26. RxP ch; 27. RxQ; 28. P-Q B 4 (4); 29. Kt-B 3; 30. B-Q 3; 31. Kt-K 5; 32. KtxB ch; 33. B-K B; 34. P-Kt 3; 35. P-R 4; 36. R-B Kt-R 6; 37. B-K 3; 38. P-B 5; 39. B-Kt 2; 40. K-R 2; 41. B-B 4 ch; 42. B-K 3; 43. B-B 4 ch; 44. B-K 3. Drawn by adjudication.



Position after White's 22nd move:—QxR P.

44. B-K 3. Drawn by adjudication. (1) Five games in the match began with the Queen's Pawn Opening. (2) This gave White his opportunity. 14. . . . Kt-Q 2 followed by R-K would have been a safe line to adopt. (3) BxB would not be quite so good, though the extra pawn plus the two bishops should be good enough to win. There would follow 25. . . . QxKt; 26. B-Q 6 (dis ch); K-Q 2; 27. RxR (ch); KxR; 28. BxQ; RxP; 29. P-B 4; (4) A mistake. The proper continuation was B-Q 2; then presumably 28. . . . K-Kt; 29. R-B, winning by the gradual advance of the King's side pawns.

The end game I gave last week is a draw. The play goes as follows: 1. . . . R-K 4 (ch); 2. K-Q 3; R-K 8; 3. R-Q (!), RxR; 4. KxB and draws. 3. KxB also draws equally well.

Company Meetings.

THE EASTERN BANK.

Conditions in India and Iraq.

Mr. J. S. Haskell's Speech.

The seventeenth annual general meeting of the shareholders of the Eastern Bank, Limited, was held on March 23 at the offices of the bank, 2 and 3, Crosby Square, E.C. Mr. J. S. Haskell (the chairman) presided.

The Secretary (Mr. R. Carter) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said:—Gentlemen,—I have now the pleasure to present to you the statement of our affairs for the year 1926, and I think you will agree with me that the results shown may be considered as satisfactory, having regard to the difficult conditions which prevailed during the period covered by the accounts.

When I last addressed you I alluded to the difficulties experienced in trade and banking generally during the year then under review. There has been no alleviation during 1926, and I do not recall a year requiring more unceasing vigilance since the slump of 1920-21.

I will not dwell upon the disastrous general strike and the prolonged coal strike, which paralysed trade all round and seriously affected our exports to all parts of the world, but I will confine myself principally to India, where we are chiefly concerned.

The prosperity of that country, as is well known, depends entirely on the monsoon, which started somewhat later than usual, but, gathering strength, caused copious rains to fall. These should have assured bountiful harvests, but unfortunately the autumn rains proved very scanty and caused the partial failure of the spring crops. The wheat crop has not yet been moved, but prices have been such that a large quantity has had to be imported from Australia.

The yield of cotton was about a million bales below that of the previous season, and, as arrivals of the commodity at the ports were exceptionally slow, the seasonal activity was retarded. In this case the shortage has been greatly counteracted by the huge American crop of over 18,000,000 bales, a circumstance which helped to depress values and led to cessation of trading till prices reached a low level, middling cotton having at one time touched 6½d. to 6¾d. a lb., being about pre-War prices. The local mill industry in Bombay has experienced another year of extreme depression, to which the slump in cotton largely contributed. On the other hand, in Bengal the jute crop was abnormally large, amounting to 11,000,000 bales, and, following a very small yield in the 1925 season, with consequent high prices, caused buyers to hold back until a lower basis had been reached. Values have fallen from about £60 to £30 a ton.

The falling-off in exports made money less usable in India, the Imperial Bank's rate of discount having been reduced in June to 4 per cent., at which level it remained until the end of the year, while day-to-day money was offering at about ½ to 1 per cent., a rate quite unprecedented, particularly during the last quarter of the year. Since the turn of the present year the Imperial Bank of India has at short intervals raised the rate of discount from 4 to 5, 6, and 7 per cent., due to the contraction of the currency by the Government and to a greater trade demand for money.

India's Trade Figures.

A few figures of the import and export trades of India as compared with the previous year will not be without interest:—Exports: £247,000,000, against £305,000,000, a decrease of £58,000,000. Imports: £175,000,000, against £160,000,000, an increase of £15,000,000. Gold Imports: £17,500,000, against £46,000,000. Silver Imports: £14,000,000, against £15,000,000. Taking all the imports and exports together—that is, including specie—there is left a balance of over £40,000,000 in favour of India against £76,000,000 last year, but notwithstanding this still large trade balance the Government of India has not been able to effect any substantial purchases of sterling on London and during the 11 months to the end of February, 1927, only £1,195,000 has been remitted against £46,317,000 for the corresponding period of the year before.

To meet their home requirements and to cover the sale of £1,425,000, which had to be effected in order to prevent the rupee falling below 1s. 5½d., they have had to transfer £23,425,000 from the paper currency reserve in England. By this means the Government also sought to deflate the currency and so cause a demand for rupees, but owing to the battle of the rupee as between 1s. 4d. and 1s. 6d. rates much uncertainty prevailed and legitimate exchange operations have been hampered. Unless some change for the better takes place in the situation the Government's requirements of sterling—viz., £35,000,000 budgeted for the year 1927-8—will be very difficult of realisation.

In August last the Report of the Currency Commission was published and its recommendations are:—The stabilisation of the rupee at 1s. 6d., a gold bullion standard and the creation of a new Central Reserve Bank to control the currency and banking reserves. These recommendations are sound in principle, to which I take no excep-

tion, but I am compelled to direct attention to certain aspects of the scheme which bear very hardly on other banks. The banks are to be called upon to place 10 per cent. of their current accounts and 5 per cent. of their fixed deposits free of interest with the Reserve Bank, and this great institution is to be furnished with a certain amount of working capital thus provided by the banks, with which in fact it will be in competition unless under stringent safeguards. Again, the Imperial Bank of India is also to be highly favoured by the Government with advances from the Reserve Bank of large sums, partly without and partly with nominal interest, very generous treatment indeed, and necessarily to the disadvantage of other banks.

The exchange banks in my humble opinion deserve greater consideration from the Government. After all they have carried the financial burdens of the export and import trade of India for many years with great efficiency and to the satisfaction of the mercantile and trading community. Perhaps it is not too late to ask the Government of India before passing these measures into law to reconsider the situation very carefully in order that no injustice may be done, and if a deposit is found to be necessary I suggest it should not exceed 5 per cent. and 1½ per cent. of current accounts and fixed deposits respectively. Further, the exchange operations of the Reserve Bank and the Imperial Bank of India should be more clearly defined or restricted, having regard to the advantageous position to be accorded to these institutions. It is also of great importance that the Reserve Bank's business should be strictly confined to acting as a banker's bank and they should not be allowed to open current accounts for other than bankers, or discount bills, or make advances to the general public.

It is reasonable to assume that legislation will be shortly completed by which the rupee will be fixed at 1s. 6d. and an important disturbing factor will thus have been eliminated. We may now hope that the Government will make regulations with regard to their sterling purchases which will allow of tenders in London or India being invited under specified conditions and thus do away with the uncertainty caused by the present procedure, under which the Government may buy sterling at any price over 1s. 5½d. without previous notice. I need not lay more stress on this point as it must be obvious that the present method constitutes a great handicap to the trade and commerce of the country.

Situation in Iraq.

In Iraq the trade situation has been very disappointing. There were hopeful expectations that the good rainfall at the beginning of the year would make for improved conditions after the shortage of the preceding year, but unfortunately during the spring the country round Baghdad was inundated by floods which caused considerable damage to goods in warehouses, resulting in heavy losses and stagnation of business for a considerable portion of the year.

Imports of Manchester goods have fallen from £3,300,000 to £1,538,000, a material reduction largely due to the continual drop in cotton prices. Owing to the heavy rains, however, the country has been fortunate in having had a good grain crop, allowing a large surplus for export. There has also been a good export of dates, but unfortunately far in excess of the requirements of the consuming markets, and the results have been far from profitable to shippers. Operations for the production of oil are now being actively prosecuted, and the prospect, I understand, is very promising, which is a good augury for the future prosperity of the country.

In the political sphere the British and Iraq Governments are to be congratulated on having concluded a Treaty settling the question of the northern frontier with Turkey, thus definitely determining the problem of Mosul, which will tend to a policy of progress and development of the country's resources.

It is reasonable to hope that in the current year in India, Iraq, and elsewhere trade will show some revival. In this country there are several welcome signs of increased activity, which should in the natural

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course of events influence oversea markets and if India is favoured with a good monsoon, we may look forward with more confidence to the future.

Our profit and loss account, including the balance brought forward, shows a net profit of £158,440 14s. 6d. We recommend for your sanction a final dividend of 5 per cent., less tax, which with the 4 per cent. interim paid in October last will absorb £90,000; to carry to reserve £20,000 and to the building account £10,000; leaving £38,440 14s. 6d. to be carried forward, an increase of £538 1s. 10d. on the amount brought in.

The figures in the balance-sheet show a satisfactory increase over last year, but there is nothing of outstanding importance to which it is necessary to draw your attention.

Once more it is my pleasing duty to record the appreciation of the board for the unremitting zeal and devoted services of the managers and staff, both here and abroad, and particularly to Mr. Sutton, at the head office, and Mr. Tucker, the manager in Bombay and inspector of branches, whom I am glad to see with us here to-day on a well-deserved holiday. (Cheers.)

Sir James Leigh-Wood, K.B.E., C.B., C.M.G. (deputy chairman), seconded the resolution and it was carried unanimously.

The Chairman next moved the re-election of the retiring directors, Mr. G. Bromley-Martin and Mr. Emile Francqui.

Sir Percy W. Newson, Bt., seconded the resolution and it was unanimously approved.

The auditors (Messrs. Turquand, Youngs and Co. and Messrs. Lowe, Bingham and Matthews) were reappointed.

Mr. J. Nissim moved a cordial vote of thanks to the board and to the staff. He thought he ought to commence by saying how happy they all were to see their chairman restored to health. (Cheers.) They offered him their united good wishes that he might long continue to enjoy it. (Hear, hear.) They were indebted to him for an admirable survey of events in the two countries in which they were chiefly interested. The balance-sheet disclosed unmistakable evidence of expansion in all the important items. The net profit was well up to the standard of the last five years and that was a matter for great satisfaction, considering the times as depicted to them by the chairman.

He would like to be permitted to mention just two names out of those of the many who had contributed, and were contributing, to the strength of the bank. They were conscious of their very special obligations to the worthy founder, Mr. Haskell, and to the London manager from the inception of the bank, Mr. Sutton, whose zeal was an inspiration to their colleagues. (Hear, hear.) He therefore had

great pleasure in proposing a cordial vote of thanks to the chairman, the directors, the managers, and the staff. (Cheers.)

Colonel G. R. C. Westropp, C.B., seconded the vote, which was unanimously accorded.

The Chairman briefly replied to the compliment and the proceedings then terminated.

NATIONAL BANK OF EGYPT.

Egypt's Economic Position.

The twenty-seventh annual general meeting of the shareholders in the National Bank of Egypt was held on March 23, at the head office of the bank, in Cairo.

Sir Bertram Hornsby, C.B.E. (the Governor), presided.

The Governor said:—Gentlemen,—We have pleasure in presenting to you a balance-sheet and profit and loss account which we feel you will regard as satisfactory.

Our gross profits are £1,011,789, from which have to be deducted £372,071 for expenses, leaving a net balance of £639,718. We propose to you the distribution of a dividend at the rate of 17 per cent., requiring £510,000, and the allocation of £125,000 to the special reserve, leaving a balance of £4,718 to be added to the carry forward.

Before turning your attention to the balance-sheet, I must remind you that on December 1 last we took over the business of the Egyptian Agencies of Lloyds Bank, and the assets and liabilities of these agencies are therefore included in our figures. I should mention that for reasons of practical convenience we have not taken into account for 1926 the earnings and charges for the month of December of the ex-Lloyds Bank Agencies, which will be included in the 1927 accounts. On the other hand, we have written off, out of profits, all the charges connected with the transfer.

Our arrangement with Lloyds Bank involved the purchase of the share capital of the Commercial Buildings Company, which owned the banking premises of Lloyds Bank in Alexandria and Cairo, as also ginning factories at Benha and Wasta. The transaction was not completed at December 31, and consequently does not appear in the accounts.

Proposed Head Office Extension.

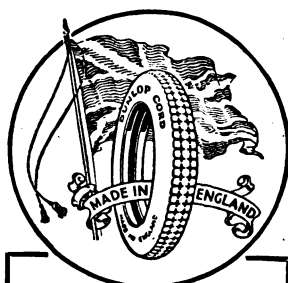
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office premises. It was not possible to carry out the project during 1926, but we expect to be able to do so during the current year. Owing to the large influx of securities, to which I have several times alluded in the past, our safe accommodation has been stretched to its utmost limits, and it is principally to provide further strong rooms that this extension is required.

Turning now to the balance-sheet, the inclusion of the figures of Lloyds Bank branches makes comparison with last year difficult. Amongst the items which are not affected by this consideration you will notice that the amount to the credit of the Egyptian Government is some £6,500,000 less than it was a year ago, whilst on the other side of the account you will find a decrease of about £2,000,000 in Government Securities, £1,000,000 in Bankers' Accounts, £3,000,000 in Bills of Exchange, and £1,000,000 in Money at Call. On the other hand, largely, but not entirely, by reason of the inclusion of Lloyds Bank figures, our total advances are now £9,820,000 against £6,420,000, whilst deposits are nearly £16,000,000 against rather more than £12,500,000.

State of Cotton Trade.

The large decrease in Bills of Exchange is an indication of the state of the cotton trade. The cotton crop of 1926-27, estimated at 7,500,000 kantars, whilst not so large as that of 1925-26, is nevertheless considerably above the average of recent years. At the same time America also has produced two record crops, with the result that for the moment there is a plethora of cotton. This fact, combined with a poor demand from consuming countries, has brought about a very marked reduction in prices which has caused some embarrassment to growers, especially in Egypt, where practically the whole economic life of the people depends on cotton. Some alleviation to the state of the market was caused by the action of the Government in making advances to small cultivators on the security of their cotton, which has had the effect of withholding part of the crop from a weak market. But sooner or later this cotton must be sold, and unless the needs of the consumer increase, it seems doubtful whether better prices can prevail until existing stocks have been largely exhausted.

In the meantime it is gratifying to note that the Government is taking energetic measures with a view to maintaining and improving those qualities of our cotton to which their reputation is due. We may also hope that the Cotton Congress, held here in January last will prove of permanent benefit both to cultivators and spinners.

Egypt's Trade Position.

The following statement of the imports and exports for the last five years will, I think, prove of special interest by reason of the fact that it no longer includes the two very abnormal seasons of 1919-20 and 1920-21, and we are therefore able to get a better view of the country's trade position during a normal five-year period. It will be seen that in the first four years there was each year an excess of exports totalling over the period nearly £42,000,000; for the last year the exports have fallen short of the imports by roughly £3,000,000, and the Custom Statistics for the last four months of 1926 indicate that the results of the current season will be even more unfavourable. Despite these set-backs, I am still of the opinion that, thanks to the prosperity of the last few years, the economic situation of Egypt compares favourably with that of most other countries of the world.

Sept. 1. to Aug. 31.	Imports.	Exports (including re-exports).
1921-1922	£E46,006,529	£E50,185,140
1922-1923	„ 44,453,116	„ 53,501,788
1923-1924	„ 47,440,590	„ 64,109,696
1924-1925	„ 56,257,511	„ 67,952,808
1925-1926	„ 55,973,075	„ 52,855,630

The movement of the Issue of Bank Notes is naturally closely related to the commercial situation. The amount of the Issue at the beginning of 1926, £E35,300,000, was the maximum of the year. The minimum of £E25,300,000 was reached at the end of August; from that time the usual seasonal requirements brought it up to £E30,700,000, from which point it fell to £E29,500,000 at the end of the year.

The following statement shows the maximum and minimum Issue of each of the last five years:—

	Maximum	Minimum
1922	£E37,300,000	£E26,300,000
1923	„ 38,700,000	„ 24,000,000
1924	„ 42,400,000	„ 26,900,000
1925	„ 41,900,000	„ 28,700,000
1926	„ 35,300,000	„ 25,300,000

Trade of the Sudan.

From the table of imports and exports for the Sudan which follows, it will be seen that exports are now roughly equal to imports, the increase in the former being almost entirely due to the export, for the first time on any considerable scale, of Gezira cotton. The exports of rain-grown cotton have been small, owing to a deficiency of rainfall. Owing to the same cause the dura crop was not sufficient for the country's needs and the deficiency had to be made up by imports.

It would be a mistake to expect any very rapid extension of trade in the Sudan. The country is large, but the population is small, and its needs are in general still primitive. Progress to be healthy can only be gradual.

	Imports.	Exports.
1922	£E4,252,890	£E2,298,770
1923	„ 4,669,004	„ 2,758,425
1924	„ 5,474,910	„ 3,830,171
1925	„ 5,437,727	„ 4,168,364
1926	„ 5,574,401	„ 5,190,505

In the course of the year we have lost the services of H.E. Adly Pasha Yeghen, who in the month of May was called on to assume the position of Prime Minister, and was consequently obliged to resign his seat on our board. We do not doubt that you will join with us in wishing every possible success to H.E. Adly Pasha in the accomplishment of the important task he has undertaken.

We have had the pleasure in inviting our old colleague H.E. Adly Ziwer Pasha to resume the place which he vacated in 1924, and we submit his election for your confirmation.

The directors retiring this year are Mr. Leon Suares and Lord Cullen of Ashbourne, who offer themselves for re-election.

The board desire to thank the sub-governors, the managers, and the staff for the services they have rendered during the year.

COMPANY NOTES AND REPORTS.

NATIONAL BANK OF EGYPT.

The report for the year ended December 31 states that the gross profit for the year, after providing for depreciation on the bank's buildings and furniture, for rebate of discount and for doubtful debts, amounts to £1,011,790. After deducting from this sum: for directors' fees £12,950, for current expenses £359,122—£372,072, there remains £639,718. In conformity with article 49 of the bank's statutes a dividend of 4 per cent. is payable on the share capital, £120,000; after this distribution there remains £519,718. Adding to this the balance brought forward from last year, £201,354, the amount available is £721,073. The directors consider it prudent to allocate to special reserve for contingencies a sum of £125,000; which leaves £596,073. From this amount the directors recommend the payment of an additional dividend of 13 per cent. on the share capital which will absorb £390,000; and to carry forward the balance of £206,073. The total dividend for the year will thus be at the rate of 17 per cent., equivalent to £1 14s. per share. An interim dividend of 8s. having been paid on September 1, 1926, there remains to be distributed the balance of £1 6s. per share.



Exports and Imports

To assist its customers, the Westminster Bank has prepared a booklet explaining the many ways in which the commercial man may use the Bank for the furtherance of his business, how he should proceed in order to take the utmost advantage of interest, rebate, discount, rates of exchange, etc., and so combine security and caution with progress and enterprise

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Reserve Liability of Shareholders, £1,000,000.

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Abbadan, Ahwaz, Barfrush, Birjand, Bunder Abbas, Burujird, Bushire, Duzdab, Hamadan, Isfahan, Kazvin, Kerman, Kermanshah, Masjed-Suleiman, Meshed, Mohammerah, Nasratabad (Seistan), Pehlevi, Resht, Shiraz, Saltanabad, Tabriz, Yezd.

Branches in Iraq (Mesopotamia):—Bagdad, Basra, Kirkuk.
Branch in India:—Bombay.
The Bank is prepared to transact Banking business of every description in and connected with Persia and Mesopotamia; and in London grants Drafts, Telegraphic Transfers and Letters of Credit, and negotiates or collects Bills on Persia and the Near East.

Head Office: 33-36, KING WILLIAM ST., E.C.4; Chief Office in Persia, TEHERAN

IONIAN BANK, Ltd.

Established 1839.

Capital Authorised - - £1,000,000
Capital Paid up - - - £600,000
Reserve Fund - - - £235,000
Total Assets - - - £5,663,445

HEAD OFFICE:

Basildon House, Moorgate, LONDON.

GREECE.

EGYPT.

Central Office:

Central Office:

ATHENS.

ALEXANDRIA.

25 Branches and Agencies.

10 Branches and Agencies.

CYPRUS.

TURKEY.

NICOSIA, Larnaca and Limassol.

CONSTANTINOPLE (Stamboul, with Sub Branch at Galata.)

Complete Banking Facilities for the Near East.

The Only British Bank in Greece.

THE NEAR EAST AND INDIA.

SUBSCRIPTION ORDER.

To the Manager,
THE NEAR EAST AND INDIA,
170, Strand, London. W.C.2.

Please forward
THE NEAR EAST AND INDIA
weekly for months.

Remittance enclosed.

Name.....

Address.....

SUBSCRIPTION U.K., £1 7s. 6d. per annum;
RATES 14s. 6d. for 6 months.
Post Free ABROAD, £1 10s. per annum; 15s. 6d. for 6 months.

To be obtained at all Bookstalls.

IMPERIAL BANK OF INDIA

Incorporated and constituted in India under the Imperial Bank of India Act, 1920, for the purpose of taking over the undertakings and business the Bank of Bengal, the Bank of Bombay and Bank of Madras.

Local Head Offices:—

CALCUTTA, BOMBAY, MADRAS

Managing Governors in India:—

Sir Norcot Warren, K.C.I.E.

Sir N. M. Murray.

Manager in London:—

Sir S. A. H. SITWELL.

Authorised Capital Rs. 11.25.00.000

Paid-up Capital - Rs. 5.62.50.000

Reserve - - - Rs. 5.00.00.000

BANKERS in INDIA to the GOVERNMENT INDIA.

Branches in all Principal Towns in India.

London Branch - - - 22 Old Broad Street, E.C.2.

NATIONAL BANK OF INDIA, LIMITED.

Registered in London under the Companies Act of 1862, on the 23rd March, 1866

Established in Calcutta, 29th September, 1863.

BANKERS TO THE GOVERNMENT IN KENYA COLONY AND UGANDA.

AUTHORISED CAPITAL	£4,000,000	Paid-up Capital	£2,000,000
Subscribed Capital	£4,000,000	Reserve Fund	£2,850,000

HEAD OFFICE: 26, BISHOPSGATE, LONDON, E.C.2.

BRANCHES.

Aden, Steamers Point, Amritsar, Bombay	Calcutta, Cawnpore, Chittagong, Cochin (S. India)	Colombo, Delhi, Kandy, Karachi	Lahore, Madras, Mandalay, Newera Eliya	Rangoon, Tuticorin, Zanzibar	Eldoret, Kisumu, Mombasa, Nairobi, Nakuru	Kenya Colony (Brit. E. Africa)	Entebbe, Jinja, Kampala	Uganda
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TANGANYIKA TERRITORY—Dar-es-Salaam, Tanga.

The Bank purchases grants, advances against or collects Bills payable in India, Burma, Ceylon, Aden, Zanzibar, British East Africa, Uganda, etc., on current terms. The Bank issues Drafts on its Branches, as well as on its Agents in the principal towns of India and Burma, Africa and elsewhere, and also sells Telegraphic Transfer on all its Branches, at the exchange of the day.

The Bank, on behalf of its Constituents, undertakes the collection of Furlough Pay and Pension from the India and Colonial Offices, the Custody of Government and other Securities, and the receipt of interest and Dividends thereon.

Powers of Attorney or other forms and any information required may be had on application to the Bank in London or any of its Branches.

The Bank receive Deposits for fixed periods not exceeding one year at rates to be obtained on application.

LLOYDS BANK LIMITED.

HEAD OFFICE: LONDON, E.C.3.

Capital Subscribed -	£73,302,076	Reserve Fund -	£10,000,000
Capital Paid up -	£15,810,252	Deposits, &c. (31st Dec., 1926)	£347,653,458

EASTERN DEPARTMENT:

14, KING WILLIAM STREET, LONDON, E.C.4.

LLOYDS BANK now has the following Offices in INDIA and BURMAH, and can offer special facilities to merchants and others for transactions with those countries. It issues Drafts, Mail and Telegraphic Transfers and Letters of Credit, negotiates and collects Bills of Exchange, conducts Exchange operations, and transacts Banking and Agency business generally.

INDIA & BURMAH.—BOMBAY, CALCUTTA (2 Offices), KARACHI, RANGOON, DELHI, SIMLA, RAWAL PINDI, MURREE, SRINAGAR (Kashmir), GULMARG.

Cotton and Cotton Goods.

THE LIVERPOOL COTTON MARKET.

Messrs. Reynolds and Gibson, in their report for the week ended March 23, state:—

Egyptian Futures.—Sakel Contract.—We have had a rather uninteresting week in this department, only minor operations have been recorded, and in the absence of any factors of importance, price movements generally have been restricted to daily fluctuations of a few points.

The publication of the United States Bureau report on Monday was the signal of a sharp advance in the American markets, and under this influence our contract improved some 15 points or so without much real support. Since this, prices have again reverted to their former level and the general tendency of the market can be described as dull. There has been no change in the trade situation since we last wrote; spinners appear to be digesting some of their earlier heavy purchases, and, in the meantime, whilst there is certainly business about, the inclination is to adopt a very cautious attitude, and it would appear as if only steady or gradually advancing markets would cause a resumption of sufficient activity to influence values in any marked degree.

In face of the rather poor outside demand, the Alexandria market shows a commendable amount of steadiness. The Sakel stock, however, must be beginning to weigh heavily, and to our minds the critical period for holders will be in the next few months, as everything depends just to what extent the coming Sudan Sakel crop will monopolise the offtake during that period.

With regard to the differences between the local positions, there has been very little alteration, new crops hardening slightly in comparison to the near months. We hear from a well-informed quarter that a considerable improvement in the quality of the crop at present being planted is confidently expected, as a more careful seed selection has been exercised, and the Government control of planting seed in general has helped considerably to re-establish the purity of Sakel.

We cannot say that we see anything in the situation to cause any material alteration in values for the time being. Certainly, there is not sufficient trade support at the moment to warrant any appreciation; on the other hand, as soon as we approach the 13d. level, contracts become scarce, and the market begins to show resistance to any further decline.

Upper Contract.—Only a moderate amount of business has been put through in this contract during the past week, and price movements have corresponded fairly closely to the fluctuations witnessed in the American markets. Trade support has fallen off from even the reduced volume reported by us in our last report, but in face of this the market still shows a fairly steady tone. One thing in favour of Upper Egyptian this season is the scarcity that is becoming more and more apparent of competitive outsiders; for instance, at the moment there are practically no East Africans offering in the market here, and the prices demanded for shipments at sea are considerably higher than the ruling Upper basis. In addition to this, there are some detrimental rumours in circulation regarding the Peruvian crops; it is reported that these will be considerably reduced from last year's total. The statistical position cannot be termed heavy, and on this account we think that a resumption of trade activity would have an immediate effect on values.

Egyptian Spot.—Spot conditions have ruled on the quiet side during the past week. During the first day or two, the effect of last week's decline was still in evidence, and although a slight tendency to fix cotton was noticeable, the movement was not a definite one and sentiment appeared to be very mixed. Then came the U.S. Ginners' report, published last Monday; which created a temporary sensation and thoroughly upset all markets for the time being. As we write, the effect of this report is subsiding and the necessary readjustments

are being made. The main feature, as far as we are concerned, is that the volume of trade at the Manchester end does not appear to have received the stimulus that might have been expected. Business had dropped to moderate proportions before the issue of the report and it remains moderate now, three days afterwards; indeed, for Egyptian, it has shown a definite falling off.

Prices on the whole have remained very steady, particularly for Sakel. The daily inquiry has been only moderate to fair, but Sakel has occupied a larger percentage of it than usual, 12½d. to 13½d., and 14d. to 14½d. proving the most popular ranges. Uppers, except for the orders for low grade cotton (and these have been fewer than has recently been the case), have been rather quieter and the tendency has been for prices to ease slightly. Pilon at from 10d. to 10½d. has been in moderate request, and White cotton (Egyptian) has met with an isolated inquiry here and there. Sudan cotton has continued in fair request, particularly the American seed variety.

C.i.f. business has been very quiet. Forwardings to spinners for the week ending the 18th inst. were returned as 8,651 bales Egyptian and 1,568 bales Sudan. Estimated sales, 900 bales Egyptian and 1,800 Sudan. Quotations of Sakel are unchanged on the week, whilst those of Uppers have been reduced 15 points. F.G.F. Sakel to-day, 13.35 d. F.G.F. Upper to-day, 10.50d.

A distinctive cruise of some 22,600 miles will be undertaken by the Canadian Pacific liner *Empress of France*, which will leave Southampton on January 7, 1928, for the West Indies, South America, South and East Africa, Egypt and the Mediterranean, arriving back at Southampton on April 25. Fifty-nine days will be spent afloat and 51 ashore. The cruise, which is under Canadian Pacific management throughout, includes the reservation of motor cars, special trains, leading hotels, guides, interpreters, dragomans, etc. Calls will be made at all the principal places of interest *en route*—including Tristan da Cunha, the lonely island of the South Atlantic Ocean. Full particulars, including the itinerary of the cruise, may be obtained from the Canadian Pacific Railway, 62/65, Charing Cross, London, S.W.1.

OVERSEAS AGENTS FOR THE SALE OF "THE NEAR EAST AND INDIA."

EGYPT.

Alexandria: M. Nacamulli and Co., 12, Rue Sesostris.

Cairo: M. Avatis, 1, Faggala.

Express Book and Stationery Store, P.O. Box 1113.

Port Said: English Agency, P.O. Box 240.

SUDAN.

Port Sudan: The Egyptian Library, Post Office Box No. 44.

PALESTINE.

Haifa: Newspapers Agency Steimatzky, Jaffa Street.

Jerusalem: B. Y. and W. A. Said, 23-24, Jaffa Road.

Newspapers Agency Steimatzky, Jaffa Road.

SYRIA.

Beirut: Sarrafian Bros.

IRAQ.

Basrah: Jashanamal, Bridge Street, Ashar.

BULGARIA.

Sofia: Librairie Francaise et Etrangere, 4a, Bvd. Tsar Ostvoboditel.

CYPRUS.

Nicosia: Dick Soultanian, P.O. Box 6.

GREECE.

Athens: "Eleftheroudakis," Librairie Internationale, Place de la Constitution.

Messageries de Journaux et Publications Etrangers, 24, Rue du Stade.

TURKEY.

Constantinople: The Anglo-American Book and Newsagency, 18, Rue des Petits Champs, Pera.

AMERICA.

New York: Brentano's, Fifth Avenue and 27th Street.

Boston (Mass): Smith and McCance, Ashburton Place.

FOREIGN EXCHANGES.

Country.	Method of Quoting.	Parity of Exchange.	Latest Quotations.
Alexandria.....	Piastre to £	97½	97½
Athens	Drachma to £	25.22½	376
Belgrade.....	Dinars to £	25.22½	276½
Berlin	Marks to £	20.43	20.47½
Berne	Francs to £.....	25.22½	25.24½
Bombay	Sterling to Rupee	24d.	17-61/64-63/64
Brussels	Belga to £.....	35	84.94½
Bucharest	Lei to £	25.22½	720
Budapest	Peu to £	27.82	27.83½
Calcutta	Sterling to Rupee	24d.	17 61/64-63/64
Constantinople	Piastres to £	110	950-965
New York	Dollars to £	4.86 2-3	4.85 11/16-½
Paris	Francs to £.....	25.22½	124
Prague	Kronen to £.....	24.02	164
Rome	Lire to £	25.22½	106
Sofia	Leva to £	25.22½	670-675
Tehran	Krans to £	50½	50½
Vienna	Sch to £	34.58½	34.51-34.55
Warsaw	Zloty to £	25.22½	43-44

TENDERS INVITED.

Tenders are invited for the following contracts, and must be made by the dates mentioned.

(Particulars of tenders marked D.O.T. are to be obtained from the Department of Overseas Trade, 55, Old Queen Street, S.W.)

EGYPT.

Railway Carriages.—The General Management, Egyptian State Railways, Telegraphs, and Telephones, Cairo Station, invites tenders for the supply of bogie III class steel carriages, 10 with brake compartments and 10 or 20 without brake compartments. April 28.

Weighing Machines and Balances.—The Physical Department, P. W. M., Cairo, invites tenders for the supply of heavy platform weighing machines and balances. May 4.

Plant and Material for Water Installation.—The Inspector-General of Irrigation, Sudan, Khartoum, invites tenders for the supply only of plant and material required for a pure water installation at Malakal for a daily capacity of 20,000 gallons. The contract will be in the following five sections, and any contractor may submit tenders for one or more of the sections: (a) water tower and tank; (b) pump and prime mover; (c) Paterson's Filter, etc.; (d) settling and clear water storage tank; (e) piping and fittings. May 26.

Liquid Asphalt.—The Tanzim Department of the Egyptian Ministry of Public Works invites tenders for the supply of 1,275 tons of liquid asphalt (Bitumen). May 14. (D.O.T.)

Tents, Etc.—The Surveyor-General of Egypt, Giza (Mudiriya), invites tenders for the supply of tents and shamsias for same, April 29; document and map printing paper, May 3; calico and Shash, May 9.

Tents, Etc.—The Surveyor-General of Egypt, Giza (Mudiriya), invites tenders for the supply of tents and shamsias for same. April 9; aluminium and zinc lithographic printing plates, April 27; and document and map printing paper. May 3.

Map Printing Paper.—The Surveyor-General of Egypt invites tenders for the supply of approximately 3,000 reams of map printing paper. May 3. (D.O.T.)

Linen, Etc.—The Director of Stores, Ministry of Education, Sharia Kasr el Aini, Cairo, invites tenders for the supply of linen, table service, needle work materials, school materials and material for cleaning required for the school year 1927-1928. April 18.

Rails.—Tenders are invited by the Survey of Egypt, Giza, Mudiriya, for the supply of about 6,200 tons of rails. April 20. (D.O.T.)

Centrifugal Pump, Etc.—The Director-General of Prisons, 43, Sharia El Bustan, Cairo, invites tenders for the supply of high lift centrifugal pump, fire hydrants, chemical fire extinguishers and air-moistening machine required for the spinning machine workshop at Delta Barrage Prison, April 12.

PALESTINE.

Steam Launch.—A communication has been received by the Department of Overseas Trade from a firm of agents, importers, and distributors at Haifa, Palestine, who state that they have received an inquiry for a steam launch with a seating capacity for 50 persons and suitable for the landing of tourists at the port of Haifa. (D.O.T.)

BULGARIA.

Water Piping and Fittings.—The Bulgarian Ministry of Public Works invites tenders for the supply of water piping and fittings, either of cast iron or steel. April 5. (D.O.T.)

Stock and Share Markets.

LONDON EXCHANGE		Prices on Mar. 26	Railways.		Prices on Mar. 28	Coal.		Prices on Mar. 9
Government Stocks.								
Egyptian 4 p.c. Unified Debt ...	...	83	Assam-Bengal ...	...	80 1/2	Baraboni ...	...	29 1/16
Do. Pref. 3 1/2 p.c. 1890 ...	...	73	Bengal Nagpur ...	...	95 1/2	Bengal ...	...	47 1/4
Do. Turk 4 p.c. 1891 ...	...	85 1/4	Egypt Delta Light Riv. ...	...	44	Burrakur ...	...	17
Do. 3 1/2 p.c. Eg. Trib. Bonds. '94 ...	...	78 1/4	Southern Punjab ...	...	192 1/2	East Indian ...	...	22 1/2
Greek 5 p.c. 1881 ...	...	52				Equitable ...	...	18 1/2
Do. 5 p.c. 1884 ...	...	52				Pench Valley ...	...	24 1/2
Do. 4 p.c. Rentes, 1889 ...	...	41				Raneegunge ...	...	31 1/2
Do. 5 p.c. 1890 ...	...	52				Standard ...	...	52 1/2
Do. 5 p.c. Funding Loan, 1893 ...	...	52						
Do. 4 p.c. Rents, Loan, 1902 ...	...	52						
Do. 4 p.c. Loan, 1910 ...	...	52 1/2						
Do. 5 p.c. Loan, 1914 (Lon. issue) ...	...	63 1/2						
Do. 7 p.c. 1924 ...	...	96 1/2						
Persia 5 p.c. 1911 ...	...	82 1/2						
Roumania 4 p.c. Ext. ...	...	69 1/2						
Do. 4 p.c. Consolidation ...	...	45 1/2						
Sudan 5 1/2 p.c. Guar. Bds. ...	...	108 1/16						
India 3 1/2 p.c. ...	...	68 1/2						
Do. 3 p.c. ...	...	59						
Do. 2 1/2 p.c. ...	...	49 1/2						
Do. 5 1/2 p.c. ...	...	101 1/2						
Do. 4 1/2 p.c. ...	...	91						
Turkish 4 p.c. Unified ...	...	23 1/2						
Banks.			Rubber.			Cotton.		
Agri. Bank of Egypt ...	...	7 1/2	Ceylon Para Rubber Ord. ...	...	15/6	Bengal Nagpur ...	...	25 1/2
Bank of British West Africa ...	...	4	Doolgalla (Ceylon) Rub. Est. ...	...	20 1/2	Bombay Dyeing, etc. ...	...	95 1/2
Bank of Roumania ...	...	80/3	Grand Cent. (Ceylon) Rubber ...	...	47 1/6	Bowreah ...	...	39 1/4
Barclays Dom. Col. Pf. ...	...	30 1/2	Hewagum Rubber Co. ...	...	26 1/9	Buckingham and Carnatic ...	...	200
Lloyds ...	...	62/6	Kepitigalla Rubber Estates ...	...	3 1/2	Cawnpore Textiles ...	...	31
P. and O. Banking ...	...	10	Malayalam Rub. and Produce ...	...	41 1/3	Century ...	...	44 1/2
Eastern ...	...	63/16				Central India ...	...	58 1/2
Chartered Bank of India ...	...	19 1/2				Elgin ...	...	92
Ottoman Bank ...	...	10 1/2				Khatau Makanji ...	...	105
Imperial Bank of Persia ...	...	9 1/2				Muir ...	...	292
Land Bank of Egypt Ord. ...	...	13 1/2				New Ring ...	...	29 1/2
Westminster ...	...	18 1/2				Phoenix ...	...	44 1/2
National Bank of Egypt ...	...	35 1/2				Svadeshi ...	...	53 1/2
National Bank of India ...	...	48 1/2						
Land.			Shipping.			Jute.		
Kassala Cotton ...	...	9/6	Anchor 5 1/2 p.c. Prf. ...	...	89/32	Alliance ...	...	622
Sudan Plantations ...	...	4 1/2	Cunard ...	...	21 1/2	Barnagore ...	...	245
Mines.			Furness Withy ...	...	35/6	Budge Budge ...	...	579
Balaghat Gold Mining ...	...	2/9	Khediaval Mail Ord. ...	...	1	Clive ...	...	42
Burma Corp. ...	...	14 1/2	P. and O. Deferred ...	...	25	Dalhousie ...	...	495
Champion Reef Gold ...	...	11/6				Delta ...	...	645
Mysore ...	...	16/6				Fort Gloster ...	...	1,021
Nundydroog ...	...	10/3				Gourepore ...	...	800
Ooregum Gold Mining Ord. ...	...	16/1				Howrah ...	...	48 7/16
Oil.						Kamarhatti ...	...	712
Anglo-Egyptian B ...	...	1 1/2				Kankarrah ...	...	564
Anglo-Persian Ord. ...	...	53/16				Khardah ...	...	553
Do. 8 p.c. Cum. 1st Pf. ...	...	25/6				Kinnison ...	...	175
Do. 9 p.c. Cum. 2nd Pf. ...	...	27/9				National ...	...	35 1/2
Do. 5 p.c. Debs. ...	...	95				Standard ...	...	516
Brit. Burmah ...	...	8 1/2				Union ...	...	688
Burmah Oil Co. Ord. ...	...	6 1/2						
Do. 8 1/2 Cum. Pref. ...	...	26 1/3						
Phoenix Oil and Transport ...	...	25/1						
Steauna Romana ...	...	13/9						
			Tea.			Miscellaneous		
			Assam Co. ...	...	42 1/2	British India Corporation ...	...	4 1/2
			Bengal United Tea Ord ...	...	2 1/2	Bengal Paper Mills ...	...	31 1/16
			Bramapootra ...	...	31 1/2	Bengal Timber Trading ...	...	37 1/2
			British Indian Tea Ord. ...	...	2 1/2	Burn and Co. ...	...	131
			Cachar and Dooars Tea Ord. ...	...	315/16	Champore Sugar ...	...	21 1/2
			Ceylon Tea Plantations Ord. ...	...	617/32	Howrah Oil Mills ...	...	12 1/2
			Consolidated Estates ...	...	415/32			
			Darjeeling Co. ...	...	25/16			
			Dimbula Valley (Ceylon) Ord. ...	...	313/32			
			Dooars Tea Ord. ...	...	311/16			
			Dooloogram Tea ...	...	1 1/2			
			Doom Dooma ...	...	4 1/2			
			East Assam ...	...	323/32			
			Empire of Ind. ...	...	25/16			
			Haleem Tea ...	...	2 1/2			
			Jhanzie Tea Association ...	...	45/32			
			Jokai (Assam) Tea Ord. ...	...	4 1/2			
			Lanka Plantations Ord. ...	...	2 7/16			
			Lungla (Sylhet) Tea Ord. ...	...	1			
			Nuwara Eliya Tea Estates Ord. ...	...	5 1/2			
			Pabbojan ...	...	615/16			
			Scottish Assam ...	...	125/32			
			Upper Assam ...	...	215/32			
			Insurance.			ALEXANDRIA		
			General Accident Fire and Life (£5, £1 1/2 paid) ...	...	8 1/2	Prices on Mar. 11, supplied by G. L. Mortera, Alexandria & Cairo.		
			London & Lancs (£5, £1 paid) ...	...	25 1/2	Agricultural Bank of Egypt ...	...	£713/16
			Royal Exchange (£1) ...	...	7 1/2	Alexandria Water Co. " Foad. ...	...	£695
			Sun Fire (£10 (£2 paid) ...	...	24 1/2	Assoc. Cotton Ginners ...	...	£1427/32
			Trade Indemnity (£10) ...	...	13 1/2	Behera Ord. ...	...	£169/16
			Miscellaneous.			Ciments d'Egypte ...	...	Frs. 132
			Alexandria Water Co. ...	...	14 1/2	Div. ...	...	170
			Associated Cotton Ginners ...	...	16 1/2	Comptoir Fin. & Com. d'Egypte ...	...	£ 5/16
			Egyptian Hotels ...	...	73	Credit Foncier Egyptien ...	...	Frs. 1,032
			Do. Markets Ord. ...	...	25/9	Fondateur ...	...	2,475
			Do. Salt and Soda ...	...	22/1	Crown Brewery Priv. ...	...	Frs. 99
			Mortgage Co. of Egypt 5 p.c. Pref. ...	...	8 3/16	Filature Nationale d'Egypte ...	...	£51
			INDIAN EXCHANGES.			Frigorifique d'Egypte ...	...	£6
			Government Loans.			Immeubles d'Egypte Soc. An. des. ...	...	£16 1/2
			3 1/2 Government Paper ...	...	77 1/2	Land Bank of Egypt Actions ...	...	£139/16
			Banks			Parts de Fond ...	...	£152
			Imperial Bank of India ...	...	1,477 1/2	Menzaleh Canal Navigation ...	...	Pt. 340
			Bank of India ...	...	75			
			Central Bank of India ...	...	30 1/2			

COMMERCIAL BANK OF GREECE

(A Limited Liability Company Registered in Athens.)

CAPITAL PAID UP - Drs. 47,107,000
RESERVE FUNDS - Drs. 57,091,594.50

The Assets include securities worth £1,000,000, which are valued at Drs. 25,000,000; that is at the rate of Drs. 25 per £1 only.

Head Office: ATHENS,

Branches: Piraeus, Argos, Pyrgos, Patras, Corfu, Cephalonia, Nauplia, Vostizza (Aegion), Calamata, Syra, Chio, Candia, Volo, Salonica, Larissa, Triccala, Mitylene, Canea, Zante, Plomari, Tripolitza Rethymo.

Associated Bank in London:

The Commercial Bank of the Near East, Ltd., with branches at Alexandria and Constantinople.

AGENTS IN ALL PARTS OF GREECE, THE LEVANT, AND ABROAD.

The Bank conducts every kind of Banking and Stock Exchange business, and extends special facilities to merchants and traders interested in business with Greece. It acts as Agent for many Foreign Banks. It is especially organised for Exchange transactions, the execution of mail and cable transfers throughout Greece, and for the collection of clean and documentary Drafts and Bills.

MERCHANDISE DEPARTMENT.

The Bank undertakes the warehousing and sale of goods consigned.

CHARTERED BANK OF INDIA AUSTRALIA & CHINA.38, BISHOPSGATE, LONDON, E.C.2
INCORPORATED BY ROYAL CHARTER

CAPITAL £3,000,000. RESERVE FUND, £4,000,000.

Court of Directors.

SIR MONTAGU CORNISH TURNER, *Chairman*
HENRY BATESON, Esq.
COLIN FREDERICK CAMPBELL, Esq.
SIR WILLIAM HENRY NEVILLE GOSCHEN, K.B.E.
ARCHIBALD AULDJO JAMIESON, Esq.
EDWARD FAIRBAIRN MACKAY, Esq.
WILLIAM FOOT MITCHELL, Esq., M.P.
ARCHIBALD ROSE, Esq., C.I.E.
LEWIS ALEXANDER WALLACE, Esq.
JASPER BERTRAM YOUNG, Esq.

Chief Manager—W. E. PRESTON

Managers—J. S. BRUCE and G. MILLER.

Agencies and Branches.

ALOR STAR (Malay States)	HAMBURG	KUCHING (Sarawak)	SEREMBAN
AMRITSAR	HANKOW	MADRAS	SHANGHAI
BANGKOK	HONGKONG	MANILA	SINGAPORE
BATAVIA	ILOILO	MEDAN	SOURABAYA
BOMBAY	IPOH	NEW YORK	TAIPEING (F.M.S.)
CALCUTTA	KARACHI	PEKING	TAVOY (Lower Burma)
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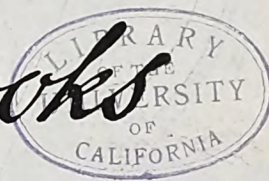


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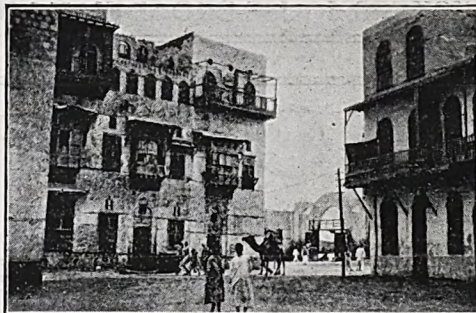
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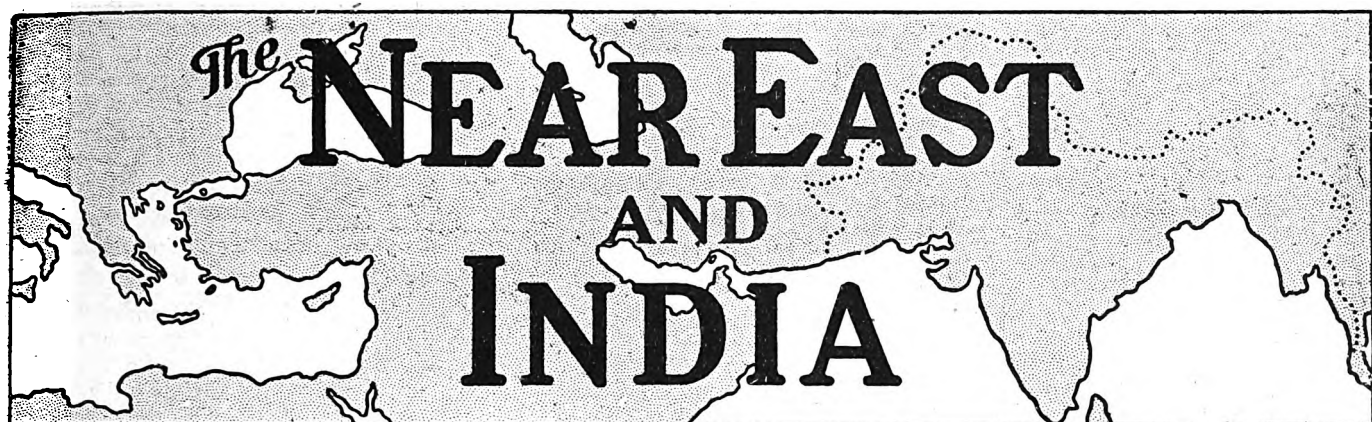
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No. 829.—VOL. XXXI.

THURSDAY, APRIL 7, 1927.

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Notes of the Week.

Italy and Yugoslavia.

A good opportunity for furthering the cause of permanent peace in the Balkans is, it is to be feared, being allowed to slip away. If immediate action had been taken when the Italian Government charged the Yugoslav Government with carrying out military preparations for an invasion of Albania and announced its own intention to protect the latter country, the good or bad faith of the two Governments in a crucial matter might have been established. It is important for the peace of the Balkans that it should be known whether Italy without adequate cause can accuse Yugoslavia of designs on the territorial integrity and the independence of Albania, in the hope of making those designs a pretext for her own encroachment upon Albanian independence; it is equally important that it should be known whether Yugoslavia is capable of using as a pretext for establishing her own hold on Albania her fear that Italy is seeking to do the same. As things are, the answers to these queries will be determined entirely by the prejudices of those giving them; the two countries will have been brought no nearer to an understanding, but will each have one more bad mark up against the other. The proposal for an international inquiry would seem to have been abandoned, and Europe is to have its conscience soothed by an invitation to Italy and Yugoslavia to discuss between themselves the points at issue. The suggestion is, of course, puerile, in the face of treaties between the two countries that are either unratified or a dead letter. Until the pressure of the public opinion of Europe is brought to bear more effectually on one or other of the Adriatic rivals the peace of the Balkans is likely to be subjected to these sudden alarms.

The Albanian Question.

The tension between Italy and Yugoslavia turns on the situation in Albania. It is unlikely that the dictatorship

of Ahmed Bey Zogu will be exempt from the laws that govern similar régimes. Even if his authority be not challenged during his lifetime, the question of a successor may well provoke civil war in the country. Attempts to challenge his authority, however, appear to follow one another frequently, and Yugoslavia affects to see in these attempts an ultimate pretext for Italian interference in the affairs of Albania. Unfortunately for the Yugoslav case, these attempts are prepared, in whole or in part, on Yugoslav territory, and it is not surprising in these circumstances that the Belgrade Government is accused of having a hand in them. In the present instance some plausibility was lent to the charge by certain military movements in the frontier districts, which were at once interpreted as preparations for war in Albania. That the Italian Government should show no more discrimination in dealing with such matters than the worst scaremonger in the Balkans is one of the disadvantages from which Europe has to suffer and offers an additional reason why an attempt should be made to place the peace of the Balkans on a more reliable basis than the whim of Italy or the fears of Yugoslavia. As the League of Nations shows no inclination to act, the remedy lies in the Balkans themselves. When the different States are satisfied that they can regard one another as partners in a joint concern, and not as rivals, they can deal successfully with outside interference and can afford to ignore domestic upheavals in Albania. The present crisis has at least obtained a semi-official intimation from Italy that the wording of the first clause in the Tirana Treaty, by which Italy and Albania recognise that "any disturbance directed against the political, juridical and territorial *status quo* of Albania is opposed to their reciprocal political interest," does not commit Italy to maintain Ahmed Bey Zogu as Dictator for ever. It should be possible for the Italian Government to reassure Yugoslavia that it is concerned primarily with the economic development of Albania, if this is the case.

The Italian Consul in Jerusalem.

For those who study the Parliamentary reports there has recently been some excellent reading, particularly in regard to two self-constituted warders of the Zionist cause, Colonel Josiah Wedgwood and Commander Kenworthy. No Jews could have been more zealous than these two members of the Labour Party concerning the alleged inactivity of the British Government in making provision for the best interests of the immigrants into Palestine. But they do not always make the bell ring in token of the moral defeat of the Government. Last week an episode typical of these encounters occurred between Sir Austen Chamberlain and Colonel Wedgwood. As is well known, Zionists in general have expressed apprehension of the appointment to Jerusalem, as Italian Consul-General, of Signor Orazio Pedrassi, who has on occasion shown himself possessed of anti-Zionist views. Colonel Wedgwood wished to know whether His Majesty's Government had assented to this appointment. The Secretary for Foreign Affairs replied in the affirmative; and added: "I think I am entitled to assume that the Italian Government would not appoint as Consul-General a gentleman whose appointment was contrary to the interests of the country to which he was accredited." The member for Newcastle-under-Lyme will, therefore, have to try again; and we have little doubt that he will. But material promotion of Zionist interests is not the sole concern of the British Government, of whose duties another aspect is to be seen in the Municipal Elections which are now almost accomplished in Palestine.

Athletics in Greece.

Although the Olympic Games have familiarised the world with international athletic contests for the last thirty-one years, it is a landmark in long-distance challenges that a British Athletic Sports team should journey all the way to Athens to compete with a Greek team in a sports meeting. The revival of the Olympic Games in 1896 gave a great impetus to all forms of sport in Greece. Two years later Athens had its first golf course, a very rough-and-ready affair, where a right-angle ricochet off a boulder more often than not took the place of a straight run for a well-pitched approach. At the same time a series of annual tennis matches between Greek and British teams was inaugurated; football, however, was not yet known, and it was necessary to go to Corfu to see cricket played. The present century, and in particular the years since the War have seen a most gratifying extension of games—mainly football, tennis and athletic sports—throughout the Balkan Peninsula. Before long Association foot-

ball at least will have attained the proportions of a national pastime in some of the countries, and the inter-State contests will be an important factor in maintaining good-will amongst the different peoples. The Achilles Club, which in past years has sent out teams to Rome, Prague, Budapest and elsewhere, is responsible for the team which left London this week for Athens, and appears to have been singularly successful in securing a strong representation. If the Greeks are successful in the contests, the Athens Stadium will have witnessed a very notable meeting.

Tourist Traffic.

No country these days can afford to be indifferent to the pecuniary advantages of a considerable tourist traffic, and the question of attracting a larger quota of the ever-increasing numbers of travellers is exercising the minds of many Governments which have hitherto overlooked this source of revenue. Two of our Correspondents whose letters are published in this issue utter words of warning on the subject that are well worthy of attention. There is a tendency in many countries to suppose that the casino or something bearing a family resemblance to one is all that is required to provide an irresistible Mecca for the tourist, and we are threatened with minor Monte Carlos at Cairo and Constantinople, Corfu and Athens. Our Athens Correspondent, however, stands aghast at the idea of Greece surrendering herself to the cult of the visitor to whom a casino, in the unique setting that she has to offer, would appeal, and believes that in the end she would diminish the traffic that she is anxious to increase. His argument receives some support from our Cairo Correspondent, who claims to be witnessing the gradual dispossessing of the capital as the chief destination of visitors to Egypt. Cairo, he declares, is so rapidly losing its Oriental character that it can no longer hope to hold for long visitors in search of the coloured East, or of rest and quiet. Lessened attractiveness to tourists, he adds, is the inevitable price which must be paid for the modernisation now proceeding so rapidly in every part of the city and of the city's life. The lesson for the Balkan States to take to heart is that they should not scheme to effect a spurious resemblance to other places, but should preserve their own individuality as long as they can. A good hotel is not incompatible with the retention of national characteristics; the choicest beauty spots and the finest ruins lose much of their value as national assets if they are not fairly easy of access. The vulgarest tourist, however, will not go to the Balkans because there happens to be a casino there, even though he may spend all his time in it on arrival; but he will go to the Balkans because it has been brought to his notice that he will see something there which he has not seen before.

SIR GEORGE SCHUSTER.

The desire of Sir George Schuster, Financial Secretary to the Sudan Government, to relinquish his office in order to take up unofficial work in England has long been known, and it was expected that he would leave the Sudan as soon as his services could be dispensed with by the new Governor-General, in all probability this month. Sir John Maffey has now informed his Council that Sir George Schuster will remain as Financial Secretary until January 1, 1928, but from May onward will be attached to the Sudan Government's London Office, except for a short period at the end of the year, when he will return to Khartoum to introduce the Budget for 1928. The Sudan Government hopes to retain Sir George Schuster's services in an advisory capacity when he has ceased to be Financial Secretary, and it is possible that a post with a still wider sphere will be found for him by the British Treasury.

The name of Mr. Arthur J. C. Huddleston, Governor of the Blue Nile Provinces, is mentioned as that of the future Financial Secretary.

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EGYPT AND GREAT BRITAIN.

Even if no definite results can be recorded in the immediate future, it is all to the good that in Egypt at the present moment considerable interest should be taken in the prospect of Anglo-Egyptian negotiations on the Four Reserved Points. Any overtures on this subject, it need hardly be said, will have come from the Egyptian side, and this fact serves to emphasise the great improvement that has taken place in the relations between the two countries. When Zaghloul Pasha came to England three years ago, ostensibly to negotiate with the British Government, he adopted the attitude that the Reserved Points admitted of no discussion and must simply be abandoned by Great Britain. Some advance will, therefore, have been made, if support is now found in Egypt for the view that each Point provides an opportunity for some measure of give-and-take on both sides. The initiative, as might be expected, has been taken by Zaghloul Pasha himself; for, as in 1924 he alone was responsible for the intransigent attitude then adopted, so now he has only to decide upon the advantage of a less uncompromising policy to secure its ready endorsement by his fellow-countrymen. Although the stage is well set for negotiation, in view of the fact that there has been a long spell of peace in Egypt, that the Permanent Under-Secretary of State for Foreign Affairs, Sir William Tyrrell, is on a visit to Lord Lloyd, and that there has been much coming-and-going as between the Egyptian Government, the Court, and the Residency, it would seem that the very definite proposals that have found their way into Egyptian newspapers are intended to prepare public opinion for a modification of the former *non-possumus* attitude rather than to indicate an actual stage reached in formal negotiations between the two parties. Another incentive to an early settlement of the Reserved Points is to be found in the projected visit to England this year of King Fuad. Last year's visit had to be abandoned owing to the political situation in Egypt, and it is certain that it would invest the King's stay in this country with considerable glamour if His Majesty could come not merely in his personal capacity, but also as Head of an Allied State.

The liquidation of the Reserved Points that would now be accepted by the Egyptians is set out as follows in the Egyptian press: That the British Army of Occupation should be withdrawn to the Eastern bank of the Suez Canal, with the exception of the Air Force camp at Aboukir and the new Aviation school at Heliopolis, which would be maintained for the purpose of safeguarding Great Britain's aerial communications with India and other parts of the Empire; That British military officers and civil officials should retire from the service of the Egyptian Government under indemnity; That the capitulations

should be abolished as far as British subjects are concerned, and that Egypt should be free to negotiate with the other Powers regarding the abrogation of the capitulations in the case of their respective nationals; That a treaty in perpetuity should be concluded between Egypt and Great Britain, in which the latter would guarantee the security and territorial integrity of Egypt; That the Condominium of the two countries over the Sudan should accord wider prerogatives to the Egyptian Crown in the appointment of military and civil officials; That the King of Egypt should nominate the officials in charge of the control of the upper waters of the Nile or at least of their distribution between Egypt and the Sudan. The projected treaty of alliance is further amplified. In the event of Great Britain's being engaged in war Egypt would not be called upon to furnish fighting units, but would assist only in maintaining the security of British communications, while according to British troops free movement on Egyptian territory whether for passage or for encampment, as in the case of the Great War. In this way, it is pointed out, Egypt would be freed from the heavy expense of maintaining large military and naval forces for her own defence, which must be incurred if the British evacuated the country entirely. In regard to these proposals, if it is actually intended to put them forward in formal negotiation, there is no need at this stage to say more than that they represent at least the beginning of a recognition that the special relationship existing between Egypt and Great Britain does carry with it definite advantages for Egypt.

From the British point of view there would seem to be no urgency for a hard-and-fast settlement. The Egyptians are clearly learning that there are more aspects to any international situation than they dreamt of in the early philosophy of their newly-won independence. For the last few months amicable discussions have been taking place between the Egyptian and British authorities in regard to the fate of foreign officials in the Egyptian service, whose contracts are due to expire this month, and an agreement has been reached for the retention of some eighty per cent. This arrangement, which implies a recognition of the fact on the part of the Egyptians themselves that they cannot dispense entirely with foreign assistance without prejudice to the administration, marks a considerable advance on the attitude of a few years ago and, it will be noticed, invalidates to some extent one of the proposals that have been put forward for the settlement of the Reserved Points. In these circumstances it might be advisable for Egyptians to allow the process of enlightenment in regard to international affairs to continue for a longer period before the country commits itself to responsibilities that may be irksome and even prejudicial to its own interests. Public opinion in Great Britain is also in a fluid state on the subject of Egypt. Had it not been for the regrettable incidents in Egypt that followed the 1922 Declaration of Independence there can be no doubt that the British public would have been prepared to see very easy terms granted to the Egyptians. There followed a period when the attitude towards Egypt showed distinct signs of hardening. To-day there is a tendency to stress the economic side of Anglo-Egyptian relations, and if the proposals for a settlement outlined in the Egyptian Press were to be submitted to the public opinion of Great Britain, they would be liable to be summarily rejected on the ground that Egypt expects something for nothing and a something for which the British taxpayer has himself to pay heavily. If, therefore, both peoples are given time for further consideration, it may be possible to reach an agreement which will be free from misgivings on either side.

The Near and Middle East*

From Our Own Correspondents.



Jerusalem, March 26.

The Jerusalem Dramatic Society.

Last week the Jerusalem Dramatic Society covered itself with glory by its performance of "The Gondoliers." Considering the limited English-speaking (and particularly English-singing) element in Jerusalem one would have supposed it hopeless to attempt Gilbert and Sullivan. But the indefatigable Mr. and Mrs. Aylmer-Harris provided the necessary stage-craft and Mr. Aubrey Silver, conductor of the police band, looked after the musical side; and so hard did they work together that they removed all traces of amateurishness that possibly could be removed. To the present writer (having seen the same opera only three months earlier at the Princes' Theatre) the chorus singing and "crowd management" were not obviously inferior to professional form. The principals, of course, suffered by comparison, but they were perfectly happy and natural in their parts; and our Director of Public Security, in the appropriate rôle of "The Grand Inquisitor," was both effective and audible. But it was the chorus which scored the greatest triumph: one wishes the stage managers of our Palestine Hebrew Opera had been there to take notes.

Municipal Election Anomalies.

And now the Municipal Elections in Jerusalem have taken a Gilbertian turn: they have reached a stage in which the Jews have absolute control as to which of the Arabic factions shall be elected, while their own nominated candidates are automatically elected regardless of Arab preferences. This absurd position arises out of the Turkish municipal election laws which our Government seems determined to preserve intact together with the rest of the Ottoman Code (out of respect for the Antiquities Ordinance, it has been suggested). Once the numbers of places in the Town Council are fixed (in this case, five Moslems, four Jews and three Christians), the

*Under this heading appear weekly or at regular intervals, communications from correspondents in Egypt, the Sudan, Roumania, Yugoslavia, Greece, Bulgaria, Albania, Turkey, Cyprus, Palestine, Iraq, and Persia.

Moslems, Jews and Christians each nominate a corresponding number of candidates. If no more than that number of candidates come forward, those nominees are elected without the need of a poll. But if rival parties within any community (be it Moslem, Jew or Christian) put up alternative lists of nominees, then there must be a poll of the whole body of electors, Moslems, Jews and Christians, to vote on those rival lists. The Jews have put up their four candidates, and their community discipline and inter-community diplomacy has proved to be such that no rival party has nominated rival candidates (an astonishing fact for those who know the ingrained antagonism between Ashkenazim, Sephardim and Agudath Yisrael); therefore, those four candidates are considered as elected. The Arabs, however, have got themselves entangled with three lists—one containing five Moslems and three Christians who adhere to the Hussein faction, another with the same numbers of followers of the Nashashibi family, and still another list of non-party candidates. Which of these parties gets in depends on which of them is clever enough to win the confidence of the Jewish vote, which is sure to go solidly according to orders.

The Ottoman Code.

Time and again before now, conditions in Palestine have been compared to the cock-eyed logic of a Gilbert and Sullivan opera. This week the same condition of things has provoked a most violent onslaught on the Government in the Hebrew daily paper *Doar ha-Yom*. The paper is smarting under a sense of grievance, in that while a local "notable" can dig up four thousand newly-planted trees in his neighbour's concession and (to all appearances) confidently dare the Government to do its worst, a wretched newspaper editor who publishes something in his correspondence columns in all good faith and "mentioning no names" must pay a hundred pounds bail. That, however, is not the real point: the two conditions may be perfectly just according to the law of the land. But the writer of the onslaught rightly emphasizes the ludicrousness of the present situation as regards the Ottoman Code. One or two generations ago Great Britain was among the first to revile and execrate Ottoman "judicial methods" in the Turkish provinces and to insist on the Capitulations and the protection of European nationals from the horrors of undiluted Turkish justice; whereas now, when Great Britain is in control of one of these Turkish provinces, it is Turkey who makes a clean sweep of the Ottoman Code and the old Land Laws, and it is Great Britain who applies them with the most painful scrupulousness.

There is an obvious fallacy in the argument: it is never the code that matters so much as the way it is applied and the people who apply it. None the less, it is perfectly

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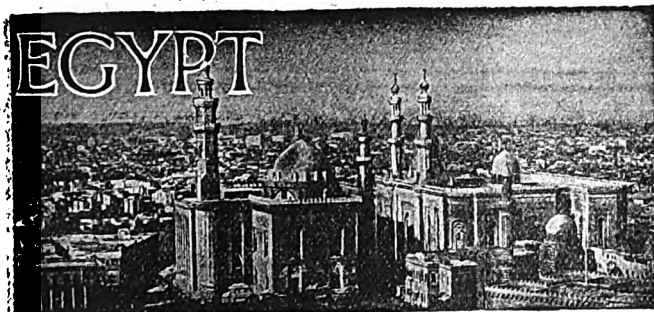
true that the Press Laws in the Ottoman Code do at times seem unduly stringent.

The Need of Banks.

Although the Government finances appear to be in a healthy condition, the entire population seems to be crying out at the present financial stringency, and Tel Aviv (that greatest exclusively Jewish township) is in debt to the tune of £260,000! From several quarters there now come suggestions that something like a "Post Office Savings Bank" system be introduced by the Government, or "War Savings Certificates"—something to spread the small-savings habit throughout the country. It seems an obviously useful suggestion. It might some day facilitate the creation of a Government Agricultural Loan Bank, for which the Arabs are continually crying out. As things now are, there are a few banks in the two or three larger towns, but none in most of the larger outlying villages (some of which are by far the wealthiest centres of the country). I understand that the banks charge nine per cent. interest on loans (plus three per cent. commission). Also one hears the story that the pastor of a small church is compelled to make an unseemly rush for the Sunday collections and lock it up securely to save it from his enthusiastic churchwardens, who would lend it out at sixty per cent. interest.

Blood-Feud.

The blood-revenge habit is old and familiar and almost respectable among the more primitive of the Palestinian Arabs. But it seems, if certain suggestions are true, to be capable of a most uncomfortable extension outside the two contending families. A week ago the dead body of a Jew was found in a river between Petah Tikvah and Tel Aviv. It had been stabbed and shot, stripped and thrown into the river. There was no obvious motive for the crime: the man was not known to have enemies nor was he worth robbing. A day or two later an Arab was arrested for attempted murder of a fellow Arab—just an ordinary case of blood-feud. He was found in possession of just such a gun and ammunition as would account for the wounds of the dead Jew; and it is alleged that his movements during the time in question did not free him from suspicion. Then comes the horrible suggestion. To remove the suspicion from himself of having killed one with whom he was known to have a blood-feud, this Arab kills an unsuspecting Jew; and the discovery of a dead Arab soon afterwards is easily accounted for; it was merely the revenge taken by relatives of the dead Jew.



Cairo, March 27.

Cruises-de-Luxe.

The arrival this week of the Royal Mail Steam Packet Company's motor vessel Asturias and of the Red Star Line's s.s. Belgenland will practically conclude the tourist season, so far as the big cruises are concerned. The Belgenland is concluding a round-the-world voyage, while the Asturias has been on what is called the Great African Cruise which, starting from New York, includes South American ports as far south as Buenos Aires, and then takes a course across the Southern Atlantic to Cape Town, touches at principal ports on the East Coast of Africa,

threads its way amongst some of the attractive stopping-off places of the Mediterranean, and returns to New York via Southampton. This cruise has not been in existence very long, having been planned with a view to providing a novel itinerary for American travellers who have exhausted the thrills of round-the-world, Mediterranean and West Indian voyages, but has proved to be exceedingly popular. Parenthetically, it may be remarked that the number of Americans who take pleasure in frequent repetitions of these cruises is really remarkable. Comparatively few English people seem to be attracted by the prospect of circling the globe inside of four or five months, with lightning visits to a score or more of countries, but to Americans this mode of travel is obviously alluring. Not only that, for it is not unusual to meet in Egypt during the winter Americans who are in process of completing their third or fourth world cruise and who express confident hopes of spending many more winters in the same peripatetic manner. It is difficult to resist the conclusion that it is not so much the travelling as the amenities of life on board the monster liners utilised for these cruises which are their principal attraction. And, although a cruise-de-luxe is hardly a poor man's holiday, it provides the last word in comfort, good food and service at rates which are not excessive when compared with the cost of living in first-class hotels in most winter resorts.

The Winter Season.

The Egyptian winter season which is now coming to a close rather earlier than usual, has not been quite so brilliantly successful as that of 1925-26. The periods when the hotels have been so full that bathrooms and dressing-rooms have been pressed into service to provide sleeping accommodation have not been frequent or long continued, while there have been considerable intervals when the number of visitors has been small. Especially has this been so with Luxor, which, after enjoying three or four winters of an unprecedented prosperity which was no doubt closely connected with the world interest aroused by the Tutankhamen discoveries, has this year had a rather quiet season. On the other hand, Assuan, mainly owing to the widening to standard gauge of the railway thither from Luxor having made the journey so much more comfortable, has had a better season than for many years past. It looks as though Assuan will become more and more popular with visitors to whom Egypt's winter climate is the chief attraction, while Luxor will be the point furthest south to attract visitors bent on sight-seeing, leaving Cairo, from the visitors' standpoint, as simply a place which must be passed through *en route* to destinations beyond. Cairo is so rapidly losing its Oriental character that it can no longer hope to hold for long visitors in search of the coloured East, or of rest and quiet. Lessened attractiveness to tourists is the inevitable price which must be paid for the modernisation now proceeding so rapidly in every part of the city and of the city's life.

The G.O.C.'s Departure.

General Sir Richard Haking, whose term of command here is so soon to end, has been taking farewell of the troops under his command during the past week. On Tuesday the Cairo Brigade (Infantry) and on Friday the Cavalry Brigade paraded at Gezira Sporting Club for inspection by their retiring G.O.C. The troops have just come back from manoeuvres in the desert near Heluan and the leave season is beginning, so that the present time pro-

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vides the last opportunity for General Haking to see the brigade on parade at anything like full strength. Sir Richard and Lady Haking have been extremely well liked by the British civilian community in Egypt, and much regret is expressed at their departure. Since the War we have had in Egypt General Officers Commanding who have not only been very distinguished soldiers, but who also have entered into the general life of the British community to an extent only possible to men with interests and sympathies outside their profession. General Congreve has lately, alas, completed his service both as man and soldier, and now we are losing his successor.

Birthdays.

Two birthday anniversaries of note have occurred during the past week. King Fuad was fifty-nine yesterday, when Government departments and banks enjoyed a holiday to celebrate the event. On Thursday Mr. Harry Farnall, British Commissioner on the Caisse de la Dette Publique, reached his seventy-fifth year, and was inundated with congratulations on the event. Mr. Farnall is by no means the oldest British resident and is very far from being the senior in point of service in this country, having come here in 1901. But in many other respects he may be considered our doyen. Certainly nobody else more completely typifies the ideal of a cultured English gentleman and no other Englishman enjoys quite so much popularity here as Mr. Farnall, with his quaint, old-fashioned clothes, and his charming, old-fashioned courtesies.

Stagnant Trade.

Having just finished one of the least eventful winters which she has known for years, Egypt is now beginning what promises to be, in every way, an uncommonly dull summer. Business, responding to the state of the cotton market, is in the doldrums. Nobody is spending money and trade in many branches is stagnant. The agent for a very well-known and fairly popular make of American motor car told me yesterday that he had not effected a single sale during the month of March. Newspaper advertising is a tolerably good index to the general state of business, and it is significant that nearly every local journal is badly "down" on a comparison of columns of publicity printed during this winter, compared with former years. In this business, as in several others, very unsound methods are being adopted to secure turnover. Retrenchment and cutting down working expenses are everywhere the order of the day and will be so for the next eight months at least.



Liubiana, March 31.

Yugoslavia and Italy.

In December, 1926, Dr. Nintchitch, then Minister for Foreign Affairs, resigned in consequence of the publication of the Italo-Albanian Pact; because his policy, founded, as it was, upon the principle of friendship, was justifiably considered a failure. After that, his successor, Dr. Ninko Peritch, could not see his way to make a single statement, either in the Skupshtina or to the Press. Yugoslavia was placed in a very awkward position by the Pact of Tirana. By all previous treaties, Italy and Yugoslavia were to proceed jointly and in agreement in all matters concerning Albania. But now Belgrade took it that Italy desired to pursue exclusively her own policy in Albania; the stipulation that Italy should guarantee the

existing political régime in that State, Belgrade could not interpret otherwise than unfavourably, since it gives to Italy the right in future to interfere at any moment in Albania's internal affairs, and Italian troops may at any time appear on the Yugoslav frontier, on the Drina or the Lake of Skadar.

The reason why the present Minister for Foreign Affairs was so long in seeking occasion to make a statement regarding the country's foreign policy after Dr. Nintchitch's fall was mainly because, what with Yugoslavia's well-known desire for peace, he did not think it opportune to aggravate the tension in her relations with the Great Power on the Adriatic by statements upon the Tirana Pact and everything connected with it; and perhaps also, because he hoped that the position would presently improve. For it must be admitted and emphasised that the Yugoslav Government has not shown truculence, either before or since. That everybody must allow who is in any way well-informed.

Attacks on the Government.

Budget discussions have taken up most of the Skupshtina's time during the last month or two. The old financial year expires on March 31, and by April 1 the new Budget will have been passed. As the Local (Departmental) Diet Elections in January revealed no particular change in the feeling of the electorate since the last general election, there is no prospect of an immediate dissolution of the Skupshtina, and work will have to be carried on with the parties as they stand. This explains why the Coalition of the Radical and Slovene People's Parties (Radical Coalition) which came into power in the beginning of February has been able to maintain itself in spite of an insignificant majority. The Government is being fiercely attacked by the Opposition, which now consists of the Davidovitch Democrats allied to the Bosnian Moslems, the Agrarian Party and Pribitchevitch Democrats, and reinforced by the Raditchists who went over to the Opposition after the last crisis. The chief subject of these attacks is the Minister for Internal Affairs, M. Maksimovitch, who is looked upon as being the chief person responsible for terroristic methods exercised by the police, and laid to the charge of the Government. But in spite of its virulence—it led to several exceptionally stormy scenes in Parliament—the campaign against M. Maksimovitch failed, and the Minister is still in office.

When it came to the turn of the estimates for the Ministry for Foreign Affairs, Dr. Peritch was to have made his statement regarding the country's foreign policy, which statement, truth to tell, was eagerly expected. But just then the tension between Italy and Yugoslavia reached a critical stage owing to Italy's Note to the Great Powers, in which she accused Yugoslavia of preparing for warlike action on the Albanian frontier. As it was, Dr. Peritch's statement followed hard upon the Italian charges, and so it is obvious that his speech on the Italian Note was the event of the moment.

Skupshtina and the Italian Note.

The one thing noticed throughout the country was that the National Skupshtina, which is generally the scene of acrimonious party and personal strife, displayed unusual harmony and agreement in face of the Italian Note. However great the differences between the parties over questions of internal affairs, they are all on the side of the Government on foreign politics, so that they show a united front abroad. And we must point out that this applies to Slovene and Croatian parties no less than to Serbia. It is above all significant that the Raditch Peasant Party—which has lately been joined by the Montenegrin Federalists—made a point of voting for the War Minister's estimates, in order to place on record its respect for the national forces. Whoever would count on internal dissensions in the Kingdom of Serbs, Croats, and Slovenes, when faced with foreign complications, would find himself woefully disappointed. Where foreign relations are concerned, be they friendly or unfriendly, Yugoslavia is one and undivided.

Dr. Peritch's appeal for an inquiry into the truth of the Italian charges was approved by Yugoslav public opinion, for was it not a proof of Yugoslavia's sincerely pacific attitude? Considered on its merits, however, the suggestion met with some criticism, especially on the part of the Opposition, viz., that it was derogatory to the sovereign status of the Kingdom; who was going to carry it out, and where? and so forth. The attitude ultimately taken up by the Government has the approval of the whole country.

A Yugoslav-Bulgarian *Rapprochement*?

Touching Yugoslavia's relations with the rest of her neighbours, the chief thing to note is a considerable improvement as regards Bulgaria. There are signs of an evident desire to eliminate the sources of ill-will existing between Belgrade and Sofia, and to establish a genuine understanding between the two neighbour States. Of course, it is impossible to say anything definite as yet, but it seems as though an optimistic view of these attempts at *rapprochement* were justified.

Hungary and Russia.

Rélatons with Hungary are also somewhat improved—which is partly due to the negotiations regarding Hungary's access to the sea. This access could be effected either at Split, which is a Yugoslav harbour, or at Fiume, which is next-door to Yugoslavia and must be reached through her territory. Final decisions in this matter may be expected in the near future.

There is no material change in Yugoslavia's relations with Greece or Roumania.

GREECE.

Athens, March 25.

The Power and Traction Concession.

Among the modifications introduced into the terms of the contract with the Power and Traction Finance Company, are the following:—The Company agrees that private buses now running shall continue to run till December 31, 1930, except on the tram routes, from which they will be withdrawn after January 1, 1929, the question of indemnity of bus-owners remaining under consideration. On the Athens-Kephissia route, private buses will be allowed to run freely, but on condition that they do not accept passengers for intermediate stations, served by the trams.

The Company also agrees to pay the cost of any accessory works which may be rendered necessary by the construction of the tunnel from Omonia Square to the station of the Attica Railway, which is at present the terminus of the Athens-Kephissia line. The conciliatory attitude of the Company has created an excellent impression.

Army Problems.

The Coalition Government is now weathering the storm which was destined to arise on the publication of the lists of Army officers to be re-instated. Though the original plan was that the decisions of the Army Council should be final, it has been found necessary to come to a compromise with regard to list "B" (which is concerned with the raising of pensions), while the much more thorny questions of List "A" (officers to be re-instated), has been adjourned. That a compromise will be effected here too is almost certain, but though peace will be preserved among the members of the Government, it is another question whether the Army itself will be able to assimilate all the re-instated officers. A good deal depends on whether it can do so or not.

Theft of Antiquities.

Thefts of antiquities from the museums are becoming more numerous. A short time ago three heads were stolen from the Acropolis Museum, and three Germans,

in whose possession they were found, are now in prison. Now, two gold necklaces of Mycenaean workmanship, found during the recent American excavation of tombs at the Argire Heraeum have been stolen from their case in the National Museum in broad daylight. The thieves inserted a wire beneath the lid, without forcing the lock, and so drew out the necklaces. Perhaps the people who suffer most from these incidents are foreign students, who wish to work in the Museums. Hitherto, the Greek authorities have always afforded the most liberal facilities to such students, and the absence of annoying regulations and supervision has been much appreciated by them. The consequence of a series of thefts will almost inevitably be an increase of supervision, regulations, and red-tape.

British School of Archæology.

The British School of Archæology held its annual Open Meeting on March 21. The Director, Mr. A. M. Woodward described last year's excavations by the School of Sparta, and Mr. W. A. Heurtley, Assistant Director, spoke on the results of excavations on the pre-historic *Toumbas* of Macedonia during the last ten years. The British Minister and Lady Loraine were present, the American Minister, representatives of the Greek and foreign Archæological Institutes, and many others.

Visitors to Greece.

There has been published in the *Eleftheron Vema*, a drawing of the building or buildings, with which it is proposed to disfigure the slopes of Mt. Lycabettus. Though this building is not likely to become a reality, the proposal itself is disquieting—and as its purpose would presumably be to make Athens more attractive to foreigners as well as to the inhabitants, it raises the question "What sort of tourists is it desired to attract?" Visitors to Greece may be divided roughly into three classes:—

"A" Educated people, who are attracted either by the remains, whether classical or mediæval, and by the associations that cling to them, or by the natural beauty of their setting. These people are not usually rich, and are on the whole less concerned with comfort than with finding their places of pilgrimage unspoilt. They also realise that a certain amount of effort and discomfort, merely add to the final pleasure of reaching their goal and give a touch of adventure to the journey. The last



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thing they want is to have this particular joy taken from them, to have all difficulties smoothed away, to be followed about by swarms of "English" speaking touts, not be allowed to practise the modest Greek they have been studying at home, or to come in contact with the people.

"B" Less well-educated people, generally richer, but with the same tastes as "A," but less inclined to put up with discomfort. To both "A" and "B" the proposed Casino on Lycabettus would be a desecration.

"C" The mob of vulgar cosmopolitan globe-trotters, mostly uneducated, who have heard that Greece is famous for something, they do not quite know what, and think that they ought to see it*; who tick off in their note-books every evening the things they have seen, and only remember places by what they have had to eat in them. To these people a casino in Lycabettus would be something by which they could remember Athens.

It should be obvious even to speculators and exploiters of tourists in general, that by catering for the tastes of "C," they will end by driving away "A" and "B." And, since "C" follow sheepishly in the footsteps of "A" and "B" "C" too will eventually seek pastures new. But the persons who exploit tourists, and even delude themselves that they are "developing" the country for its own good, do not understand this. If they had their way, they would compel every English tourist to eat eggs-and-bacon for breakfast, to listen to nothing but bad English, they would not allow him to go a yard on his own legs, or to admire a view without a guide to point out its beauties, or to eat the dishes of the country, but they would force him to eat cosmopolitan food in cosmopolitan restaurants, to the strains of cosmopolitan music; in short, they would remove everything that makes foreign travel amusing.

One wonders why, in order to please a class of person to whom one place is much the same as another, and for whom, in any case, there are plenty of places organised and equipped with the things they like, the charm and distinction of Greece should be destroyed; and why in order to spare effort to people who, owing to over-eating and want of exercise, have practically lost the use of their legs, an unsightly lift should be allowed to disfigure the hill which is the pride of Athens.

The reason is that the Greeks are not yet awake to the fact that their country is being slowly but surely vulgarised in the interests of an undesirable class of tourist. One of the most striking qualities which Greeks possess is "philoxenia" which renders them peculiarly defenceless against the dangers of "development" on the wrong lines, as they are naturally anxious to please and impress the foreigner. The thing has not gone far as yet, but the danger is there, and the Lycabettus proposal is a warning of what may happen. It is not too late, and the evil may be stopped, but certain measures will have to be taken. On the assumption that it is desired to attract only tourists of class "A" and "B" the following are suggested.

(1) The activities of speculators and exploiters of tourists should be carefully scrutinised by the State authorities, who should frame a definite policy with regard to tourist development.

(2) Touting should be made illegal.

* To this class must have belonged the lady who, on being shown the Acropolis, asked, "But where are the Four Horsemen?"

(3) No hotel should be built on, or in the immediate vicinity of an ancient site. One of the principal charms of Sunium, of Aegina, of Bassæ, and of Dodona has been their splendid isolation. (Sunium, alas, is rapidly losing it, and there is real talk of a hotel close to the temple. Olympia is a gloomy example of the harm that can be done in this way).

(4) A society of Greeks might be formed to draw the attention of the Government to any intended outrage on the part of speculators.

The writer, who has travelled in every part of Greece, and learned to admire the country and its people, may be forgiven for feeling strongly, and expressing himself strongly, on a subject which every true lover of Greece must have at heart.

GREAT BRITAIN AND KING IBN SAOUD.

Sir Gilbert Clayton, who at the end of 1925 successfully concluded with King Ibn Saoud the Treaties of Bahra and Hadda, is shortly leaving for the Hijaz. He will resume the negotiations which were begun last November upon the initiative of King Ibn Saoud, for the remodelling of the Treaty of 1915 which Great Britain has with this monarch. That Treaty of Friendship was concluded, it will be recalled, when he was merely Sultan of Najd.

Our Jidda Correspondent writes (March 11):—

The Mecca newspaper, *Umm al Qura*, publishes in its issue of March 11 a categorical denial of the statement published in certain English newspapers (not THE NEAR EAST AND INDIA) that at the recent negotiations in the neighbourhood of Madina King Ibn Saoud had asked for a renewal of the subsidy paid to him by the British Government until March, 1924, in consideration of his placing himself and his country under British protection. It does not seem to be realised in all quarters that with his conquest of the Hijaz the Wahhabi King has secured an accession of revenue which makes him independent of all outside help, and rumours of this kind are easily recognisable as the inventions of enemies who wish to discredit a régime which for the first time in the history of the Hijaz has secured for that once unhappy country a substantial measure of peace, good government and prosperity. It may, however, not be out of place to state the reasons which did in fact impel King Ibn Saoud to invite the British Government to enter into negotiations with him. In 1915, when the situation was very different, he entered into a treaty with Great Britain which he holds to be a dead letter as the result of subsequent developments. Instead of merely denouncing that treaty, as he would be within his rights in doing, he has asked the British Government to discuss matters with him with a view to arriving at an arrangement more in accord with the facts of the existing situation. He has no intention of placing himself under obligation to Great Britain or any other Power by accepting their financial assistance. He merely wishes to secure British recognition of the complete independence of his kingdom, in respect of which all the old capitulatory rights were supposed to be renounced by Great Britain herself in the "Macmahon" promises made to ex-King Husain in 1915.

The death is reported of Rai Bahadur Sir Gopal Das Bhandari, C.I.E., M.B.E., president of the Amritsar Municipal Council.

The death occurred last week in Cheltenham of Mr. Alexander Courtenay Bryson, a retired Indian Civil servant, aged 76. He was in Lucknow as a child during the siege, and was taken from that city to Alum Bagh after the relief by Sir Colin Campbell.

On April 2 a Moth aeroplane, with Lady Hailey, wife of the Governor of the Punjab as passenger, struck a telegraph wire in alighting and turned over. The machine crashed, but fortunately both Lady Hailey and the pilot escaped injury.

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THE PROBLEM OF PERSIA.—II.

The article which Mirza Ishak Khodadad wrote on "La Verité sur la Perse" for the March *Phoenix* is one long lament on the present condition of his country. At the outset he describes as a profound error the supposition that Persia is enjoying a period of awakening and regeneration: his country is, in fact, the greatest centre of reaction in the East.

Since H.M. Reza Shah Pahlavi assumed power as Prime Minister and so long as he was only Reza Khan, the social and political affairs of Persia clearly led in the direction of reform. Every patriot saw in him the man of the hour, the long-awaited hero that should regenerate his people, who had for generations been in profound slumber. At one stroke he beat down the reactionary classes, depriving them of all privileges, forcing them all to submit to the one supreme force of law, making them pay all their arrears of taxes, stifling all the troublesome elements, and, above all—centralising the authority of the Government, so that the feudalism of the centuries was—at least provisionally—abolished. Moreover, Reza Khan, Prime Minister, had formed a strong army, modelled on the latest European pattern. Everyone in Persia was enchanted and enthusiastic for the man who was to guide this unhappy people on the path of progress.

But alas! The reforming Prime Minister has become King and upholder of the reactionaries. The new Shah's *entourage*, according to this article, is exactly the same as the Qajars'; in other words, the Qajars are not fallen, but reign to-day more sovereignly than ever. The present monarchy has done nothing for the country. Corruption is rife; the highest situations in Government service are filled by those who pay the most: ability and education count for nothing. In law, complete anarchy reigns: the conflict between the *fatwas* of the ulema and the civil legislation always trammels Persian affairs. The Foreign Minister knows nothing of what passes in the Legations and the Embassies, and does not trouble to supervise these diplomatic centres, "which have often become the refuge of the unlettered and of the intriguers, and where the archives are in a deplorable state." Public instruction, largely owing to the clerical class who insist on the religious dogmas being taught, not in Persian, but in Arabic, lags miles behind the times. The political life of Persia is but a mass of intrigues and of concessions to the clerical and reactionary classes. Of the freedom of the Press there is none. Such enterprises as concern railways, communications, and so on are not worth mentioning: Persia talks much of these things, but does nothing.

Mirza Ishak Khodadad concludes his gloomy picture with this:—

It is in the interest of certain European Powers that the reactionary classes remain in power. The nobility, the rich men and the clergy are pawns on the political chess-board. Great Britain on the one hand and Russia on the other are playing their pre-War rôle. The English in particular use the whole governmental machinery of our country, the majority of our statesmen, all the clergy, all the intriguers, and, in short, all the reactionary elements in order to dominate the country, economically, militarily, and politically.

The truth about Persia of to-day is that there is no progress in the country and that there is no hope of progress so long as the reactionary forces remain in power. Only when the Shah changes his attitude and surrounds himself with liberal, honest, and intelligent men (will there be hope). Otherwise, I doubt whether the present régime can last long.

Apart from the tendency of this Persian to attribute ills in Persia to external influence—and with that we will deal in a minute—it is possible in the main to agree with this representation of hodiernal Persia. Too often and too easily it is assumed by those who know that in Persia an effete dynasty was destroyed and a new one substituted that a real renaissance is to be witnessed in this historic land; the apparent fact that the erstwhile British and Russian interlopers are now extruded from the country has induced such observers to asseverate the inevitable progress of Persia. But he is no true friend of Persia and of the Persian people who refuses to look deeper than this. The truth about Persia is indeed that the main obstacles to progress are in Persia itself.

One side of this truth may be found in the always optimistic Quarterly Reports of the American Financial Mission. In his last report, Dr. Millspaugh wrote, concerning "Spheres of Special Interest":—It is surprising

that the idea of regions where certain foreign countries have *special interests* is sometimes used as an excuse by Persians who find it more comfortable to truckle to the interests of a foreign power than to maintain vigorously and courageously the interests of their own country." Another side of it is to be found in an obviously authoritative article on "Persian Affairs" which appeared in the *Asiatic Review* for last October, and from which this is extracted:—"Internal rather than external complications are likely, in the future as in the past, to be the most serious obstacle in the path of those reformers, both Persian and foreign, who seek to remodel the most ancient of 'Bible Lands' on 'constitutional' lines." This is demonstrably accurate. Plead they as they will that insurrection or protestation against the Shah is the work of foreign agents, Persians cannot dispel the fact that the Army's pay is so irregular as to jar on the nerves of the most fervid supporter of the Pahlavi. Even the Bolshevik pamphlet referred to in our first article recognised this "stickiness" in the transference of pay from military chief to trooper as a symbol of evil things. Whether a remedy will be found for this corruption with the establishment of conscription remains to be seen.

Nor are the chances rosy of a decline in the hold of the reactionary and fanatical ulema over the Persian people. This year's Muharram will be a particularly good time to estimate whether the "clerical" party of Persia are becoming imbued with the spirit of tolerance and progress which the Shah's régime is supposed to irradiate, or whether the party which inhibited the proclamation of a Republic will further impose their desires upon the people.

There is no sense in blinking at these facts. If the regeneration of Persia is ever to be brought about, it must be achieved by her young men, who may be inured neither to hatred of nor to subservience to any particular foreign Power.

The Persians are a great and lovable race, but it is only folly to suppose that they can at one leap emerge from, say, the condition in which England was under the Heptarchy to that in which she enjoyed her full constitutional system. The very unity of Persia still seems to be largely a political expression, and may remain so as long as no communications exist between North and South; and, of course, the individualism that is at the base of every Persian's soul makes unification and common progress the more difficult. Probably the main fault of foreign observers and of some Persian observers is to build too high hopes on establishing the façade of progress; they are misled by the enthusiasm of the architect and forget that, unless all the masons are worthy, the structure may not be too safe. Certainly Persians will do well to look for danger beyond their borders, but the more concentrated gaze should be upon their own people. In every country there is the type of mind—it exists even in England—which blames the foreigner for all its failures and troubles; but the apparent stagnation into which Persian affairs have fallen of late may reasonably be expected to turn the thoughts at least of educated Persians to the possible short-comings of some of their own countrymen. Little reflection is needed, for instance, to prove that it is neither British nor Russian influence which causes so large a part of the Persian Budget to be devoted to the Army; still less is it possible to attribute to foreigners the withholding of this section of the Budget from the control of the American Financial Advisers. Was it foreigners who invented the Persian proverb to the effect that saddles may change, but it's always the same old donkey?

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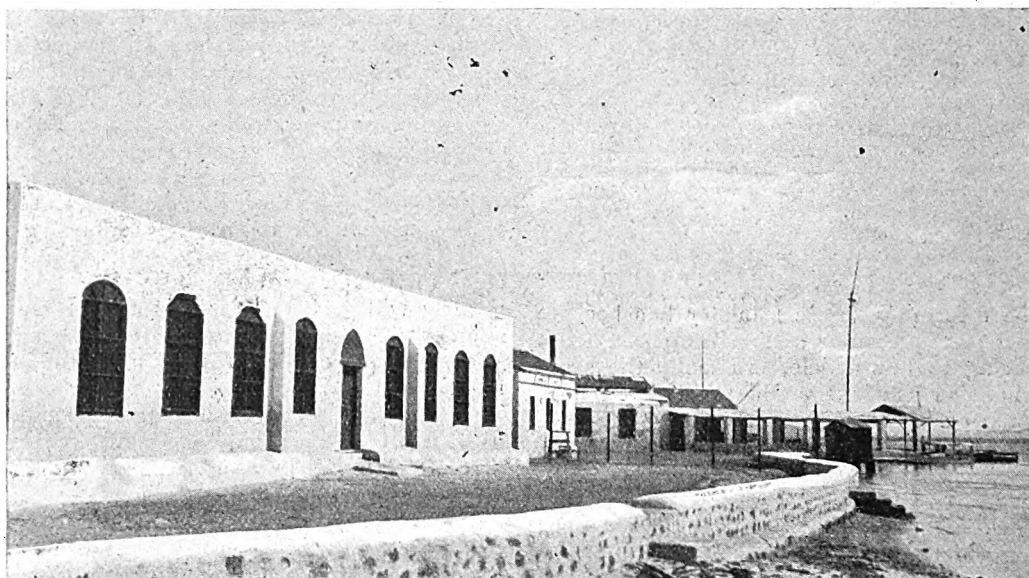
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E. H. Keeling,
Hon. Sec.

The Mecca Pilgrimage: The Health of the Hajjis.

The two quarantine stations which the Wahhabis have set up in the interests of the pilgrims were described in a letter from our Jidda Correspondent contained in our issue of March 17. He then explained that these stations had

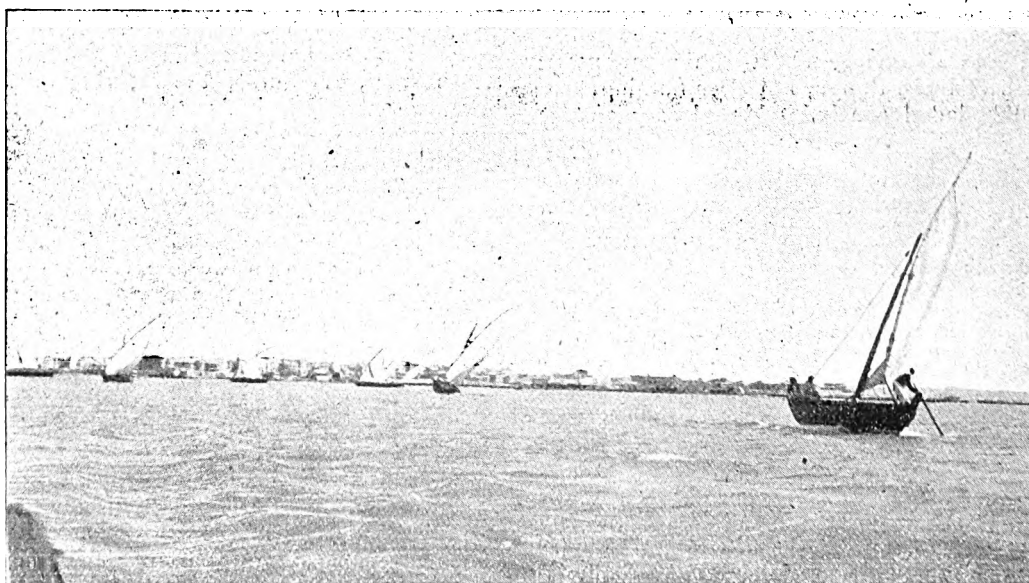
with ample cubic dimensions for the 250 pilgrims which each is calculated to accommodate—clean, single-storeyed buildings, each enclosed within a wire-fenced compound of white coral-sand to facilitate the segregation of sick pilgrims when needed. At the quayside entrance to this



The Quarantine Island at Jidda showing landing stage for pilgrims, one of the barracks for their accommodation, and the engine house for the sea-water condenser and fumigation apparatus.

been established in two islands, Abu Sad and Wasita, which lie about seven miles south of Jidda. The two photographs which we reproduce both refer to the first island. Our Correspondent described this as "a circular coral

group of buildings stand two large engine-rooms—one with the disinfecting apparatus designed to kill any microbe the pilgrims may bring in on their persons, their clothes, or their baggage, and the other containing a sea-



Sanbuks (sailing boats) going out from Jidda to fetch pilgrims from the steamers arrived from the East.

atoll fenced round against the lapping waves by a low masonry wall from which project, star-fish wise, a central landing wharf and the many latrines of the various dormitories or barracks. The latter are four in number,

water condenser capable of producing an average of five-tons of distilled water daily—this supply being reinforced when necessary by a water barge capable of taking 100 tons of water from the two condensers in the town."

ID-UL-FITR.

The Id-ul-Fitr was celebrated by Mussulmans in England on the morning of April 4 in the mosque at Woking.

The King of Bulgaria gave a luncheon at Sofia on April 1 in honour of Mr. Bartholomew Payne, President of the American Red Cross, who arrived from Constantinople in the morning. In the evening he was the guest of the Foreign Minister. Mr. Payne and his companions left the following day for Greece.

CORRESPONDENCE

The columns of THE NEAR EAST AND INDIA are open for the discussion of subjects of general interest to its readers. The publication of such letters must not be taken, however, as indicating that the views expressed by the writers are those of THE NEAR EAST AND INDIA.

THE ALBANIAN SCARE.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—I have received by to-day's post copies of the two weekly journals to which I subscribe, namely, THE NEAR EAST AND INDIA and *The Nation*, and I am very much surprised to see that you, with your specialist knowledge of Near Eastern affairs, should appear on this occasion to be less perfectly informed about the facts underlying the recent Albanian scare than your contemporary. I notice that you yourselves appear to think that instead of forewarning the Powers, Italy should have waited until Ahmed Bey Zogu applied for Italian help—in other words, until it would have been difficult for the Italian Government, in view of its obligations under the Tirana Treaty, not to dispatch post-haste troops to Albania. Surely the fat would then have been in the fire!

The notion that Italy has any territorial aims in Albania is ridiculous. The policy of acquiring Valona is one that has been explicitly abandoned by Italy. This was a foolish policy which the present régime in Italy has wholeheartedly recognised, and it has been endorsed unanimously by Italian public opinion. On the other hand we know as a fact that Serbian public opinion has never ceased to hanker after the acquisition of Scutari. Moreover we know that the organisation known as the "White Hand," whose members occupy prominent positions in the Yugoslav Government and General Staff, avowedly aspires to obtaining for Serbia an outlet to the sea by the easy routes of the Drin and Vardar valleys. We also know that this "clique" as it is called in Belgrade, has successfully contrived to maintain a hold on the Yugoslav Government and to maintain Serbian domination in Yugoslavia. It is, therefore, difficult to exculpate altogether the Yugoslav Government from connivance in the various activities of this clandestine organisation.

It should also be emphasised that it was unquestionably the "White Hand" that assisted Ahmed Bey Zogu on the former occasion alluded to. Also that, given the meagre forces and armament at the disposal of Albania, no hope could be entertained of preserving Ahmed Bey Zogu's régime in the face of an attack by well-organised and well-armed bands from over the frontier without Italian help, although his own forces are sufficient for the purpose of repressing any rebellion organised within the country. And this, of course, is the reason for the Tirana Treaty. Italy's policy is quite plain. She regards the independence and integrity of Albania as a matter of vital interest to herself, in every way as vital as Britain regards the independence and integrity of Belgium. On the other hand, Ahmed Bey Zogu knows, and his own experience places him in an exceptionally qualified position to know, that without Italian support the "White Hand" has the power to prevent any stable Government from being formed in Albania and that consequently the country would be doomed to anarchy, which would be the prelude to partition.

Italy's circular to the Powers contains documentary evidence of the existence of a plot; and her allegations are fully supported, not only by the British representative in Belgrade, but by the British officers in command of the Albanian Gendarmerie.

If ever there was a case of Italy being in the right and Yugoslavia being in the wrong, this is a case in point. Signor Mussolini has taken no hot-headed action. He has merely given publicity to a condition of affairs, which publicity more than any other method is likely to render innocuous.

I understand that it may be difficult for THE NEAR EAST AND INDIA to state on its own responsibility the crude

facts in consequence of a natural desire not to offend one of the countries within its peculiar survey. But I think it is dangerous, in view of the importance of properly instructing British public opinion, to indulge in exaggerated deference to Balkan Governments, when everybody acquainted with conditions in the Near East is very well aware that the connexions between these Governments and the various subversive secret societies is intimate; and that these Governments invariably use these secret societies as catpaws for their policies, while they themselves consistently clothe themselves in white sheets. The activities of these secret societies, if events do not turn out as contemplated, can always be repudiated. In the wild, roadless countryside of Macedonia, it is also always possible to render inconclusive any inquiries on the spot by foreign commissions. The Balkan Governments in such circumstances have nothing to fear. But if on the contrary all goes well according to plan, a situation arises which can be easily exploited to the advantage of their various and dangerous aspirations.—I am, etc.,

Florence, March 30.

J. S. BARNES.

[Our correspondent overlooks the fact that all the assertions that he makes regarding Yugoslavia have their counterpart, *mutatis mutandis*, in the assertions made in Yugoslavia regarding Italy. The situation, as we see it, is that Italy and Yugoslavia are each genuinely convinced that the other has designs on Albania. In these circumstances mere assertion proves nothing. For instance, our correspondent states that members of the "White Hand" "occupy prominent positions in the Yugoslav Government." It would surely be better, instead of a general assertion, for him to state by name the members of the present Ouzounovitch Cabinet who are also members of the "White Hand," and if none can be named, with proof, the statement ought not to be made. Italy's circular to the Powers has not been published in this country, as far as we are aware, and consequently nothing is known of the "documentary evidence of the existence of a plot." That there has been *komitaji* activity is not disputed, but we refused to believe, without further evidence than was supplied by mere assertion, that Yugoslavia was deliberately mobilising for an *unprovoked* war on Italy or Albania (which was the imputation, if not the actual wording, of the Italian Note to the Powers). On the other hand, nobody doubts that if Italy lands troops in Albania, she will be attacked by Yugoslavia, or that, if a Yugoslav army invades Albania, the Italians will land troops there. The Balkan States are five in number. The fact that they have certain shortcomings is no reason why Europe should have to put up with a sixth.—ED.]

NEAR AND MIDDLE EAST ASSOCIATION.

The Near and Middle East Association will meet to-morrow (April 8) at 5 p.m., at 21, Addison Road, Kensington (by kind permission of Mrs. Menteith Ogilvie) to hear Mrs. Margaret Hasluck lecture upon "Witchcraft and Weather-lore from the Balkans." Miss Sylvia Townsend Warner will preside, and exhibits—charms, amulets, and so on—collected by Mrs. Hasluck in the Balkans will be shown.

It is announced that King Fuad will leave for England in the latter half of June for a visit lasting about a fortnight, at the end of which he will proceed to Paris and Rome.

Among the representatives of the Colonies, Protectorates, and Mandated Territories attending the Colonial Office Conference in May will be the following:—

Cyprus.—Mr. R. Popham Lobb, C.M.G., Colonial Secretary.

Palestine.—Mr. E. Mills, O.B.E., First Assistant Secretary.

Ceylon.—Mr. E. B. Alexander, C.M.G., Controller of Revenue.

According to the *Morning Post* Athens correspondent the Greek Minister of Education has appointed a Commission to take measures against Communist propaganda in schools. During a debate in the Chamber the ultra-Royalist leader, M. Vozikes, said that George II. and the President of the Republic were both Greek patriots, but the Communists were not. Special attention was drawn to Communist speeches advocating Macedonian autonomy.

Book Reviews

LAWRENCE'S PILGRIMAGE.

"REVOLT IN THE DESERT." By T. E. Lawrence. (London: Jonathan Cape, 30s. net.)

At last we have it, the masterpiece: we, the public from whom came the thousands upon thousands of golden coins which were the cement of the Arabs' revolt against the Turks—that revolt the flames of which Lawrence certainly did not kindle, but which he fanned and re-fanned into triumphant blaze. Some of us may have been irked by the noisy advertising which this unapproachable archaeologist and soldier and author has enjoyed or regarded; but let us be gratefully forgetting of that, for here is an indubitable treasure, a book that will vibrate down the ages, when all his heroes and Lawrence himself are dead.

It happens that the "Revolt in the Desert" was sent late for review to THE NEAR EAST AND INDIA, so that it is desirable in this to avoid quoting the purple patches which have already appeared in so many reviews. One refers, of course, to the description of Jidda from its outer harbour, of Faisal ("very tall and pillar-like,"), of the fighting of the Germans around Tafas, of the freedom of Damascus. In any case, these are not the capital things in the book, which convinces largely because of its close-knitness. The example of Doughty, indeed, shines constantly and worthily in Lawrence.

The outlines of the revolt which for Lawrence began at Jidda in 1916, and, two years later, ended at Damascus, are sufficiently well-known. Military historians will long dispute the precise value of this revolt to the Allies; and political observers will long dispute the precise value to civilisation of the forces which Lawrence helped to unloose when he discovered Arab nationalism. The value of this book, however, lies in its being a record of a personality, boundlessly courageous, endlessly calculating, torn between the occasionally different ideals of winning the Great War and of establishing the Arab cause—in short, of a personality so many-sided as to be presently incomprehensible.

This, from Chapter II, in which he describes his visit to Faisal, gives an indication alike of Lawrence's style and of his dreams:—

Tafas led on without speaking, and the camels went silently over the soft flat sand. My thoughts as we went were how this was the Pilgrim Road, down which, for uncounted generations, the people of the north had come to visit the Holy City, bearing with them gifts of faith for the shrine; and it seemed that the Arab Revolt might be in a sense a return pilgrimage, to take back to the north, to Syria, an ideal for an ideal, a belief in liberty for their past belief in a revelation.

High praise can be given to the description of the Hijaz war over the mountainous, barren country, but the tale begins really to move only when the Arabs set out for Syria. Hereupon Lawrence discovers in unforgettable words the beauty and the inhospitality, the kindness and the oblivion, the terrible heat and the terrible cold of the desert. He makes full the great emptiness of his subject. Hear him on the Sirhan:—

We were very weary of the Sirhan. The landscape was of a hopelessness and sadness deeper than all the open deserts we had crossed. Sand, or flint, or a desert of bare rocks was exciting sometimes, and in certain lights had the monstrous beauty of sterile desolation; but there was something sinister, something actively evil in the snake-devoted Sirhan, proliferant of salt water, barren palms, and bushes which served neither for grazing nor for firewood.

One would like to quote, so grand, so vividly compelling is the scene in Lawrence's words, his description of the heat of the day when he and his men from between Batra and Aba al Lissan overlooked the green Guwaira plain; one would like to quote his description of the Valley of Rumm, and of the north wind at Maan. But space forbids. It seems to us that the author is at his most excellent when pitted against elemental things; the sun and the wind, poetry and humour, daring and cowardice, solitude and the crowd—these are the subjects of his finest passages.

From the pathological point of view the last section of this book becomes particularly interesting in its manifestation of the conflict that was going on in its author's mind. Should he, or should he not, bend the Arab movement to the one purpose of winning the War? Would he, or would he not, betray the Arabs were he to treat them merely as a complement to Allenby's Army? It is a question that he somehow answered; but its repercussions still affect the world.

Possibly, in fact, it is the pathological distinction of the book that makes one leave it a little melancholy. In the Middle Ages this knight-errant would have been doing penance for what he considered the ruin of his cause; just as, during the War, he unnecessarily, but very purposefully, underwent extraordinary physical hardship. On torn and bleeding feet he achieved his pilgrimage to Damascus: the transient paragon of Henley's poem. Is it, then, an eternal, though very rare, type which can endure these things, and yet, when the job is ended, confess, as Lawrence confesses, that he has no longer an "interest in the subject which was exhausted long ago in the actual experience of it"? The Lawrence legend, they say, is out. For our part, we think it likely to increase with the repetition of its telling.

But for Lawrence himself, whether remotely dreaming in India, or whatever he may be doing, it is probably sufficient that, through even this abridged edition of his *magnum opus*, he stands, in the ranks of Literature, next to his beloved Doughty.

A USEFUL BIBLIOGRAPHY.

The Royal Colonial Institute is performing a very useful service in compiling a series of bibliographies on particular subjects of Imperial interest. Bibliography No. 4, which has been compiled by Mr. Evans Lewin, Librarian of the Institute, is devoted to the communications of the overseas British Empire, with special reference to Africa generally and the Baghdad railway. It is classified under the headings: Steamship Routes and Mercantile Marine, Internal Waterways, Railways (including, among others, the Baghdad Railway, the Euphrates Valley Route, the Syrian and Arabian Railways, and Indian Railways), Air Routes, Cables and Telegraphs, Postal Service, and Roads and Motor Transport. The references are by no means confined to books, but comprehend review and magazine articles. Under the heading "Baghdad Railway," for instance, the student is given the choice of over sixty publications. This admirable work of cataloguing will certainly render easier the task alike of the publicist and of the student. We should mention that this bibliography is published by the Royal Colonial Institute at two shillings and sixpence.

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PERSONAL AND GENERAL

TO-DAY

April 7, 1927. (New Style).

March 25, 1927 (Old Style).

Shawwal 4, 1345, A.H., of the Muslim Calendar.

Nisan 5, 5687, of the Jewish Calendar.

Sir Edwin Savill has returned to London from Egypt and Palestine.

Mrs. Cecil Rowntree has returned to 9, Upper Brook Street from Egypt.

Lord and Lady Montagu of Beaulieu have returned to England from Persia.

Sir Cecil Harcourt-Smith, who has been on a visit to Egypt for six weeks, returned last week to Coldharbour House, Wallingford.

M. D. Burillianu, Governor of the National Bank of Roumania, arrived in London last week, and is staying at the Ritz Hotel.

The Marchioness of Linlithgow is expected to arrive at her residence in Chesham Place about April 12, on her return from India.

Viscount Inchcape left London on April 2 for Paris, to attend the monthly meeting of the Suez Canal Company, and returned on April 4.

General Sir John Du Cane, the newly-appointed Governor of Malta, and Lady Du Cane left Claridge's Hotel last week for Wiesbaden.

General Sir Charles Harington, General Officer Commanding in Chief, Northern Command, will receive the honorary Freedom of York on May 3.

Sir John Shuckburgh has left Baghdad, and is due in London next week. He has visited Palestine, Syria, Transjordan and Iraq.

The Library Syndicate of Cambridge University have appointed Mr. H. M. J. Loeme, M.A. (Queen's), to be Curator in Oriental Literature from January 1 to June 30, 1927.

The Right Hon. Sir George Clerk (His Majesty's Ambassador Extraordinary and Plenipotentiary in Turkey) had an audience of the King at Buckingham Palace on March 29.

Sir Stanley Jackson, the new Governor of Bengal, and Lady Jackson arrived in Calcutta on March 28, and Lord Lytton, the out-going Governor, and Lady Lytton left for Bombay, on their way home.

Field-Marshal Viscount Allenby left London on March 29 to join Viscountess Allenby at the Hôtel Kensington, La Croix, Var. They will return to 24, Wetherby Gardens on April 14.

Prince Ghazi, son of King Faisal of Iraq, who is being educated at Harrow, is now staying at the Iraq Diplomatic Agency with the Acting Agent, Atta Beg Amin. He is shortly going to spend a few weeks in Spain accompanied by his tutor.

Lord Lloyd, the British High Commissioner, accompanied by Lady Lloyd, who has recovered from her recent illness, Sir William Tyrrell, Mr. More, the Sudan Agent, and party left Cairo on March 28 by special train for Shellal. They proceeded up the Nile to Wady Halfa, where they met Sir John Maffey, Governor-General of the Sudan, who came down from Khartoum, on March 31. Lord Lloyd and his party were expected to return to Cairo yesterday (April 6).

Atta Beg Amin, Acting Diplomatic Agent for Iraq, was "At Home" last Sunday, on the occasion of the feast of Ramadhan, to the Iraqi colony in England. Prince Ghazi and Prince Talal were among those present.

Lady Stavridi was at home to the members of the Greek community in London at 33, Lenox Gardens, on April 4, to meet the new Greek Archimandrite, who was installed the previous day at the Greek Cathedral of St. Sophia, Moscow Road, W.

It is announced by the India Office that the King has approved the appointment of Mr. James David Sifton, C.I.E., I.C.S., to be a member of the Executive Council of the Governor of Bihar and Orissa, in succession to Mr. Egbert Laurie Lucas Hammond, C.S.I., C.B.E., I.C.S., the Governor-designate of Assam.

Muzahim Beg Pachachi Zada has been appointed Iraq Diplomatic Agent in London, in succession to Jaafar Pasha, now Prime Minister of Iraq. Muzahim Beg, who was Minister of Communications and Works and Justice in the Cabinet of Yasin Pasha (1924-5), left Baghdad on March 28, and is travelling via Syria, Palestine, Egypt, Italy, and France. He is expected in London in the third week of April.

THE Y.M.C.A. IN YUGOSLAVIA.

A Correspondent writes (March 30):—

The Bishop of Cashel and Waterford, who has been visiting Yugoslavia under the auspices of the Y.M.C.A., has given a most successful series of lectures in Belgrade University, Nish, and Liubliana University. His Lordship's visit created a great deal of interest among the students. The Bishop also addressed the members of the Anglo-American Luncheon Club and gave a lecture in the Anglo-Yugoslav Club, Belgrade. Not only the Serbs but also the English and American Ministers have co-operated in making the Bishop's visit a success. A Reception was given by the British Minister and Mrs. Kennard and a luncheon by the American Minister and Mrs. Prince. The Patriarch entertained the Bishop to lunch at Belgrade and at Karlovtzi. The meetings in the Y.M.C.A., which were overcrowded, were supported by the Bishops and Priests of the Orthodox Church. Everywhere the Bishop's visit was characterised by scenes of great enthusiasm.

Mr. P. H. Sitters, National Director of the Y.M.C.A. in Yugoslavia, and Mrs. Sitters were recently received in audience by Her Majesty the Queen of Yugoslavia. This honour of a private audience was granted to Mr. and Mrs. Sitters by the Queen as a recognition of their work among the Serbian young men and to mark the third anniversary of their coming to the country.

The Patriarch of Jerusalem has conferred upon Mr. and Mrs. P. H. Sitters, of the Y.M.C.A., Belgrade, the insignia of Commander of the Order of the Holy Sepulchre, for their "services on behalf of Christianity."

The death is announced from Aden of the Fadli Sultan Abdul Qadir of Shuqra, in the Aden Protectorate. He has been succeeded by his uncle, Salih bin Husain al Fadli.

The leader of the Wahhabis, Abdul Aziz ibn Abdur Rahman ibn Faisal as Saoud, has been proclaimed King of the Hijaz and of Najd and its Dependencies.

Major-General A. E. Wardrop, C.B., C.M.G., late Royal Artillery, vacated command of the Lahore District on April 2, and will be succeeded by Major-General H. F. Cooke, C.B., C.S.I., C.B.E., D.S.O., who is now commanding in Sind-Rajputana. The close of Major-General Wardrop's tenure as a General Officer Commanding has been marked, says *The Times*, by the recognition of his Indian service by his appointment as Colonel of the Mooltan Bn., which, under its reorganisation title, is the 2nd Bn. 9th Jat. Regiment. Major-General A. B. E. Cator, C.B., D.S.O., will get the Sind command which will be rendered vacant by the transference of Major-General Cooke.

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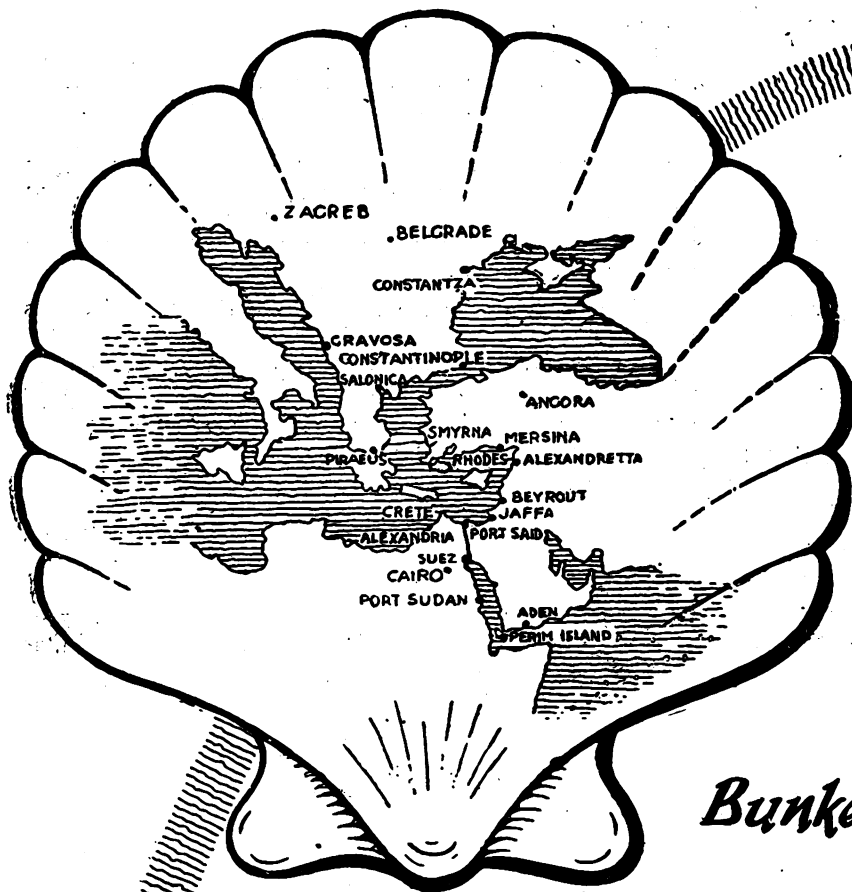
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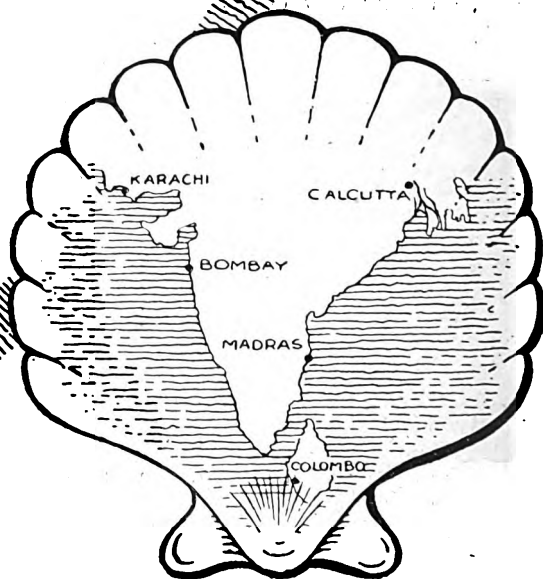
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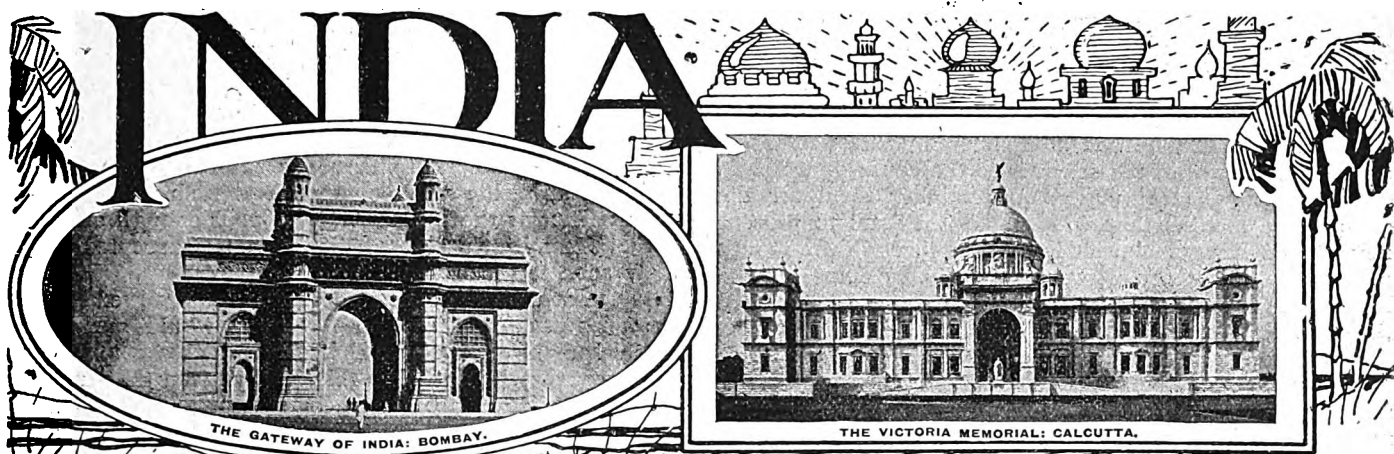
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SHELL





THE SECRETARY OF STATE ON INDIA.

Lord Birkenhead's speech on March 30 in the House of Lords contained several points of quite unusual interest. Foremost among these were his remarks on the political future of India, wherein he gave indications, as to the intentions of the Government, that will certainly arouse keen discussion in India. He said that he thought he had seen of late signs on the part of the leaders of Indian opinion of a certain reluctance to rush the matter; as to which it may be suggested that no Indian leader—or follower—ever desires to rush any matter—not even the complete independence that many of them profess their readiness to assume immediately: and the nearer that the necessity approaches, for the taking of any decision, the more distasteful is the aspect that it assumes. If of late reluctance to rush the matter of the reformed constitution of the future has been specially apparent, this has almost certainly been due to the conviction that the time is getting alarmingly short—a conviction that will certainly be deepened by Lord Birkenhead's words, cautiously phrased as they were. For he said that he "saw no reason to anticipate that His Majesty's Government and Parliament, if so advised by the Governor-General, would be found over-anxious to insist upon waiting until the ten-year period had run its full course": and, later, that "the next few critical months would determine the decision." It is quite safe to prophesy that these words will be taken in India to mean that the British Government has definitely made up its mind to announce the personnel of the Statutory Commission in the course of the coming summer, with a view to the commencement of its labours in the autumn: a decision which, while certainly most distasteful to the "leaders of Indian opinion," would, with equal certainty, be welcomed by all persons less inveterately wedded to the policy of putting off till to-morrow anything that it is possible to avoid doing to-day.

The next most important point in the speech was that in which Lord Birkenhead informed the House that a special report, by the Committee of Imperial Defence, on the problem of India, would be made public very shortly. It was, he said, a document of first-rate importance, in which would be found the answer to those critics of army administration in India who appeared to hold that the matter was primarily one of concern to India alone, instead of one that it was necessary to examine from the broadest Imperial standpoint. In dealing with the cost of the Army in India, he stressed the point that the hope expressed by the Inchcape Committee, that it might be possible to reduce the military budget to a maximum of 50 crores of rupees, so far from being a recommendation, was nothing more than "a very guarded expression of opinion": the actual wording was "should a further fall in prices take place, we consider that it might be possible, after a few years" to reduce India's military expenditure to the sum mentioned. No doubt the "leaders of Indian opinion" will add the failure to do so to the sum of their indictment of the eighteen-penny rupee, in which they are likely to discern the chief reason why a further fall in

prices has not taken place. Behind the complaint against India's military budget, said Lord Birkenhead, lay the suspicion that the Army, on its present footing, far exceeded the country's actual requirements, and included a potential reserve, maintained at India's expense, that could and was intended to be used for Imperial purposes alone. This suspicion he characterised as absolutely without foundation and, indeed, almost the reverse of the truth: in certain easily imaginable contingencies, the Army in India would be unequal to carrying out its only true function—defence against external aggression and the maintenance of internal order—without large reinforcements from Home. He referred to the dispatch of troops from India to Shanghai—which has naturally been used to bolster up the suspicion that he condemned—as a temporary diversion designed to meet a very special emergency, only made possible when "for the moment, conditions in India were peaceful" and even then only at a certain risk, though he believed it to be a reasonable one. This does not, somehow, strike one as a very convincing statement; but even less so, perhaps, was his remark that neither the Government nor he himself would ever forget the lesson taught us in Mesopotamia, however short might, on occasion, be the memory of the Legislative Assembly. This, though a good debating point, is nothing more; for the Mesopotamia expedition was one quite outside "the only true function" of the post-War Army in India. If, however, it may be thought that Lord Birkenhead was unfortunate in his detailed arguments, his main thesis certainly stands unshaken: that the Army in India, as at present constituted, is at a bare minimum of strength to meet reasonable contingencies, and considerably below it if it had to meet others by no means improbable.

On the burning question of the Bengal *détenus*, Lord Birkenhead spoke firmly. He claimed that he was not easily deterred from a course otherwise proper because that course was attended by risks. From this one may certainly infer that he is convinced that the risk that would be run by releasing the *détenus* is more than a political one: and that it would mean exposing to personal danger the lives of servants and supporters of the Indian Government. Lord Birkenhead is willing to accept political risk—such as that involved in the dispatch of troops to Shanghai—when the consequences of failure would fall on his own head: he is not prepared to take risks that are personal to others but not to himself. Evidence of this is to be found in the offer recently made to the most prominent of the Bengal *détenus*, whose release has been urged on the special ground that he is seriously ill. Medical opinion advises a stay in a Swiss health resort: and he has been offered his release on condition of giving his word of honour to sail direct from Rangoon to Europe, in a vessel selected by the Government and not stopping at any intermediate port, and to reside in Switzerland until the expiry of the Criminal Law Amendment Act under which he was interned. It is almost a foregone conclusion that the offer will be rejected; but that is, of course, beside the point. So long as the Secretary of

State and the Government of India have reason to fear that the unconditional release of any particular *détenu* may endanger loyal lives, they resolutely decline to run any such vicarious risk. The handsome tribute to Sir Basil Blackett is most welcome: to the "courageous skill" with which he has administered India's finances, and the eminence of his services to the country, which is to be warmly congratulated on retaining them for the extra three months that will enable Sir Basil to present next year's Budget himself instead of through the mouth of a successor. Lord Birkenhead specially eulogised the Finance Member's great achievement of the remission of the Provincial contributions; which had, he said, been so chilling, depressing and injurious a burden, rendering almost impossible the adequate discharge of those social services that might have done so much to recommend a novel and difficult constitution. Now that this lack of one of the elements necessary for the success of the Reforms had been removed, he had distinct hopes for the future, without being unduly optimistic. The two chief difficulties that presented themselves to his mind were the communal division, and the insistence of the Congress Party on their policy of obstruction. As to the former, he declared that, "until those who contended that India was at the moment the rightful and competent arbiter of her own destiny could lay the spectre of sectarian violence, their contention must fail to appeal with conviction to unprejudiced minds." This is a hard saying, for there are few who see any chance of a real composition of Hindu-Moslem differences even in the remotest future. The same thing has been said before, but it is so important a point that it cannot be said too often: it entails the continuance of an impartial third party, with powers that, however reduced, must still be very real, for a period the length of which no one can calculate. As to the latter, he confessed to doubts engendered by "the difficulty that the past session of the Legislative Assembly had presented, of distinguishing, by the test of speech and vote, between the hide-bound adherents to the Congress creed and those late professors of it who claimed to have been returned to the present Assembly as followers of their own individual consciences." This, though for the moment an obstacle to progress that is real enough, is one that is already lessening, and that will pass: unlike the communal obstacle, which most assuredly will not. Altogether, the speech is a most notable one: it will put heart into the loyal and reasonable and, in spite of contemptuous epithets which it is easy to foresee, it will provide food for much serious thought by those in India to whom, at the most, only one of these epithets can be applied; even more, perhaps, to those who can lay claim to neither.

CURRENT TOPICS.

The "Indian Sandhurst" Report.

The chief point of interest in the Report of the Committee, appointed about eighteen months ago, for the purpose of considering means for improving the supply of Indian candidates for the King's Commission, is to be found in the recommendations which were not generally supposed to come within its province. These amount to a proposal to set about the organisation of a separate "Dominion Army" for India, complete in all its parts and including the Artillery, Engineer, Signal, Tank and Air arms of the Army in India, as distinct from the present Indian Army. The recommendations that the existing number of vacancies allotted to Indians at Sandhurst should, from next year, be doubled, and that, five years later, an "Indian Sandhurst" should be started, with an establishment of 100 cadets, are intended to hasten the Indianisation of the Indian Army. According to the view of the authors of the Report, they should result, after 25 years, in the filling of half of the cadre of commissioned officers by Indians. As to the other half, the Committee significantly remarks that "steps should be

taken to maintain the proportion of British recruitment required"; but, probably wisely, gives no indication of what it thinks that those steps should, or indeed can, be. If, by 1952, the cadre is half Indian, the division will roughly be into a senior British half and a junior Indian half: and, as the present generation of British officers reaches the age of retirement it is safe to say that complete Indianisation will come with a rush. Sandhurst recruitment for the Indian Army is poor enough as it is: if the Committee's recommendations are accepted, it is likely soon to reach vanishing point.

At their face value, the suggestions for reserved Indian vacancies at Woolwich and Cranwell would mean the partial Indianisation of the British Army as a whole; but, of course, they do not mean this. They mean that Indians should now begin to take their places in the arms not represented at present in the Indian Army, as a first step towards its expansion into a complete Army of India of a new type, self-supporting and self-contained in all respects, when the quota of British troops, whose employment in India the Committee "for the present assumes generally," will no longer be needed. This is a considerably larger departure than the other: and presupposes the eventual starting of an Indian Woolwich and an Indian Cranwell, as well as of an Indian Sandhurst: a development that, though it will doubtless take a good deal longer to achieve than the other, is yet one obviously necessary to the formation of a real Dominion Army for India: one that she has every right to envisage, and that it may well be hoped will be successfully achieved in the end. For the present, it is comforting to read that the British and Indian Governments have not yet formed their conclusions on the Report. Its special interest lies in the fact that it represents the ideas of a Committee whose majority consisted of Indians, mostly of Indian politicians: and it is safe to assume that its conclusions are theirs, and that the two British members did not interfere with their free expression. In theory, indeed, it is quite a good and sensible report; though, if any part of its recommendations is put into practice, it will certainly only be after considerable modification on the practical side.

Civil Aviation.

The cabled news that the opening of the Basrah-Karachi section of the air service to India has been held up, owing to refusal by Persia to ratify the provisional agreement of 1925, is disconcerting, even if not unexpected. One has all along felt that it would be a long time before the last section of the service would be really in working order: and one can almost hear the sigh of relief with which the Government of India must have greeted the news. The delay in making any attempt to start civil aviation in India has been so pronounced, and the excuses for inaction so flimsy, that this further excuse, for its continuance, will almost certainly be welcome. At the beginning of March, the Legislative Assembly passed a Government demand for ten lakhs of rupees (£75,000), mainly for what is quaintly described in the mail papers as the "erection of aerodromes" at Bombay, Calcutta and Rangoon: and, what is more, did so without a division—the "Congress Party," which had intended to oppose the grant, changing its mind at the last moment. Perhaps the striking aerial display at Delhi, in which 80 aeroplanes took part, and the joy-rides given to legislators by the "City of Delhi" and the Moths, contributed to this result; but the deciding factor seems to have been a successful Government attempt to explain to the Assembly the distinction between military and civil aviation. Confusion in the minds of the Indian legislators on this point was evident from an objection taken to the Government's refusal to promise the establishment of an Indian Cranwell: and in the suggestion that the idea behind the move in favour of civil aviation was the assistance of "England's military adventures in the Far East." This last is an argument similar to that which is said to have prevailed with the

Persians—that a British aeroplane service, starting in “dependent” Egypt and passing through mandated Iraq into British India, must necessarily entail the desire to subjugate the independent gap. Perhaps when the London-Egypt stage starts, and it can be demonstrated to Persia that this has not made France feel nervous about her independence, this objection will be surmounted. The assurance that finally disarmed the Swarajist opposition was that Government’s first object was to enable a private Indian company to be established, with a subsidy from Government, with Indian capital and a majority of Indian directors, and that the first duty of the new Director of Civil Aviation would be to prepare a scheme for training Indians in aviation; so that all that will then be required will be the Indian capital, the Indian directors and the Indian candidates—in the materialisation of which one will believe when one sees it. Meantime, it is interesting to learn that an English aviator, who has recently been doing air survey work at Chittagong, is reported as trying to persuade “half a dozen Rangoon merchants”—presumably none of the Indians—to float a small company for the purpose of operating two three-seater sea-planes between Calcutta, Rangoon and Penang.

CALCUTTA LETTER.

(From Our Own Correspondent.)

Calcutta, March 17.

Exchange Ratio Battle.

A report from New Delhi states that the divisions and controversies on the subject of the rupee ratio occupied the best part of a day. Sir Basil Blackett won his victory for 1s. 6d., playing the card that the House having rejected the 1s. 4d. proposal on Tuesday, it must either vote for 1s. 6d. or for instability. Sir Basil said this would be ridiculous and nonsensical, as the House had already accepted the principle of the bill by agreeing to its consideration, namely that the time has come for stabilizing the exchange. The non-official element in the House was annoyed at Sir Basil’s harsh terms, but had no remedy to offer, and Sir Basil was sure of his majority. The President, seeing no chance of their concluding at once, adjourned the House. So the bill will come up again next week, and another close division may be expected on its third reading.

Comrade Saklatvala and Gandhi.

The Communist M.P., after a “triumphant” tour through the Provinces, has published in the Indian Press an open letter to the Mahatma. It is doubtful whether his severe criticism of India’s most revered leader will make him more popular. Some of his contentions are worth repeating. He writes (among other things, the letter covers six columns) that *khaddar* is a protest against artistic development on up-to-date lines, irrespective of geographical or national considerations; that the *charka* movement is an attack upon machinery, physical science and material progress; that hand-spinning in competition against machinery has the lowest economic value; that other handicrafts, say carpentry or shoemaking, have a much higher value; that the poverty of the rural population can easily be remedied by bravely fighting the unjustifiable rights of the landowners and the low wages of the labourers; that the first task of the leaders is to express boldly and fearlessly the unexpressed voice of the people; that Ireland had produced a Valera, Russia a Lenin, Turkey a Kemal Pasha, China a Sun Yat-sen, and Italy a Mussolini; that Gandhi was at the moment the recognized leader of India; that Gandhi should stop allowing people to address him as “Mahatma”; that a good plan would be for him to refuse all letters thus addressed, and refuse to appear at functions where this appellation would be advertised; that Gandhi should rigorously stop crowds and processions of human beings passing him with folded hands; that he should not allow Indians either to

touch his feet or put their fingers in their eyes, as such touchability appears to be more damnable than untouchability; that dear old Gandhi should put on a coat and a pair of *khaddar* trousers, and come out and work with Comrade Sak, and the rest, and, awaking as from a dream, set about organizing the workers, peasants, and youths of India, to put an end to the deplorable conditions of life in the country.

Bengal Budget Discussion.

The Agenda of the Bengal Council contained no fewer than 427 motions for cuts and reductions of grants, ranging over a great variety of items. The demand of Rs. 70,000 on account of the band establishment of H.E. the Governor of Bengal was refused, Mr. B. K. Chatterjee dramatically remarking that “the music he and his friends would like the Governor to hear was the cry of agony and despair from thousands of Bengal villages.” The determined attempt to reject the Rs. 1,15,000 for the Bodyguard establishment was, however, defeated by 65 to 60 votes. The Council refused the demand of Rs. 3000, the subscription to the Indian News Agency, as the information supplied by that agency is exactly the same as that supplied by the Associated Press of India to all newspapers. The amendment to reduce the demand of Rs. 39,000 on account of the office of His Excellency’s Private Secretary by Rs. 24,000 was lost. The same happened to the motion to refuse Rs. 7,000 for the travelling expenses of the Military Secretary to H.E. the Governor of Bengal. A contemporary remarks that the rejection of the grant of Rs. 70,000 for the Governor’s band will not affect Lord Lytton but Sir Stanley Jackson. His taste for music is not proved yet, it says, and Sir Stanley will probably ask for a team of cricketers to replace the band of musicians. Mr. Sen Gupta, who failed to qualify for the Cambridge Eleven, will oppose that demand also, it concludes.

A Central Statistical Bureau.

The opinions of the Provincial Governments, now published, are generally adverse to the views of the majority report as to the proposed Statistical Bureau, and partially in favour of the minority report of Professor Burnett Hurst. The objection to a general economic survey for compilation of detailed statistics of production is based on the cost of such work. Some of the Provinces could ill afford it. The compilations of the Central and Provincial Governments might be expected to develop in time into a Central Statistical Bureau. The opinion of the Madras Government, however, is that it would be better to undertake that Central Bureau first, local bureaux being impracticable financially. The Bombay Chamber of Commerce, whilst opposing the creation of a provincial office, recommends the inauguration of the Central Bureau. The Bengal Government think no statistics are required to help in solving the main problems and in providing remedies; but they are ready to assist the Central Government in the improvement of existing statistics.

The Y.M.C.A. Controversy.

“Qui sème le vent, récolte la tempête” says a French proverb. This some will say is what has happened to the “loquacious music dealer with little music in his soul,” as the *Bengalee* unkindly calls Mr. Hobbs, but he, one doubts not, has a great deal of solid support behind him still, and will be of soul unperturbed. Dr. S. K. Datta has published a refutation of the charges brought against the Association and its leaders, and Lord Sinha, speaking at the annual meeting of the ex-members of the Indian Students’ Union, has borne testimony to the good work done by the Y.M.C.A. But nobody doubted it. Mr. Justice C. C. Ghose presided over a company that included the Bishop of Calcutta, the Hon. Rajah of Santosh, Mr. J. N. Sarkar, Lt. Col. Denham White, Sir P. C. Mitter, Mr. K. C. De, and Mr. Oaten. They all paid tribute to the Institution, the Lord Bishop’s words being agreed upon, “that the onus had been shifted, and that it was

for those who had made the charge to justify it or withdraw it." It is all to the good that the matter should be discussed in the open. The developments are awaited with interest. If he has done nothing more, Mr. Hobbs has enlivened the town.

Rotary Clubs.

The Rotary Club of Calcutta is a most cosmopolitan gathering. Its members include Englishmen, Scotsmen, Welshmen, and Irishmen; but there are Indians (Mahomedan and Hindu), also Americans and Japanese. The President, Colonel Barnardo, who was recently elected, said the other day that friendliness to all men is an essential Rotary ideal, and that a cosmopolitan membership would do a good deal towards breaking down the barriers of suspicion which separate the various communities in India. It is a pity the efforts to start a Bombay Rotary Club have so far failed, but there is a definite project of starting one in Lahore. Sir Malcolm Hailey has consented to become the first Honorary member of the Club. The Calcutta Rotary Club has been heretofore the sole though worthy representative of a remarkable international movement, and it is time that it should be showing the way in other centres.

Calcutta Amusements.

The fare is rather meagre this week. Apart from the usual round of "incomparable" and "most enjoyable" cinema shows, the best being always the last, and the last being always the most stupendous or the most gripping of all the cinema productions, there is the short return visit to the Empire Theatre of Mr. Reginald Selleck's company of entertainers. They style themselves "The Peep Show," and interlard vaudeville programmes with performances of a pleasant, light and witty comedy, "The Eternal Spring," a play in three acts that has scored a great success, it is said, at the Royalty Theatre, London. The public have been disappointed at having to wait another week for the famous De Forest Phonofilms. They have been so popular in Burma, explains Madan, that they had to be shown for another week there before coming here.

Markets.

Assuming there is no change in the present working time during the season 1927-28, the Indian Jute consumption will probably amount to 5,800,000 bales, and the exports to 3,959,000 bales. But the calculation of probabilities makes it definite that the Indian Mills' consumption could be raised to 6,254,000 bales without unduly disturbing the balance of prices for either raw jute or finished products. There was a sharp set-back for tin which touched £304 per ton after £311 paid earlier in the week. Shellac is slightly steadier; sales are reported at Rs.84 for spots standard I. Of salted cowhides 16,200 pieces have remained unsold this week, the price being Rs. 60 to 80. Burma Oils range from Rs. 6 1-6 to 10 1-9. Ready parcels of gross quality cotton (kapok) are selling at Rs. 15s. to 16s. per B. maund. Castor oil supplies are limited, but 5 gallon iron drums are quoted Rs.12-12 No. 2 f.o.b. Demand rates for maize are Rs. 4s. 4d. to 4s. 8d. per B. maund. White Patna rice, from the sellers' go down ranges from Rs. 7s. 14d. to 9s. according to quality. Old hard rice reached Rs. 9s. 10d. p.m. Myrobolams, whole nuts, from sellers' go-downs are sold at Rs.2/6 up to Rs. 3/6 per maund. Tamarinds, 10 per cent. refraction, black kinds for Europe fetched Rs.5/8 per Bengal maund.

REFUNDS OF INDIAN INCOME-TAX.

A change of procedure in connexion with refunds of Indian income-tax to claimants not residing in India is announced by the office of the High Commissioner in London. Since October last claims have had to be forwarded to Bombay, and any refund was paid to an agent in India appointed by the claimants. In order to facilitate matters for claimants residing outside the country it has now been arranged for refunds to be remitted to them direct by money order or draft, at their cost, should they so desire. The new procedure was foreshadowed by Earl Winterton in his reply to a question in the House of Common last month.

BOMBAY NOTES.

The people whose business it is to attack the British Administration of India have evolved one particular grievance, which they describe as the "drain"; and according to them England is exploiting India, first, by making India pay interest on her loans, secondly by making India buy her goods, and lastly by making India provide salaries for her sons altogether out of proportion to their merits.

Sir Robert McLean is retiring this week, after serving his term as Agent of the G.I.P. Railway. This is in itself one of the best salaried appointments in India, and it is an open secret that Sir Robert could have had the very highest position at Simla for the asking; and yet it suits him better to leave India to take up employment in one of the great firms of the North of England.

The fact is that the Indian Government services, whether administrative or technical, no longer hold out any financial inducements to the highest class of English graduates. There are about a dozen men in India—the Viceroy's Council and the Chief Justices—who draw about £4,500 per annum. There are about fifty—puisne judges and members of the provincial councils—who draw £3,600: but apart from these, there are, as far as I know, no salaries of more than £3,000.

To say that such salaries are, in these days, more than a man of the ability needed to earn them in the Civil Service can reasonably hope to earn in another sphere of life is ridiculous: and Sir Robert's retirement at an early age is sufficient to point the moral. In days when so many University men are being attracted to commerce, it is necessary to point out that while the Indian services offer no financial prizes they still offer a wonderful career of administration in the most interesting country in the world.

Mr. Gandhi Again.

Mr. Gandhi, in discussing Mr. Saklatvala, has made a very interesting elucidation of his position. He points out that while Mr. Saklatvala proposes to regenerate the world by communistic industrialism (compare Mr. H. G. Wells and his writing, *passim*) his own object is to ameliorate the condition of the agriculturist: and he seems to consider these two aims to have nothing in common. He comes back again to his invariable goal, the importance of Khaddar, or, as we should put it, the importance of encouraging village industries for the enormous agricultural population of India.

As I have pointed out in many previous letters, this particular dogma of Mr. Gandhi is absolutely sound. Whether or not the weaving of cloth on hand looms is practicable is rather beside the point. The point is that he considers that something ought to be done to improve, first, the financial condition and, secondly, the general standard of living of the agricultural classes: and he proposes as a serious constructive measure the encouragement of hand weaving.

It is a great pity that Mr. Gandhi has made this serious contribution to the political economy of India subordinate to all sorts of attacks on the British administration of India, and to his own peculiar brand of mysticism. Mr. Gandhi is a very remarkable man, and if only he would devote his powers and his influence to assisting the Government, as he finds it, to help the interests of Indian agriculture he might yet do valuable constructive work for the country that he loves.

I have previously compared Mr. Saklatvala to Mr. H. G. Wells: but there is a curious parallel in one respect between Mr. Gandhi himself and Mr. H. G. Wells: and it is all the more curious because Mr. Rudyard Kipling, of all people, seems to have hit on the same solution of the world's problems. Mr. Gandhi on one occasion called upon the men and women of India to show their hatred of British rule by bringing no more children into the world: and both Mr. Wells and Mr. Kipling, in their studies of a highly mechanicalised futurism, appear to contemplate a

very much reduced population. None of these authorities has, however, attempted to show how this result is to be attained without a good deal of self-sacrifice—not to say inconvenience—on the part of the existing population.

Indian Hospitality.

It seems to me a great pity that Mr. Arthur Gilligan, captain of the M.C.C. team in India, should have thought fit in his farewell remarks to the Press, to accuse certain clubs of India of snobbishness in refusing to entertain the professional members of his eleven. I am writing with no bias whatever. I do not know what clubs Mr. Gilligan means, and I myself belong to so many that it is probable that I have offended him in one capacity and satisfied him in several others. But if, on one occasion, I have offended Mr. Gilligan, I am quite sure that I have had good reason for so doing, and I submit that I have done no more than to enforce, for my own protection, the general practice of society.

The first-class cricket professional is an absolutely excellent fellow: he ranks with (but, as I am sure Mr. Gilligan will admit, not higher than) the first-class jockey and the first-class gamekeeper and the first-class non-commissioned officer. All these people are better than I on their own ground and I am proud to meet them on almost every occasion. But I entirely decline to be classed as a snob, because I agree with my Sergeant-Major that he is more comfortable in the sergeants' mess, and I am happier with the officers. Many clubs in India have been able to invite Mr. Gilligan's professional friends to share their hospitality: I think that those clubs which did not are entitled to expect him to believe that they had good reasons for their unwillingness to create a precedent. The M.C.C. itself, no doubt for good and not undemocratic reasons, finds it convenient to provide a separate pavilion with a separate entrance for the professionals: and Indian social clubs have after all quite as nice points of etiquette to consider as can possibly be presented to the M.C.C.

Mr. Gilligan has at any rate expressed his gratitude to those English communities in India which have met his views as to hospitality to the full: and that is at least something to be thankful for: because there is no doubt that a good many Englishmen in India are beginning to get tired of the casual way in which their hospitality is exploited by globe-trotters who appear to remain for ever under the impression that they have done nothing but confer a favour by accepting Indian hospitality.

THE SUKKUR BARRAGE.

The recent debate in the Bombay Legislative Council has shown the existence of considerable, if somewhat vague, distrust as to the efficient execution and ultimate success of this great scheme. The vastness of the project is doubtless in itself a cause of suspicion. It is somewhat beyond the mental grasp of the ordinary legislative Councillor, who is either a townsman or is accustomed to the rainfed agriculture of the Presidency. The representatives from Sind, though most of them are pledged to support it in principle, are inclined to fear the effect of the project on lands outside the Barrage Area, or on the rates levied on the land within it. For the most part, however, the uneasiness which the debate has shown to exist, is due to a repercussion from the unfortunate disclosures and results of the Back Bay Scheme. Not only the financial loss which that scheme at present involves, but the failure at an earlier stage to put the facts fully before the public, has led to a suspicion that there may be a similar tale to unfold about the Sukkur Barrage. This suspicion has probably not been lessened by the project being under the control of the same Member and Department of Government as were responsible for the supervision over the Back Bay scheme. Even the connection of the name of the late Governor of Bombay with the 'Sukkur Scheme, for which, however, he was in no way responsible, has been used in a section of the Bombay

Press as an argument against it. We believe the suspicion to which we have referred to be entirely ill-founded, in respect either of the execution or of the results of the project.

It may be well briefly to indicate the vastness of the scheme which is, as we have suggested, somewhat difficult for the ordinary intellect to grasp. It is, indeed, the largest irrigation scheme in the world. Its cost is estimated at nearly 18½ crores, or 13½ millions sterling. The barrage itself will be the largest existing, and will be five times the length of London Bridge. The total length of the canals dependent on the Barrage will be 7,000 miles. These canals will irrigate six millions of acres, or twice the cultivated area of the whole of Egypt. It has been calculated by Dr. Mann, the Director of Agriculture in Bombay, that the agricultural production of Sind will be quadrupled. These figures will give some idea of the extent of the work, and of the results that may be expected to follow it.

The criticism and distrust that have been expressed about the scheme, both inside the Council Chamber and outside of it, though to a great extent indefinite, may perhaps be summarised and examined in the following form. Doubts are in the first place expressed as to the engineering problem of the Barrage itself. For these it may safely be said that no reasonable foundation exists. The work differs in degree, but not in principle, from similar works successfully carried out in the Punjab and elsewhere. A margin of safety has been allowed for far larger than in those works, and there is every reason for confidence in the technical skill and knowledge of the officer in charge of this branch of the scheme. It is next suggested that there has been extravagance and undue departure from the estimates in the execution of the work. A superficial view of the figures given by the Member in charge might seem to afford ground for this suggestion: but closer examination will show its unsoundness. The Member in charge explained that the excesses over the estimates had so far amounted to 259½ lakhs. Of this amount, however, 55 lakhs were due to increased Customs duties levied on materials, mostly steel, imported for the work. This increase was imposed long after the project was framed. The Central Government might well be asked to return this windfall to the taxpayers of Bombay, out of whose pockets it has come; but its payment can hardly be brought as a reproach against the project. Of the remaining excess, 19½ lakhs is due to rectangulation of the land, a measure which will fully repay itself, and to the inclusion within the scheme of a further area of 114,000 acres of excellent and remunerative land. The amount estimated to be paid for acquisition of land required for the canals and other works has been exceeded by 49½ lakhs. This has been due to the liberal policy of paying the owner of such land its full value, without any charge for the betterment of the remainder of his land by the supply of perennial water, and at least indicates how valuable the new land will be. A sum of 135½ lakhs has been due to an excess over the cost estimated for the construction of the canals. It must, however, be remembered that it was impossible for the officer who drew up a project covering so large an area to estimate exactly the cost of either acquisition or construction. Against this excess of 259½ lakhs, however, must be placed savings amounting to 200 lakhs. In other words the net excess is practically equal to the amount of increased Customs duty placed in the pockets of the Central Government. By the judicious execution of works, moreover, according to the order of their necessity, it is expected that there will be considerable ultimate saving in the payment of interest in capital. The only specific item of extravagance alleged in the debate was the undue provision of bungalows for the staff. Those acquainted with the conditions of Upper Sind will probably think that such provision was a wise economy.

As regards the financial results of the scheme, it has been calculated that if less than half of the new land to which water will be brought is sold at rates far less than those freely given in the Punjab, and considerably below

even those obtained in Indian States, with a presumably somewhat lesser security of tenure, the cost of the work will be fully recouped. This calculation takes no account of the increased rates which will fairly be leviable on land already in cultivation that will receive an assured, in place of a precarious, water supply. Nor does it include any estimate of the indirect advantages to the trade of Sind. It is no doubt the case that much pressure will be put on the Government to give out large areas of fresh land at nominal rates to existing landholders, instead of encouraging the influx of new capital and fresh population by selling most of the land by auction. But if the Government of Bombay has the moral courage to resist this pressure, and in this it should have the support of the taxpayers' representatives, there can be no reasonable doubt of the financial soundness of the scheme.

In the circumstances, and particularly in view of the atmosphere of distrust already referred to, it was doubtless wise of the Government of Bombay to agree to the appointment of the Committee of Inquiry desired by the Legislative Council. Such a Committee, if unlikely perhaps to grasp the technical details of so great a scheme, should at least be able to realise the effective manner in which it is being executed. The further believed intention of the Bombay Government to appoint or ask for an engineer to report on the work must be open to more doubt. The work has already been fully examined, and it is difficult to see how its scheme can at this stage be altered. It may, at least, be hoped that if an engineer is appointed, he will be of the highest standing, and one free from any suspicion of being likely to raise unnecessary doubts and difficulties. The whole future of Sind depends on the project. There seems no reason to doubt that it has been well considered and is being well executed.

INDIAN MAIL.

Political Autonomy.

It would appear that the Swaraj Party has given up the Central Legislature as hopeless, and has decided to approach the question of the future government of India from below, instead of from above. The first step in this campaign has been taken in Bengal, where a Swarajist member has submitted a resolution for the next session of the Legislative Council, setting forth the Indian "National" demand for Provincial Autonomy. The resolution recommends the Government of Bengal to move the Government of India to take the necessary steps to change the structure and policy of the Government of India Act so as to ensure the following fundamental reforms for the establishment of responsible Government in the Bengal Presidency: (1) Abolition of what is known as the system of Dyarchy in the Government of Bengal, and its replacement by a unitary Government responsible to and removable by a legislature consisting of members wholly elected by a wide electorate, due and adequate provision being made for the representation of all important minorities.

(2) The status of the Governor should be that of a constitutional Governor acting on the advice of the Ministers responsible to the legislature.

(3) The Provincial Government should have acknowledged authority over all provincial subjects, subject to the general control and residuary powers of the Central Government in all inter-provincial and all-India matters.

(4) The revenue allotted to the province should form a separate provincial fund vested in the Provincial Government, and the Provincial Government should have full power and control over its finances.

(5) The re-adjustment of the sources of revenue and taxation between the Central and Provincial Governments should be effected so as to ensure to the latter adequate sources of revenue for the efficient discharge of their responsibilities.

(6) The Provincial Government should have full power over its officials as regards appointment, dismissal, pay,

pension and all other conditions of service with due provisions for the safeguarding of the claims of the covenanted officers already in the service, or in receipt of pension.

This resolution, which, its supporters declare, furnishes a reply to the official complaint that no scheme has so far been suggested by responsible Indians for the consideration of Government, constitutes a new departure which is not unlikely to be followed by some of the other Provinces, though probably not by all. In Madras, for instance, several attempts have been made to induce the Government to consider sub-division; proposals having, at one time or another, been put forward for the constitution of separate Provinces on a linguistic basis, following the four chief languages spoken in the Presidency. Of all the Provinces of India, Bengal is the one that is most insistent on its own unity; and in fact, though sharply divided in religion, between the Hindu west and the Muhammadan east, it is, to a very great extent, linguistically one; for, though many of the Muhammadans of Eastern Bengal speak Urdu, a large number of them habitually speak Bengali. It is worth remarking that the financial independence of the Provinces has lately been greatly furthered by the remission of the provincial contributions to the Central revenue; which, though not permanent on paper, is yet practically certain to prove permanent in fact. Incidentally, this remission is of small moment to Bengal, whose contribution has, for several years past, been remitted by the Central Government as a special case, in view of her peculiar financial difficulties.

THE LATE LORD CABLE.

By the death of Lord Cable, India is deprived of the services of one who had made a notable contribution to the country's industrial development and played a useful part in her public life. A wide measure of sympathy will be extended to Lady Cable and her daughters in their bereavement. The East India commercial community in this country will be the poorer for the loss of one of its most forceful and outstanding personalities, whose influence extended far beyond the limits of the Province of Bengal in which his firm's multifarious activities are mainly centred. While many hard things have been said about the managing agency system in India, there is no doubt that, on the lines on which it has been developed on the Calcutta side, it has been attended in practice with remarkably successful results. A very considerable part of the credit for that success is due to Lord Cable who, as senior partner of Bird and Company, a pioneer of the movement and one of its most conspicuous examples, set a high standard of efficiency and commercial probity in all his dealings. The memorial service, which was held on Friday at St. Michael's, Cornhill, was conducted by the Rev. J. H. Ellison and attended by a large number of representatives of insurance societies, Anglo-Indian interests and City friends, in addition to members of Lord Cable's own firm.

The King has approved the extension by three months of the term of office of Sir Basil Phillott Blackett, K.C.B., K.C.S.I., as a Member of the Executive Council of the Governor-General of India, which would normally expire in January, 1928.

On behalf of Rangoon University and the Government of Burma, the Governor, Sir Harcourt Butler, has telegraphed to Sir John Cargill and Mr. David Cargill cordially thanking them for the donation of one lakh of rupees (£7,500) each to the university endowment fund.

Colonel A. R. B. Shuttleworth, of the Indian Army Service Corps, has been appointed, says *The Times*, Deputy-Director of Supplies and Transport for the Western Command at Quetta, and is thus transferred from the staff of the Quartermaster-General at Delhi to serve on the staff of the incoming Western Commander, General Sir Charles H. Harrington.

Major C. A. Boyce, D.S.O., now at Army Headquarters, India, is to officiate as Secretary and Adviser in Languages to the Board of Examiners.

Major-General W. H. Ogilvie, C.B., C.M.G., Director of Medical Services, will be on leave from India during this summer.

Commercial and Financial Section.

NOTES AND NEWS.

170, Strand, London, W.C.2.
Tuesday Morning.

Cotton Growing in Cyprus.

With conditions so favourable for cotton growing as they are in Cyprus, it would have been surprising if considerable attention had not been paid to this important crop, and it is interesting to note that the acreage devoted to cotton in 1925-26 was 10,500 acres as compared with 6,600 for 1921-22. The production for the past five years has been approximately 2,290 bales in 1921-22, 1,500 bales in 1922-23, 2,230 bales in 1923-24, 3,390 bales in 1924-25, and 3,320 bales in 1925-26. Mr. C. Noble, the Director of Agriculture in Cyprus, in an interesting article in the current issue of the *Empire Cotton Growing Review*, states that the area really suitable for the crop is about 50,000 acres, and if we take the production for that area at roughly the present rate that would mean a maximum possible output of 15,000 to 20,000 bales, which would be a most useful contribution for Lancashire. The interesting fact is pointed out by Mr. Noble that between 1489 and 1570 Cyprus exported considerably more cotton than she does now, and it is surprising that in recent years Cyprus has not concentrated to a greater extent on this very important crop.

Palestine's Trade in 1926.

The trade statistics for Palestine for the past twelve months, which are now available, reflect the economic depression which set in in the country at the end of 1925. The value of the imports was £E6,445,770 as compared with £E7,227,960 for the previous year, while that of the exports was £E1,288,596 as against £E1,396,911. As I have already pointed out, Palestine's trade was seriously affected during the year by the restricted market in Egypt resulting from the fall in the price of cotton. It is a common failing of statistics that they never tell the whole story, and in the last quarter of the year there was actually a marked improvement in the position in Palestine. Stocks were being cleared more easily, promising a revival of imports in the near future, while exports were satisfactory owing to the good orange season. For December the value of the exports was £E172,508 as against £E84,532 for December, 1925. The great need of Palestine now is a larger market for its produce, and the solution of that problem must go hand in hand with economic developments if the country is to maintain an increasingly large population in the future.

Budget Prospects.

In four days' time we shall know the best or the worst of this year's Budget. Admittedly Mr. Churchill has an unenviable task in front of him, for the deficit on the past year at thirty-six millions odd is considerably more than was anticipated, while in the current year company returns will reflect the effects of last year's industrial troubles. Any increase in direct taxation is unthinkable, and there ought to be no increases in taxation and no new taxation of any kind. But it is impossible to avoid it in the circumstances, though the necessity would not have arisen if the Government had pursued a policy of unswerving economy. It seems now that events are likely

to force their hand, for the prospects of a really universal trade revival are jeopardised by the unfortunate developments in China, the outcome of which it is impossible to foresee. Unfortunately there is no guarantee that when economy is the keynote of policy it will be on the right lines. Thus I notice that the Department of Overseas Trade figures in a motion asking for the abolition or absorption by other Ministries of three Departments. This would be an economy of a ridiculous order. The development of our trade is an imperative necessity, and the work the Department is doing in this respect merits for it the fullest support. In the extravagant estimates of the Ministry of Education and certain other Departments these is ample scope for economy without interfering with a Department which in the conditions of to-day must be considered an essential part of the Government.

The Egyptian Season.

From all accounts the Egyptian season has fully come up to expectations. It says much for the attraction of the Valley of the Nile that even in a period when trade is at a low ebb the Egyptian hotels should be filled with an ever-changing throng of tourists. For Egypt a good season will mean some compensation for the disappointment over cotton, and the country will have cause to congratulate itself on the fact that once again one of the two great factors on which Egypt depends has not proved wanting.

Trade in the East.

The effect of labour unrest on trade with the East was emphasised by Sir Montagu Turner at the meeting of the Chartered Bank of India, Australia, and China. It would seem to be evident as he suggested in outlining the places where strikes occurred during the past year, that some influence is at work to damage the interests of this country. Naturally, a large part of his speech was devoted to conditions in China, and this does not fall within the scope of these columns. His review of the trade of India in 1926 calls for brief comment. It was on the whole an inactive period, but the export trade continued to be fairly satisfactory owing to the exports of tea and jute. As regards the outlook there has of late been a satisfactory development of the demand for Manchester goods pointing to improved conditions in India—a demand which has no doubt been contributed to by the effect on the prices of cotton goods of the fall in cotton.

COMMENTATOR.

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Cotton and Cotton Goods.

THE LIVERPOOL COTTON MARKET.

Messrs. Reynolds and Gibson report as follows for the week ended March 30:—

Egyptian Futures.—Sakel Contract.—The general tendency of this market shows little change since we last wrote; during the majority of sessions only minor operations have been recorded, and fluctuations have been confined to movements of a few points either way. The tone, however, remains comparatively steady, a rather surprising feature, as at the present juncture there is almost a complete absence of trade demand for Sakel cotton. The only explanation we can offer for this tendency is the relative firmness shown by the Alexandria market, and also no doubt the slight hardening recently witnessed in American values has contributed to exercise a restraining effect on those who otherwise might have entered into short commitments. The bulk of the fresh buying coming into the market appears to be concentrated on new crop months, and as contracts in these are somewhat scarce they have again hardened in comparison with the current positions; the movement may extend further, but it must be borne in mind that from now onwards it is likely to meet with increasing opposition, as holders of actual are not very likely to seize the opportunity of transferring their hedges on any further widening. We must confess that we are rather at a loss to account for the comparatively strength shown by the Alexandria market during the past few days; certainly, we cannot trace from reports received that this is due to any activity on the part of outside consumers; however, with our market showing a comparatively lukewarm response the result is that the two markets have again come very close together. It may be that the recent large imports of Sudans are affecting the local option. Trade reports still fail to reveal any near approach of a resumption of the activity witnessed during the early months of the year. Spinners' complaints of the working qualities of this season's crop continue to be rife, and with the offerings of new crop Sudans confirming the previous optimistic reports of their good quality and staple, we cannot foresee a sufficient measure of improvement in the demand for the Egyptian variety to absorb the present surplus. Spinners' takings this week amount to over 1,000 bales, a quite satisfactory total, but against this we notice that the local stock is being gradually augmented and now amounts to about 73,000 bales. At the present juncture, there does not seem any particular feature in the outlook to warrant the anticipation of a decided change from the present level; taking a statistical and trade point of view, the position appears to be rather "bearish"; however, with sentiment generally against short commitments at the present basis, we do not think that the market will come under pressure unless American values commence to show a reactionary tendency.

Upper Contract.—During the greater part of the week, this contract has been neglected, and although at one time prices showed a decline of a few points, the recent appreciation in American values has caused prices to react sympathetically, with the result that the alteration on the week only shows a nominal loss of 2 to 8 points, distant months exceptionally being 6 points advance. Trade support throughout has been on a rather disappointing scale, but against this we would draw attention to our remarks of last week regarding the present scarcity of the competitive outsiders, a fact perhaps which will have a more decided influence at a little later date in the season.

Egyptian Spot.—Quiet conditions, similar to those ruling last week, have again prevailed, although some slight improvement in the off-take for Egyptian proper has been seen. Prices have remained very steady, particularly for Sakel cotton, a fact which is difficult to account for unless more of this cotton is being purchased by spinners for forward delivery than is generally understood, and reports from up-country do not appear to favour this explanation. In fact, spinners all round seem to have once more come up against one of those slack

periods which occur all too frequently in the cotton trade, when output increases and sales of yarn dwindle, and the effort to maintain prices on anything like a profitable basis becomes daily more difficult.

The local spot inquiry has shown little change. There has, however, been a better demand for Sakel cotton at from 14d. to 15d., but competition is very keen and spinners generally are anything but enthusiastic buyers at the moment. The lower grades of Sakel have been rather neglected this week. Uppers have been sought after to only a moderate extent, and here again there has been a tendency for the inquiry to move upwards, and cotton at from 11d. to 11½d. has figured more largely on the board. Prices are slightly easier. Other Egyptian growths have received but little attention.

Sudan cotton has continued in fair request, the American seed variety in particular being eagerly sought after on several occasions, owing to the comparative scarcity this season of East African cotton and other outside growths. Several parcels of this year's Sudan Sakel have been placed on the market this week and have proved to be of very fine quality, surpassing anything yet produced from the Sudan. Only the first qualities have yet been offered, and these, of course, are not likely to appeal to other than those connected with the Fine trade. It is understood that sales have taken place at from 18½d. to 19d.

Reports from Manchester have made dismal reading, and c.i.f. business has been very quiet. Forwardings to spinners for the week ending the 25th inst. were returned as 10,415 bales Egyptian and 1,565 bales Sudan. Estimated sales, 1,300 bales Egyptian and 1,700 Sudan. Quotations of Sakel are unchanged on the week, whilst those of Upper show a reduction of 10 points. F.G.F. Sakel to-day, 13.35d. F.G.F. Upper to-day, 10.50d.

FORTHCOMING SAILINGS.

The following are the sailings for the Near East and India, the ports of departure and closing dates for cargo being given in parentheses:—

Anchor Line.—S.s. Elysia for Bombay (Birkenhead, April 26). (For passenger sailing and dates see advertisement.)

Anchor Brocklebank Line.—S.s. Mahsud for Port Said, Colombo, Madras and Calcutta (Birkenhead, April 14); s.s. Masirah for Port Said, Colombo, Madras and Calcutta (Birkenhead, April 30).

Bibby Line.—S.s. Yorkshire for Port Said, Colombo, and Rangoon (Birkenhead, April 20).

British India Line.—S.s. Dalgoma for Bombay and Karachi (London, April 9); s.s. Malda for Colombo, Madras, and Calcutta (London, April 9).

Cunard Line.—S.s. Tyria for Gibraltar, Malta, Patras, Piræus, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza, also Algiers and Volo if inducement offers (Swansea April 8, Liverpool and Glasgow April 9); s.s. Phrygia for Gibraltar, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Venice, Trieste, and Fiume, also at Corfu, Gruz, and Ancona if inducement (Liverpool May 14, Swansea May 17).

Johnston Line.—S.s. Dromore for Piræus, Volo, Salonika, Bourgas, Varna, Constantza, Sulina, Galatz, and Braila (Liverpool, April 9).

P. and O. Line.—S.s. Rawalpindi for Bombay (London, April 8); s.s. Tregenna for Colombo, Madras, and Calcutta (London, April 30).

Prince Line.—S.s. Syrian Prince for Tunis, Malta, Alexandria, Jaffa, Haifa, Beyrout, and Cyprus (Manchester, April 23).

Ellerman and Papayanni Lines.—S.s. Roumelian for Genoa, Leghorn, Naples, Palermo, Messina, Catania, Brindisi, Bari, Gravosa, Ancona*, Venice, Trieste, and Fiume* (Swansea, April 8); s.s. Fabian for Gibraltar, Malta, Alexandria, Jaffa*, and Haifa* (Liverpool, April 13); s.s. Lesbian for Gibraltar, Malta, Patras, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza (Liverpool, April 16); s.s. Gerano for Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Gravosa, Ancona*, Venice, Trieste, and Fiume* (Liverpool April 23, Swansea April 28); a steamer for Gibraltar, Malta, Alexandria, Jaffa*, and Haifa* (Glasgow, April 27); s.s. Maronian for Algiers*, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza (Liverpool, May 7).

* Subject to sufficient inducement. Transshipments.—Algerian ports via Algiers; Moroccan ports via Gibraltar; Tripoli (Barbary) via Malta; Syria and Cyprus via Alexandria; Greek outports via Piræus or other convenient port; Fiume via Trieste.

Mr. W. O. Grazebrook having elected to retire, as on March 31, from the firms of Ogilvy Gillanders and Co., of London and Liverpool, and of Gillanders Arbuthnot and Co., of Calcutta, and its branches in India and Burma, the business will in future be carried on by the remaining partners, H. N. Gladstone, H. Bateson, A. C. Gladstone and Arthur d'Anvers Willis.

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THE WEEK'S FINANCE.

(By Our Financial Expert.)

London, April 4.

The approach of the Budget, developments in China and the proximity of the carry over, have combined to produce an irregular tendency in the Stock Markets, where business remains very quiet. Gilt-edged stocks have remained steady and French Government stocks were firm, but Home Rails drooped and Chinese bonds were weak, the last-named having recorded a heavy fall towards the end of the week. At the same time it is satisfactory to find that the coupon on the 5 per cent. Loan of 1912 due this week has been duly paid and that the payment due next week on the Gold Loan of 1908 is to be met. An irregular tendency has characterised the industrial market. The Dunlop dividend of 20 per cent., though higher than a year ago, was followed by a drop in the price of the shares. The tobacco group is still the sport of rumour as to increased duties in the coming Budget, and brewery shares have also been slightly depressed for the same reason. An interesting feature of the week was the announcement that preliminary arrangements have been made for the acquisition of Whiteleys, Ltd., by Selfridges. The shares of the former have risen sharply, during the past few weeks, but there was a slight reaction on the announcement of the terms which give Selfridges the control in the management. Rubber shares have remained dull and the oil group is still suffering from the reaction from the boom and fears of a continuation of the oil war.

The National Accounts.

The statement of public income and expenditure for the financial year 1926-27, which was published with the usual commendable promptitude, on the evening of March 31, shows as was generally anticipated, a substantial deficit, expenditure exceeding revenue by £36½ millions. It may be recalled that the estimates of revenue and expenditure, the latter being revised to include supplementary estimates, allowed for a deficit of £7½ millions, expenditure being put at £832 millions and revenue at £824½ millions. The actual figures prove to be £842 millions and £805 millions respectively, so that estimates of both revenue and expenditure have proved to be wide of the mark. For this the industrial troubles of 1926 are

chiefly responsible, for receipts have fallen short of the estimate principally under the headings of income and super-tax and customs and excise. The fact that there is a deficit for so abnormal a year as 1926-27 will cause no surprise, and we must wait until Budget day before we know how the Chancellor proposes to deal with it. But the more vital and interesting problem is the outlook for the current year. Mr. Churchill, if he is to balance his Budget for 1927-28, must find a revenue of over £820 millions, of which the Supply Services will require £420 millions. It is not generally anticipated that he will make any additions to the major imposts, but will rather rely on a greater revenue arising from trade revival, with a few revenue-producing changes in some of the minor duties.

A Quarter's New Capital.

The new capital market has been active during the past three months and it is not surprising to find that the amount of new capital raised in London, apart from British Government borrowing, was larger than in the corresponding period of 1926. The total, according to figures compiled by the *Economist*, was £76½ millions, which compared with £69½ millions in the first quarter of 1926. Of this total £47½ millions was for use in the United Kingdom, £20½ millions for overseas dominions, and £8½ millions for foreign countries. A feature of the figures is that no loans were raised during the quarter by foreign governments, whereas in the same period of 1926 loans raised by foreign States amounted to nearly £9 millions. Even so the fact that £29 millions of new capital was subscribed in this country destined for use overseas indicates clearly that the investing public at the moment has a keener appetite for foreign and colonial issues at attractive rates of interest than for either sound investments or speculative issues made by home concerns.

New Methods in Rand Mining.

Those in control of the gold mining industry of the Witwatersrand are ever in search of methods of securing improved results. The latest departure takes the shape of the narrowing of what is known as "Stopping width"—that is the width of the material actually broken down in the mine. In some cases the thickness of the reef is such that men can work in the space rendered vacant. In other cases a contrary condition of affairs prevails, and it is consequently necessary for a greater or lesser amount of the unpayable rock to be taken out along with the gold-bearing ore. Obviously the less of the first-named material which is handled, the better for those holding shares. The use of an improved light drill permits a narrow reef to be broken down with a smaller proportion of barren material than heretofore. Hence there is an immense increase in the quantity of gold recovered per ton of ore treated. Several well-known Rand companies have benefited in an appreciable degree from the employment of the new method, the use of which is likely to be extended.

TENDERS INVITED.

Tenders are invited for the following contracts, and must be made by the dates mentioned.

(Particulars of tenders marked D.O.T. are to be obtained from the Department of Overseas Trade, 55, Old Queen Street, S.W.) EGYPT.

Linen, Etc.—The Director of Stores, Ministry of Education, Sharia, Kasr el Aini, Cairo, invites tenders for the supply of linen, table service, needle work materials, schools materials, and material for cleaning required for the school year 1927-28. April 18.

ROUMANIA.

Wire Nails.—The Roumanian State Monopoly Administration invites tenders for approximately 103,000 kgs. wire nails of various sizes ranging from 13 x 1 mm. to 200 x 7 mm. April 14. (D.O.T.)

THE SUDAN.

Evaporation Tank.—The Inspector-General of Irrigation, Sudan, Khartoum, invites tenders for the supply of an evaporation tank for the Upper White Nile Division, Malakal. April 21.

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Regular Passenger and Freight Service from

RANGOON, CALCUTTA, and COLOMBO
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PORT ELIZABETH, MOSSEL BAY, and CAPE TOWN.

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Passenger and Freight Service from

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To SOUTH AFRICAN PORTS.

Excellent Passenger Accommodation.

Wireless Telegraphy.

Information for Freight and Passage may be obtained
from the following:—

RANGOON—J. & F. Graham & Co.
CALCUTTA—Andrew Weir & Co.
COLOMBO—Skrine & Co.
BEIRA—Beira Shipping Agency.
DELAGOA BAY—John T.
Rennie & Sons.
DURBAN—Andrew Weir & Co.
EAST LONDON—Messrs. Dunn
& Co.
PT. ELIZABETH—Mackie, Dunn
& Co.

MOSSEL BAY—Messrs. E.
Searle & Co.
CAPE TOWN—Thomson,
Watson & Co.
HONG KONG—The Bank Line,
Ltd.
BANGKOK—Siam Forest Co.,
Ltd.
SINGAPORE—Huttenbach Bros.
& Co.
MAURITIUS—Adam & Co.

LONDON—ANDREW WEIR & CO., 21, Bury Street, E.C.3.

Chartered Bank of India, Australia & China

HEAD OFFICE: 38, BISHOPSGATE, LONDON.

(Incorporated by Royal Charter)

CAPITAL, in 600,000 Shares of £5 each - - - - - **£3,000,000**
RESERVE FUND - - - - - **£4,000,000**

COURT OF DIRECTORS.

Sir MONTAGU CORNISH TURNER, Chairman.

HENRY BATESON, Esq.

COLIN FREDERICK CAMPBELL, Esq.

Sir WILLIAM HENRY NEVILLE GOSCHEN, K.B.E.

ARCHIBALD AULDJO JAMIESON, Esq.

EDWARD FAIRBAIRN MACKAY, Esq.

WILLIAM FOOT MITCHELL, Esq., M.P.

ARCHIBALD ROSE, Esq., C.I.E.

LEWIS ALEXANDER WALLACE, Esq.

JASPER BERTRAM YOUNG, Esq.

Chief Manager—W. E. PRESTON.

Managers—J. S. BRUCE, G. MILLER.

Sub-Manager—J. L. CROCKATT.

Auditors.

DAVID CHARLES WILSON, F.C.A.

HENRY CROUGHTON KNIGHT STILEMAN, F.C.A.

Bankers.

THE BANK OF ENGLAND.
MIDLAND BANK, LIMITED.

WESTMINSTER BANK, LIMITED.
NATIONAL PROVINCIAL BANK, LIMITED.

THE NATIONAL BANK OF SCOTLAND, LIMITED.

Agencies and Branches.

ALOR STAR (Malay States).
AMRITSAR.
BANGKOK.
BATAVIA.
BOMBAY.
CALCUTTA.
CANTON.
CAWNPORE.

CEBU.
COLOMBO.
DELHI.
HAIPHONG.
HAMBURG.
HANKOW.
HONGKONG.
ILOILO.
IPOH.

KARACHI.
KLANG.
KOBE.
KUALA KANGSAR.
KUALA LUMPUR.
KUCHING.
MADRAS.
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NEW YORK.
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PENANG.
PESHAWAR.
PUKET.
RANGOON.
SAIGON.
SEMARANG.
SEREMBAN.
SHANGHAI.

SINGAPORE.
SOURABAYA.
TAIPING (F.M.S.).
TAVOY.
TIENTSIN.
TOKYO.
TSINGTAO.
YOKOHAMA.
ZAMBOANGA
(Philippine Islands).

DIRECTORS' REPORT.

(Presented at the Seventy-third Ordinary General Meeting, 30th March, 1927.)

The Directors have now to submit to the Shareholders the Balance-sheet and Profit and Loss Account of the Bank for the year ended 31st December last.

These show a net profit, after providing for all bad and doubtful debts, of £987,854 5s. 3d. inclusive of £209,278 4s. 6d. brought forward from the previous year. The Interim Dividend at the rate of Fourteen per cent. per annum paid in September last absorbed £210,000. The amount now available is therefore £777,854 5s. 3d. and the Directors propose to pay a Final Dividend at the rate of Fourteen per cent. per annum together with a Bonus of Six shillings and threepence per share, making Twenty-and-a-quarter per cent. per annum for the whole year, free of Income Tax; to add £25,000 to the Officers' Pension Fund; to write off Premises Account £40,000; to set aside £100,000 on account of Contingencies and to carry forward the balance of £215,354 5s. 3d.

Mr. Henry Bateson, Mr. Colin Frederick Campbell and Sir William Henry Neville Goschen, K.B.E., the Directors who now retire by rotation, present themselves for re-election.

The Auditors, Mr. David Charles Wilson, F.C.A. and Mr. Henry Croughton Knight Stileman, F.C.A., again tender their services.

The Dividend and Bonus will be payable on and after Wednesday, the 6th of April.

By order of the Court, **ARTHUR SCOTT** } Secretaries.
W. H. SHINER }

LIABILITIES AND ASSETS, 31st December, 1926.

	£	s.	d.		£	s.	d.
To Capital, 600,000 Shares of £5 each, paid up	3,000,000	0	0	By Cash in hand and at Bankers	10,013,953	10	8
Reserve Fund	4,000,000	0	0	Bullion on Hand and in Transit	621,120	5	2
Notes in Circulation	2,207,356	2	11	Government and other Securities	12,149,644	8	6
Current and Other Accounts Including Provision for Bad and Doubtful Debts and Contingencies	30,961,624	16	5	Security lodged against Note Issue and Government Deposits	2,263,666	13	4
Fixed Deposits	19,105,480	5	7	Bills of Exchange, including Treasury Bills	17,392,620	0	10
Bills Payable	2,730,803	10	9	Bills Discounted and Loans	20,172,751	11	8
Acceptances on Account of Customers	2,175,807	1	1	Liability of Customers for Acceptances, per Contra	2,175,807	1	1
Loans Payable, against Security, per Contra	797,334	12	0	Due by Agents and Correspondents	139,866	1	0
Due to Agents and Correspondents	1,975	7	8	Sundry Assets, including Exchange Adjustments	732,686	13	0
Sundry Liabilities, including Rebates	888,119	11	11	Bank Premises and Furniture at the Head Office and Branches	983,839	7	6
Profit and Loss	777,854	5	3				
	<u>£66,645,955</u>	<u>13</u>	<u>7</u>		<u>£66,645,955</u>	<u>13</u>	<u>7</u>

Liability on Bills of Exchange re-discounted, £4,617,064 13s. 8d., of which £4,190,592 13s. 2d. has run off at 14th March, 1927.
Outstanding Forward Exchange Contracts for Purchase and Sale of Bills and Telegraphic Transfers, &c., £42,034,805 11s. 1d.

PROFIT AND LOSS ACCOUNT for Year ending 31st December, 1926.

Dr.	£	s.	d.	Cr.	£	s.	d.
To Interim Dividend at 30th June, 1926	210,000	0	0	By Balance at 31st December, 1925	756,778	4	6
Balance proposed to be dealt with as follows:—				Less Dividend for half-year to 31st December, 1925	£210,000	0	0
Dividend at the rate of 14 per cent. per annum for the half-year to date	£210,000	0	0	Bonus of 6s. 3d. per share	187,500	0	0
Bonus of 6s. 3d. per share	187,500	0	0	Officers' Pension Fund	25,000	0	0
Officers' Pension Fund	25,000	0	0	Bank Premises	125,000	0	0
Bank Premises	40,000	0	0		<u>547,500</u>	<u>0</u>	<u>0</u>
Contingencies Account	100,000	0	0		<u>£209,278</u>	<u>4</u>	<u>6</u>
Carried forward to Profit and Loss New Account	215,354	5	3	Net Profits after deduction of Expenses of Management, and after providing for bad and doubtful debts, taxation, &c.	778,576	0	9
	<u>777,854</u>	<u>5</u>	<u>3</u>		<u>£987,854</u>	<u>5</u>	<u>3</u>
	<u>£987,854</u>	<u>5</u>	<u>3</u>				

W. E. PRESTON, Chief Manager.
J. S. BRUCE, } Managers.
G. MILLER, }
CHAS. R. HYDE, } Accountants.
F. W. GARRARD, }

COLIN F. CAMPBELL, } Directors.
A. A. JAMIESON, }
J. B. YOUNG, }

London, 16th March, 1927.

Examined and found correct, according to the Books, Vouchers, and Securities at the Head Office, and to the Certified Returns made from the several Branches.
D. C. WILSON } Auditors.
H. C. K. STILEMAN }

Company Meetings.

CHARTERED BANK OF INDIA, AUSTRALIA,
AND CHINA.

Conditions in India and China.

Sir Montagu Turner's Speech.

The seventy-third ordinary general meeting of the shareholders of the Chartered Bank of India, Australia, and China was held on March 30 on the bank's premises, 38, Bishopsgate, E.C.

Sir Montagu Cornish Turner (the chairman) presided.

The Chief Manager (Mr. W. E. Preston) having read the notice convening the meeting and the report of the auditors,

The Chairman said:—Gentlemen,—I propose that the directors' report and balance-sheet and profit and loss account be taken as read. (Agreed.)

Before I begin my remarks I have to apologise for the absence of three directors. Mr. Archibald Ross is at the present moment, I think, in China. We hope he is all right. (Hear, hear.) Mr. Foot Mitchell is unable to be present on account of ill-health. I am sorry to say that he has to undergo an operation. Mr. Henry Bateson is also absent to-day, being on a tour for the benefit of his health.

I have now the pleasure to present the report and statement of accounts for the year 1926.

Labour Unrest.

In attempting a review of the circumstances affecting the operations of this bank one realises the presence of one particular condition which has prejudicially affected the trade both of the East and of the West, and has caused a set-back in that improvement in business which had been so confidently expected and reasonably anticipated early in the year. That condition has been "labour unrest," resulting in strikes either for economic or political reasons, or for both. The result has been in many cases a temporary paralysis of trade, involving immense losses to all concerned. These strikes have occurred not only in Great Britain, but also in India, Ceylon, Hong-kong, Canton, Hankow, and Shanghai, mainly directed against British interests. Some malign influence is at work specially designed to damage the interests of this country. Labour is forgetful of the fact that the strike is a twofold weapon, which hits the striker as well as the employer, for it means, among other things, when carried to excess, as it was in this country last year, a loss of markets, which cannot easily be recovered, and this loss of markets means more unemployment and lower wages. In fact, strikes at home are simply an encouragement and help to our competitors in foreign markets.

We notice in India, for example, when our iron and steel factories were closed down, a considerable decline in the imports of British iron and steel, while imports from Belgium and Germany show a very large increase, especially at the close of 1926.

Conditions in India.

As regards India, certain conditions have arisen which have tended to make the past season less active than we expected. In the early part of the year wheat and seed shipments were most disappointing. This was in a measure due to poorness of winter rains and failure of crops in certain districts, so that exports early in the year were about one-tenth of the previous season's. In anticipation of further scarcity, imports of Australian wheat have been arranged. Then the uncertainty as to the fixed ratio of the rupee resulted in trade bills being held back, and this caused unemployment of funds laid down by banks to meet ordinary trade requirements. Another disturbing cause has been the fluctuation in the price of raw material. Jute has shown a drop of nearly £20 per ton between the early part and the close of last year, the price varying from £50 to £30 per ton.

The Fall in Cotton.

Cotton, both American and Indian, has also shown an appreciable

drop—in the case of American cotton at least 3d. per lb.—and as long as the uncertainty of price existed, importers of Manchester goods had to work warily. Dealers in the bazaars refused to give orders until stocks had been worked off and the drop in price was practically played out. I am glad to hear that quite recently satisfactory orders have been placed by India in the Manchester market. Of course, Manchester still has to compete, in certain classes of goods, with Northern Italy and the Continent, and also, in the case of cheap goods, with Japan. But in the case of Japan it is the Bombay mills which suffer most from Japanese competition.

Exports of cotton from India were affected by the record American crop and consequent drop in value. It is interesting to note that India has imported quite a fair amount of low-grade American cotton, which was used for local mill consumption, and took the place of certain Indian descriptions, of which supplies were insufficient and too expensive to meet requirements. About 200,000 bales of American cotton may be imported this season. It is hoped that with the fall in the price of cotton the Bombay mills may show a distinct revival.

But, on the whole, India has continued to enjoy prosperity, thanks in a great measure to her exports of jute and tea, and she can show a balance of trade in her favour amounting to £32,279,000. The prosperity of the country is shown by that remarkably satisfactory Budget recently produced by the Finance Minister, Sir Basil Blackett. We heartily congratulate him on the success of his strenuous labours, resulting in the placing of Indian finance on a very high level and vastly improving the credit of the country.

Rice, Tea, and Rubber.

Burma has been quiet, but the shipments of rice promise to be good this year. Ceylon continues to enjoy a period of prosperity with its active markets of tea and rubber. For some weeks the export and import trade of Ceylon was blocked by a strike of warehouse coolies. I cannot help thinking that this strike was partly political, for it coincided with the expected arrival of the troopships en route to China. It so happened that the troopships did not call at Colombo.

The Situation in China.

As regards China, it is extremely difficult to hazard any opinion as to what may happen in the future, or even from day to day. Presumably there will be North and South Republics, or even a third Central Republic, but this can only be decided when the contending forces of North and South have exhausted themselves, or, as we may hope, have come to a settlement, which may provide a really good, efficient Civil Government or Governments for the country. All that the British merchant asks for is the existence of a real settled and effective Government, with security for life and property, that peace and good will should prevail, that trade should be possible not only at the seaports but up country, and that transport should be feasible by rail or river without fear of interference by bandits. At present this is not the case. Railways and the railway plant are in the hands of the military. Water carriage is almost impossible owing to piracy, and producers have to make recourse to the pack and the barrow to get their goods to the purchasing markets. It is well to remember that it is estimated that the value of property held by British subjects in China reaches £350,000,000 sterling. Further, we have to bear in mind that the value of exports from Great Britain and India to Hong-kong totalled £5,639,000 and to China £27,578,000 sterling, while the imports from Hong-kong to Great Britain and India represented £1,300,000, and from China £14,000,000. In other words, Great Britain and British India alone were interested in trade with Hong-kong and China last year to the extent of £48,500,000 sterling.

We must also recognise what has led up to the present situation. The spirit of nationalism, which was the outcome of education and residence in the West, was quite understandable and could not be legitimately objected to. It has been in existence for a considerable time, has grown rapidly, and has permeated both North and South China. The danger arose when the Communistic element—the spirit

BUSINESS DIRECTORY.

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Carry your mess-
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Middle East. You will
find it a paying
proposition.

THE AGRICULTURAL BANK OF EGYPT

BALANCE SHEET, 31st JANUARY, 1927.

LIABILITIES.					ASSETS.				
	£E. m/m	£E. m/m	£	s. d		£E. m/m	£E. m/m	£	s. d
Capital—					Loans—				
Shares—486,000 Ordinary Shares of £5 ...	2,418,000—				On Mortgage over £E. 1,000 ...	94,009.885			
2,000 Deferred Shares of £5 ...	9,750—				On Mortgage £E. 1,000 and under ...	1,805,147.471			
125,000 Preferred Shares of £10 4					On Note of hand ...	2,530,500			
per cent. Cum. ...	1,218,750 —	3,646,500 —	3,740,000	0 0			1,901,687.356	1,960,448	11 5
Debentures, 3½ per cent.—					Mortgage Company of Egypt Ltd.—				
£1,495,000 ...	1,457,625 —				Advances against Security ...		355,976.440	365,104	0 10
£2,680,000 Guaranteed by the Egyptian					Cash in hand and at Bankers ...		655,794.761	672,610	0 3
Government ...	2,613,000 —				Investments—				
Reserves :—					Agricultural Bank of Egypt 3½ per				
General Reserve Fund... ..	1,020,065.116				cent. Debentures, at cost ..	822,806.593			
Special Reserve Fund... ..	185,540.129				Government Securities ...	4,310,973.407			
		1,205,605.245	1,236	518 4 0	(Value at market price on 31st January				
Provision for Depreciation on Investments,					1927, £E. 4,610,217)				
carried forward from last Balance Sheet...		195,672.707	200,689	19 1	Mortgage Company of Egypt Ltd.,				
Undistributed Profits :—					Ordinary & Preferred Shares* at cost	650,430.566			
Ordinary Shareholders' Account ...	162,148.614						5,814,210.566	5,963,292	17 9
Deferred Shareholders' Account ...	85,663.755				Investments of General Reserve Fund—				
		247,812.369	254,166	10 8	Government Securities, at cost ...		952,288.625	976,706	5 8
Sundry Creditors :—					(Value at market price on 31st January				
Interest accrued on Preferred Shares ...	4,062.500				1927, £E. 995.375)				
Interest accrued on Debentures in					Buildings, Land, Furniture & Printing				
circulation ...	31,884.168				Office ...		17,552. —	18,002	1 0
Unclaimed Dividends and Interest ...	14,935.867				Sundry Debtors ...		18,360.781	18,831	11 5
Sundries ...	45,703.074				Staff Provident Fund Investment ...		67,441.078	69,170	6 9
		99,585.609	102,139	1 9	Land expropriated (a) ...	3,667.096			
Staff Provident Fund... ..		82,725.205	84,846	7 4	Debtors for land expropriated (b) ...	6,559.477			
Provision for items per contra, marked					Instalments overdue (c) £E. m/m				
(a) to (c) ...		216,107.223	221,648	8 8	Capital ...	137,928.692			
Provision for interest accrued and not					Interest ...	67,951.958	205,880.650		
due as per contra ...		35,528.148	36,439	2 6				216,107.223	221,648 8 8
Profit and Loss ...		234,785.472	240,805	12 3	Interest accrued and not due ...		35,528.148	36,439	2 6
					(*These include 197,935 Ordinary				
					Shares of £1 5 each, on which £1 5s.				
					paid up.)				
		10,034,946.978	10,292,253	6 3				10,034,946.978	10,292,253 6 3

THEO. LEVI, Chief Accountant. B. HORNSBY, President. R. G. WESTROPP, Managing Director.

We have examined the above Balance Sheet and certify that in our opinion it is a full and fair Balance Sheet, and properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs, as shown by the Books.

Cairo, the 21st March, 1927

RUSSELL & CO.,

Chartered Accountants.

Profit and Loss Account for the Period from 1st February, 1926, to 31st January, 1927.

	£E. m/m	£E. m/m	£	s. d		£E. m/m	£E. m/m	£	s. d
General Expenses, including Depreciation on					Loans and Instalments in Arrear on 31st				
Buildings and Furniture, Contribution to					January 1926 received in 1926/1927 ..		111,654.643	114,517	11 8
Staff Provident Fund ...		75,118.458	77,044	11 5	Amount recovered in respect of land ex-				
Directors' Fees ...		2,535 —	2,600	0 0	propriated, for which provision had				
National Bank of Egypt, as per Statutes ...		11,020.140	11,302	14 2	been previously made ...	6,615.717			
Interest on Debentures ...		142,471.876	146,125	0 0	Less: Provision for land acquired in				
Interest on Preferred Shares ...		48,750 —	50,000	0 0	1926/27 ...	1,935.604			
Loans and Instalments in Arrear, Current							4,680.113	4,800	2 4
year ...		120,091.528	123,170	16 0	Interest collected :				
Interest on amounts carried forward :					(a) On Loans in arrear at 31st January				
A/c Ordinary Shares ...	7,721.362				1926 ...	63,285.332			
A/c Deferred Shares ...	4,079.226				(b) Interest on Arrears and Interest				
		11,800.588	12,103	3 4	on Loans due in 1926/27 ...	133,080.466			
General Reserve Fund ...		9,845.605	10,098	1 1			196,865.798	201,400	16 4
Special Reserve Fund ...		17,411.081	17,857	10 5	Interest on Loans over £E. 1,000 ...		8,036.636	8,242	14 1
Amount available ...		234,785.472	240,805	12 3	Interest on Investments and Advances ...		353,092.558	362,146	4 3
		673,829.748	691,107	8 8				673,829.748	691,107 8 8

THEO. LEVI, Chief Accountant. B. HORNSBY, President. R. G. WESTROPP, Managing Director.

of hatred—from Moscow pervaded the councils of Canton. From this Communistic spirit has grown the intense anti-British feeling and the so-called spirit of anti-Imperialism.

Strikes and Boycotts.

Although a certain amount of trade has been possible in North China, at Hankow, Shanghai, and Tientsin, troubles have been unceasing owing to strikes and boycotts. In most cases the strikes have been engineered by agitators and students, the workmen, though willing and keen to work, being compelled to leave their employment. At Hankow business, as you are aware, was suspended entirely owing to the action of the Cantonese in January last, when the British banks were closed down for several days. I regret to say that it has been found necessary to close down again owing to a strike of Chinese employees in the banks, who have made preposterous and ridiculous demands.

It is fortunate, indeed, that the British Government decided to send a protective force to Shanghai—(hear, hear)—or we should have seen similar scenes to that of Hankow and Nanking repeated at Shanghai, and the position of foreigners would have been unendurable. Our fellow-countrymen in China owe much to the British Army and Navy. (Hear, hear.) No impartial observer could possibly criticise the action of the home Government in thus taking what was really absolutely necessary action to protect the lives of our fellow-countrymen. Our only regret might be that, with the knowledge of what was happening in Canton for the past two or three years, serious diplomatic steps were not taken to counteract the insidious action of the envoys from Moscow.

In China the future is at present rather dark and obscure, but we must not take too gloomy a view. The Cantonese free of Moscow influence would, I believe, be capable of governing their sphere of China wisely and well. At any rate, it is a question of patience, of hope and endurance, and we must remember that the Chinese are a wonderful race with a vast amount of common sense.

The Balance-sheet.

Turning to the figures of our balance-sheet, it will be seen that our total amounts to £66,645,955 13s. 7d., a decrease of £4,220,492 10s. 5d. on the corresponding figures of the previous year, which is not surprising when regard is paid to the unsatisfactory conditions which prevailed both in India and in China during the period covered by the accounts.

Our current accounts and fixed deposits total £50,067,105 2s., against £51,134,281 12s. 5d. for the same period in 1925.

Bills payable, standing at £2,730,403 10s. 9d., show a reduction of £228,731 0s. 5d., whilst acceptances on account of customers—£2,175,807 1s. 1d.—are less by £851,763 2s. 10d. than the corresponding figures at 1925. Loans payable stand at £797,334 12s., against £2,565,171 10s. 10d., a natural reflection of the slackness in general trade.

Our cash in hand and at bankers assumed the respectable total of £10,013,953 10s. 8d., against £5,648,448 8s. 9d. as at December 31, 1925; whilst our bullion on hand and in transit amounts to £621,120 5s. 2d., against £1,858,861 4s. 2d. at December 31, 1925. Our Government and other securities showed an increase at £12,149,644 8s. 6d., against £8,334,666 17s. 2d. The above items all point to the stagnation in business towards the end of the year, and for a similar reason our bills of exchange and bills discounted and loans are down to £17,392,620 0s. 10d. and £20,172,751 11s. 8d. respectively.

As regards the report, we have been able to give the same return to the shareholders as in previous years, to add £25,000 to Pensions Fund and £40,000 to Premises Account, and to place £100,000 to a fund for contingencies.

In view of the many handicaps to trade to which I have referred, I consider the report quite satisfactory. Mr. Preston, his co-managers at Head Office, and, indeed, all the staff, both abroad and at home, deserve our grateful thanks for their hard work and close attention to the interests of the bank. (Hear, hear.) Especially must we remember our staff at Hong-kong, Canton, and N. China in the great and serious ordeal through which they are now passing. (Cheers.)

I beg to move:—"That the report now presented, together with the balance-sheet and profit and loss account, be approved and adopted."

Mr. Lewis A. Wallace seconded the resolution, which was carried unanimously.

The Chairman next moved:—"That a dividend at the rate of 14 per cent. per annum for the half-year ended December 31 last,

together with a bonus of 6s. 3d. per share, free of income tax, be now declared payable on and after the 16th proximo."

Sir William Henry Neville Goschen, K.B.E., seconded the resolution, and it was unanimously adopted.

The Chairman also proposed:—"That Mr. Henry Bateson, Mr. Colin Frederick Campbell, and Sir William Henry Neville Goschen, K.B.E., the directors who now retire by rotation, be re-elected directors."

The motion was seconded by Mr. Archibald Auldjo Jamieson and unanimously agreed to.

Mr. Oliver C. Denny moved:—"That Mr. David Charles Wilson and Mr. Henry Croughton Knight Stileman be re-elected auditors for the ensuing year."

Mr. P. Brandon seconded the motion, which was passed unanimously.

The Chairman said that the shareholders generally proposed a vote of thanks to the staff, and he hoped it would be done on the present occasion, because the thought they deserved it even more than usual. (Hear, hear.)

Thanks to Directors and Staff.

Mr. Frederick Tomkinson proposed:—"That the best thanks of the shareholders be given to the directors and staff for their successful management of the bank." He felt that they were deeply indebted, first, to the directors for the able way in which they had conducted the affairs of the bank during a most trying year—and he supposed they had never had a more trying one—and also to the staff. No matter how good and farseeing the directors might be, without an able staff such as they had, with Mr. Preston at their head, the shareholders would not have the pleasure of receiving the 20 per cent. dividend which they were about to get. (Hear, hear.) The chairman had pointed out the various difficulties which had been experienced, and which were well known to people trading with India, and the shareholders were all the more indebted to those who had so worked the bank as to be able to present the brilliant report which had been before the shareholders on the present occasion. He described it as brilliant because the results had been achieved in face of bad times.

It was easy enough to make money when things went swimmingly, but it was not so easy to do so when they had to contend with strikes, and with political propaganda of a most insidious and powerful character directed from Moscow. He believed that that propaganda was one of the principal causes of the discontent which began in Canton and was now working up to what they saw at present. Having regard to all these things, he thought the shareholders were very deeply indebted to the directors and the staff for the way in which they had managed the bank during the past year. (Hear, hear.)

Tribute to the Chairman.

Mr. R. F. Banks, in seconding the motion, said he felt sure that all the shareholders fully endorsed the words which had fallen from the last speaker with reference to the chairman and directors, as well as the managers and staff. As a shareholder, he personally felt very much indebted—and he thought everyone else present had the same feeling—to the chairman for the enlightenment that he had given them with reference to the condition of things in India and China—China more particularly—and he hoped that the chairman's words would be read far beyond the confines of that room. The first portion of his address, with reference to the interests of both workmen and employers, and how injurious strikes were in the conduct of trade, and also the latter part of his address, with regard to China, would act as an encouragement to many commercial concerns, not only in this country but also in lands beyond the seas. (Hear, hear.)

The resolution was cordially approved.

The Chairman said that, speaking on behalf of the directors, it was exceedingly encouraging to them to know that the shareholders really appreciated their work. He could certainly say that they devoted a great deal of time, thought, and attention to the business of the bank. He would not say much about Mr. Preston. The shareholders all knew him, the splendid work he did, and the tremendous attention he gave to their interests—in fact, his (the chairman's) only complaint was that at times Mr. Preston worked a bit too hard and he had to make him "go easy"—a rather difficult matter. (Laughter and cheers.)

The Chief Manager (Mr. W. E. Preston) said that on behalf of the foreign staff, the home staff, and himself he wished to thank the shareholders once again most sincerely for their exceedingly kind vote of thanks.

The proceedings then terminated.

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SUAKIM, TOKAR
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LLOYD'S AGENTS

THE NATIONAL BANK OF INDIA, Ltd.

(Registered in London under the Companies Act of 1862 on the 23rd March, 1866)

ESTABLISHED IN CALCUTTA, 29th SEPTEMBER, 1863.

Subscribed Capital ...	...	...	...	...	£4,000,000
Paid-up Capital ...	...	...	...	...	£2,000,000
Reserve Fund ...	...	...	...	...	£2,850,000
Number of Shareholders ...	...	...	...	...	2,656

HEAD OFFICE: 26, BISHOPSGATE, LONDON, E.C.2**BRANCHES:**

CALCUTTA.	TUTICORIN.	MOMBASA		
BOMBAY.	COCHIN.	NAIROBI	} Kenya	} British East Africa.
MADRAS.	RANGOON.	NAKURU		
KURRACHEE.	MANDALAY.	KISUMU		
CHITTAGONG.	COLOMBO.	ELDORET		
AMRITSAR.	KANDY.	ENTEBBE	} Uganda.	
CAWNPORE.	NEWERA ELIYA.	KAMPALA		
DELHI.	ADEN.	JINJA		
LAHORE.	STEAMER POINT, ADEN.	TANGA	} Tanganyika Territory.	
	ZANZIBAR.	DAR-ES-SALAAM		

AGENCIES:

GALLE, CEYLON	...	Messrs. Clark, Spence and Co.
EDINBURGH	...	Messrs. Moncreiff and Horsbrugh, 46, Castle Street.
GLASGOW	...	Messrs. Mackenzie, Robertson and Co., 176, St. Vincent Street.

BOARD OF DIRECTORS.

SIR CHARLES C. McLEOD, BART., Chairman.	J. N. STUART, Esq., Deputy-Chairman.
HON. E. JULIAN HAWKE.	ROBERT MILLER, Esq.
SIR JOHN P. HEWETT, G.C.S.I., K.B.E., C.I.E.	C. NICOLL, Esq.
R. LANGFORD JAMES, Esq.	J. A. TOOMEY, Esq.,
General Manager —C. NICOLL, Esq.	London Manager —W. J. K. HEGARTY, Esq.

London Bankers.

BANK OF ENGLAND.
NATIONAL PROVINCIAL BANK, LIMITED.
NATIONAL BANK OF SCOTLAND, LIMITED.
Solicitors ... Messrs. SANDERSON, LEE AND CO

GENERAL BALANCE SHEET, 31st December, 1926

The Rupee Assets and Liabilities have been converted at the rate of 1s. 4d. per Rupee.

Dr.	£	s	d		Cr.	£	s	d
To Capital:					By Cash on hand, at call and at Bankers	4,392,990	2	11
Subscribed, 160,000 Shares of £25 each, £4,000,000	2,000,000	0	0		By Bullion on hand and in Transit	374,596	13	0
Paid up £12 10s. per share	2,850,000	0	0					
To Reserve Fund					By Indian Government Rupee Securities			
To Current, Fixed Deposit and other Accounts, including provision for Bad and Doubtful Debts and Contingencies	31,973,703	19	4		By British Government Securities, Indian Government Guaranteed Debentures and other Securities (of which £300,000 War Loan lodged with Bank of England as Security for Government Accounts)	9,876,926	15	2
To Bill Payable	1,286,504	0	1		By House Property and Furniture	501,516	18	3
To Acceptances for Customers	932,625	11	6		By Bills of Exchange	6,220,790	19	8
To Profit and Loss Account, as under	575,400	17	8		By Discounts, Loans Receivable, and other sums due to the Bank	11,878,142	9	1
					By Customers for Acceptances per Contra	932,625	11	6
	£39,618,234	8	7			£39,618,234	8	7
To Bills receivable, re-discounted £5,578,568 3s 8d, of which up to 17th March, 1927, £4,438,191 16s 1d have run off. Forward contracts outstanding for the Purchase and Sale of Sterling Bills and Telegraphic Transfers	£18,316,993	18s	1d.					

PROFIT AND LOSS ACCOUNT for the Year ended 31st December, 1926

£	s	d		£	s	d
To and interim dividend at the rate of 20 per cent. per annum for the Half-year ended 30th June, 1926	200,000	0	0	By Balance at 31st December, 1925	561,084	18 1
To Expenses of Management at Head Office and Branches	562,789	7	5	DEDUCT—		
To Balance	575,400	17	8	Dividend at the rate of 20 per cent. per annum for the half-year ended 31st December, 1925	£200,000	0 0
				Amount written off House Property Account	30,000	0 0
				Officers' Pension Fund	40,000	0 0
				Amount carried to Reserve Fund for the Year ended 31st December, 1925	50,000	0 0
					320,000	0 0
				Balance brought forward	241,084	18 1
				By Gross Profits for the year ended 31st December, 1926 after providing for all bad and doubtful debts	1,097,105	7 0
	£1,338,190	5	1		£1,338,190	5 1

C. NICOLL, General Manager.
G. B. LINTON, Sub-Manager and Accountant.

C. C. McLEOD,
J. A. TOOMEY,
E. JULIAN HAWKE, } Directors.

REPORT OF THE AUDITORS TO THE SHAREHOLDERS.

We have audited the above Balance Sheet with the Books in London and the certified Returns from the Branches. We have obtained all the information and explanations we have required. In our opinion such Balance Sheet is full and fair, containing the particulars required by the Regulations of the Company, and is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and the explanations given to us and as shown by the books of the Company.

COOPER BROTHERS & Co.,
W. A. BROWNE & Co., } Auditors.
Chartered Accountants,

London, 17th March, 1927.

NATIONAL BANK OF INDIA.

Sir Charles McLeod's Speech.

The ordinary general meeting of the National Bank of India, Ltd., was held at the Wesleyan Hall, Bishopsgate, London, E.C., on April 5, Sir Charles C. McLeod, Bart. (the Chairman) presiding.

The general manager (Mr. Nicoll) having read the notice convening the meeting and the auditors' report,

The Chairman said:—Gentlemen,—The report of the directors and the accounts to December 31, 1926, have been in your hands for some days and I presume you will allow me as usual to take them as read. (Agreed.)

There has been no change in the directorate since our last meeting, but as you will see from the report Mr. J. Y. Munro has retired from the City Management after serving the Bank loyally and well for a period of forty-one years. He is succeeded in that appointment by Mr. W. J. K. Hegarty.

I think you will agree that we have again been able to put before you results which must be considered satisfactory, the figure of £534,315 19s. 7d. net profit comparing with £536,104 13s. 4d. for the previous year, and the available total for this year being £775,400 17s. 8d., compared with £761,084 18s. 1d. for 1925. You will observe that we propose to place £50,000 to reserve fund, which will then amount to £2,900,000, to write down premises account £30,000, to place to credit of the officers' pension fund £40,000, and to pay a further dividend at the rate of 20 per cent. per annum free of income tax, which with the similar interim dividend disposes of £400,000, and leaves us with a balance of £255,400 17s. 8d. to carry forward, or £14,316 more than the amount brought in.

The Balance-Sheet.

Turning to the balance-sheet figures, these reflect the condition of business during the past year, and I venture to submit that they are not unsatisfactory although there is a slight falling off in some of the items.

On the Liabilities side there is some contraction—not a large one—in current, fixed deposit and other accounts. This has to be looked for from time to time. On the assets side we have a considerable increase in our holdings of securities, and a falling off in bills of exchange, discounts, and loans receivable. On the whole, I think it can be claimed that our figures have been well maintained taking into account existing conditions, and that a total of nearly £40,000,000 is a satisfactory one. (Hear, hear.)

There can be no question as to the strength of the balance-sheet figures. The cash amounted to £4,767,586, securities £15,317,570, and bills of exchange £6,220,790, a total of £26,305,946 against deposits of £31,973,703. We are still looking for the increase of business to which I have referred on a previous occasion and which, with the more settled conditions under which India is now working, we all hope will in due course eventuate, and in the meantime, as you have seen, we have again had recourse to Government securities for investment of our surplus funds. These securities, I need scarcely add, are all gilt-edged and stand in our books at under market value. You will have observed that in the figures submitted to you our rupee assets and liabilities are still converted at a rate of 1s. 4d. per rupee. In due course we shall have to conform to what is now the standard ratio of 1s. 6d. and the balance-sheet figures thereafter submitted to you will show a considerable increase. I do not think that I can usefully add anything to my remarks on the figures beyond stating that as usual all bad and doubtful debts have been fully provided for.

During the period covered by these accounts the foreign trade of India has been less active than in the preceding year. Exports of merchandise amounted to £253 millions as compared with £313 millions in 1925, showing a reduction of about 20 per cent. On the other hand, imports showed some slight expansion, being valued at £180 millions against £172 millions in the previous year, an increase of approximately 5 per cent. As might be expected from these figures there was a considerable falling off in the absorption by India of the precious metals, the net imports of gold amounting to £17,400,000 only against the record figure of £43,000,000 in the previous year. Net imports of silver amounted to £14,100,000, which is only about £1,000,000 less than in 1925, the difference between the highest and lowest point having been as much as 7 11/16th pence per ounce standard, the widest range in rates since the year 1921.

Factors in Contraction of Exports.

Several factors have contributed to the contraction in the value of exports which I have referred to, chief amongst them being the heavy fall in the prices of cotton and jute. At the beginning of the year, middling Americans were quoted 11d. per lb. A more or less steady decline set in until prices touched about 6½d., since when there has been some slight recovery and the quotation is now about 7½d.

As regards jute, the year opened with prices in the neighbourhood of £60 per ton. Before the new jute season opened the quotation was down to about £27 and now stands about £30 per ton. These two commodities alone account for a very large part of the reduction in the value of Indian exports, but there are other factors which also contribute to the falling off. Ordinarily, India is a very considerable exporter of wheat. During the past year, however, exports have been comparatively trivial, due partly to a smaller crop, and to a considerable extent to a greater internal consumption, for it would appear that a section of the population which formerly was content to exist on cheaper foodstuffs has now developed a taste for the more expensive and more nutritious grain, and presumably they can afford it. In this connexion, a feature of the year has been the import of several cargoes of Australian wheat, due no doubt to external prices being lower than internal prices.

What I have said about wheat may also be said of most oil seeds of which India is usually a large exporter. Exports have been on a reduced scale, due largely to an increased consumption in the country itself. Shipments of rice, of which Burma is the large exporter, were normal and prices steady throughout the year. Shipments of tea from India and Ceylon were heavier owing to larger crops, and prices in consequence were at a lower level.

As regards imports the lower level of prices of raw cotton should help to stimulate imports of piece-goods, and it is satisfactory to note that since the beginning of the year considerable orders have been placed in Lancashire which must be welcomed by all those engaged in the textile industry in this country.

As I have said, the foreign trade of India all round has been on smaller lines. As regards our branches in East Africa, trade in these territories also shows some contraction, due principally to a smaller crop of cotton in Uganda and the much lower prices ruling for that commodity. Total exports from Kenya and Uganda were valued at £6,000,000 in 1926 as compared with £7,800,000 in 1925. The value of imports was also lower, being £6,300,000 against £6,873,000 in the previous year.

The Exchange.

Indian exchange throughout the year kept in the neighbourhood of 1s. 6d., but at times there was some uncertainty as to the future and on one occasion the Indian Government had to resort to selling sterling on London to keep rates on the 1s. 6d. basis. Such uncertainty made profitable working difficult and encouraged an element of speculation which did not contribute to easy working.

Money market conditions throughout the whole year were easy and for the six months from June to December the Imperial Bank rate remained at 4 per cent. In the open market for several months during that period money was practically unobtainable at any rate.

As most of you are no doubt aware, a Royal Commission on Indian Currency and Finance was appointed in August, 1925, "to examine

FOREIGN EXCHANGES.

Country.	Method of Quoting.	Parity of Exchange.	Latest Quotations.
Alexandria.....	Piastre to £	97½	97½
Athens	Drachmæ to £ ...	25.22½	375½
Belgrade.....	Dinars to £	25.22½	276½
Berlin	Marks to £	20.43	20.49
Berne	Francs to £.....	25.22½	25.25½
Bombay	Sterling to Rupee	24d.	17—29/32—15/16
Brussels	Belga to £.....	35	34.94½
Bucharest	Lei to £	25.22½	805
Budapest	Pen to £	27.82	27.83½
Calcutta	Sterling to Rupee	24d.	17 29/32—15/16
Constantinople	Piastres to £	110	950—960
New York	Dollars to £	4.86 2-3	4.85½
Paris	Francs to £.....	25.22½	124
Prague	Kronen to £.....	24.02	164
Rome	Lire to £	25.22½	101.25
Sofia	Leva to £	25.22½	670—675
Teheran	Krans to £	50½	50½
Vienna	Sch to £	34.58½	34.51—34.55
Warsaw	Zloty to £	25.22½	43—44

THE IMPERIAL BANK OF PERSIA

(Incorporated by Royal Charter, 1889.)

CAPITAL (fully paid) - £650,000 | RESERVE - - - £470,000
Reserve Liability of Shareholders, £1,000,000.

Branches in Persia:—
Abbadan, Ahwas, Barfrah, Birjand, Bander Abbas, Burujird
Chief Office in Persia—TEHERAN.
Kermanshah, Masjed-Suleiman, Meshed, Mohammerah, Naeratabad (Seistan), Yezd
Branches in Persia:—
Bushire, Duzdab, Hamadan, Isfahan, Kazvin, Kerman

Branches in Iraq (Mesopotamia):—Bagdad, Basra, Kirkuk.
Branch in India:—Bombay.
The Bank is prepared to transact Banking business of every description in and connected with Persia and Mesopotamia; and in London grants Drafts, Telegraphic Transfers and Letters of Credit, and negotiates or collects Bills on Persia and the Near East.

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IONIAN BANK, Ltd.

Established 1839.

Capital Authorised - - £1,000,000
Capital Paid up - - - £600,000
Reserve Fund - - - £235,000
Total Assets - - - £5,663,445

HEAD OFFICE:

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GREECE.

EGYPT.

Central Office:

Central Office:

ATHENS.

ALEXANDRIA.

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10 Branches and Agencies.

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IMPERIAL BANK OF INDIA

Incorporated and constituted in India under the Imperial Bank of India Act, 1920, for the purpose of taking over the undertakings and business of the Bank of Bengal, the Bank of Bombay and Bank of Madras.

Local Head Offices:—

CALCUTTA, BOMBAY, MADRAS

Managing Governors in India:—

Sir Norcot Warren, K.C.I.E.

Sir N. M. Murray.

Manager in London:—

Sir S. A. H. SITWELL.

Authorised Capital Rs. 11.25.00.000

Paid-up Capital - Rs. 5.62.50.000

Reserve - - - Rs. 5.00.00.000

BANKERS in INDIA to the GOVERNMENT INDIA.

Branches in all Principal Towns in India.

London Branch - - - 22 Old Broad Street, E.C.2.

NATIONAL BANK OF INDIA, LIMITED.

Registered in London under the Companies Act of 1862, on the 23rd March, 1866

Established in Calcutta, 29th September, 1863.

BANKERS TO THE GOVERNMENT IN KENYA COLONY AND UGANDA.

AUTHORISED CAPITAL	£4,000,000	Paid-up Capital	£2,000,000
Subscribed Capital	£4,000,000	Reserve Fund	£2,850,000

HEAD OFFICE: 26, BISHOPSGATE, LONDON, E.C.2.

BRANCHES.

Aden	Calcutta	Colombo	Lahore	Rangoon	Eldoret	Kenya Colony (Brit. E. Africa)	Entebbe	Uganda
Aden, Steamer Point	Cawnpore	Delhi	Madras	Tuticorin	Kisumu		Jinja	
Amritsar	Chittagong	Kandy	Mandalay	Zanzibar	Mombasa		Kampala	
Bombay	Cochin (S. India)	Karachi	Newera Eliya		Nairobi, Nakuru			

TANGANYIKA TERRITORY—Dar-es-Salaam, Tanga.

The Bank purchases grants, advances against or collects Bills payable in India, Burma, Ceylon, Aden, Zanzibar, British East Africa, Uganda, etc., on current terms.
The Bank issues Drafts on its Branches, as well as on its Agents in the principal towns of India and Burma, Africa and elsewhere, and also sells Telegraphic Transfer on all its Branches, at the exchange of the day.

The Bank, on behalf of its Constituents, undertakes the collection of Furlough Pay and Pension from the India and Colonial Offices, the Custody of Government and other Securities, and the receipt of interest and Dividends thereon.

Powers of Attorney or other forms and any information required may be had on application to the Bank in London or any of its Branches.

The Bank receive Deposits for fixed periods not exceeding one year at rates to be obtained on application.

LLOYDS BANK LIMITED.

HEAD OFFICE:

LONDON, E.C.3.

Capital Subscribed - £73,302,076
Capital Paid up - £15,810,252

Reserve Fund - £10,000,000
Deposits, &c. (31st Dec, 1926) £347,653,458

EASTERN DEPARTMENT:

14, KING WILLIAM STREET, LONDON, E.C. 4.

LLOYDS BANK now has the following Offices in INDIA and BURMAH, and can offer special facilities to merchants and others for transactions with those countries. It issues Drafts, Mail and Telegraphic Transfers and Letters of Credit, negotiates and collects Bills of Exchange, conducts Exchange operations, and transacts Banking and Agency business generally.

INDIA & BURMAH.—BOMBAY, CALCUTTA (2 Offices), KARACHI, RANGOON, DELHI, SIMLA, RAWAL PINDI, MURREE, SRINAGAR (Kashmir), GULMARG.

and report on the Indian Exchange and Currency system and practice; to consider whether any modifications are desirable in the interests of India, and to make recommendations."

This Royal Commission issued a highly interesting and instructive report in August last. Recommendations of the majority were—amongst others—that the rupee should be stabilised at one-and-sixpence and that a Reserve Bank should be established for the management and control of the Currency and other matters. Since the issue of the report legislation has been introduced to give effect to the recommendations of the Commission, and after much discussion in the Legislative Assembly and the Council of State a Bill has been passed establishing the one-and-sixpenny rate. A further Bill is now before the Legislative Assembly designed to give effect to the recommendations of the Commission regarding a Reserve Bank for the management and control of the currency. This Bill will come up for discussion later on in the year and will merit the attention of all banking institutions established in India. Should this Bill reach the Statute Book in its present form the Imperial Bank would be freed from restriction as to the nature of the business which it may transact. It would also cease to be Government Banker and as compensation for the loss of such business would receive special consideration from the Reserve Bank. An agreement setting forth the terms to be offered forms part of the Bill and this agreement will call for very careful consideration by all those interested in Indian finance and banking, in order to ensure that justice is fairly meted out both to the Imperial Bank and to others who have financed the trade of India for many years.

Consideration will also have to be given to the nature of the business to be transacted by the proposed Reserve Bank itself. It is, as I understand it, intended to be a "banker's bank." It should be nothing more and should therefore do no outside business.

As regards local industries, jute mills, due to a bumper crop and a sustained demand for gunny bags and cloth, are now doing fairly well. Last year the slump in prices of raw material and the necessity for writing down stocks to market value affected adversely the results of some of the mills, but prices are now at a safer level and the industry should do well.

The great cotton mill industry in Western India is still depressed but probably not so badly as it was a year ago. Lower prices should stimulate consumption and it is to be hoped the industry has seen its worst days.

Tea Companies although not making the large profits of recent years are still doing well.

In regard to Indian affairs I would like to associate myself with the tribute paid to Mr. Lindsay, the Indian Trade Commissioner, by the Chairman of the Mercantile Bank of India. Mr. Lindsay's whole-hearted zeal and energy in the interests of all who trade with India are most valuable. We would very much like to see his office back at Winchester House again.

Once again I desire to place on record on behalf of myself and colleagues on the Board our very keen appreciation of the strenuous and good work put in by our managers and staff. It is to them more than anyone else we owe our present very satisfactory position. (Hear, hear.)

The Dividend.

I beg to propose:—"That the report of the directors and statement of accounts for the year ended December 31, 1926, be received and adopted, and that a dividend for the six months to December 31, 1926, at the rate of 20 per cent. per annum be paid on the shares of the company registered at this date, the same to be payable, free of income tax, on and after April 6, 1927."

After this resolution has been seconded by Mr. Stuart, and before I put it to the meeting, an opportunity will be given to anyone who wishes to make any remarks or to ask any questions. (Applause.)

Mr. J. N. Stuart: I have much pleasure in seconding the resolution which has just been proposed.

The Chairman: If there are no other remarks I will put to the

meeting the resolution which I have just read and which has been seconded by Mr. Stuart.

The resolution was carried unanimously.

The Chairman: Gentlemen, I have much pleasure in proposing:—"That Sir John P. Hewett, Mr. R. Langford James, and Mr. J. A. Toomey be re-elected directors of the Bank."

Mr. Robert Miller: I have much pleasure in seconding that.

The motion was passed unanimously.

Mr. Alderman Percy W. Greenaway: Mr. Chairman and gentlemen, I have pleasure in proposing:—"That Messrs. Cooper Brothers and Company and Messrs. W. A. Browne and Company, be re-elected auditors of the Bank for the ensuing year at the remuneration of 400 guineas per annum each, free of income tax."

Mr. Alderman W. Martin: I beg to second that motion.

The resolution was passed unanimously.

Mr. J. Irwin Davis: It is my privilege to propose to you a very cordial vote of thanks to the Chairman and directors for the care and prudence exercised in conducting the affairs of the bank during the past year, and also to the general manager and staff for their valuable services. Having regard to the adverse conditions which continued throughout the year, the balance-sheet is as usual a most satisfactory document. It reveals again the efficient manner which has always characterised the administration of the affairs of the bank. We have listened with much pleasure and profit to the lucid and interesting address of the Chairman and I am sure we shall all leave this hall fortified in the comfortable feeling of better times ahead. At any rate we feel assured that our interests could not be in better hands than in those of our esteemed Chairman Sir Charles McLeod and his co-directors. Our best thanks are also due to our general manager, Mr. Nicoll, to the London manager, and to the managers and staff at home and abroad. They have all done their duty and done their best, devoting their best energies to the promotion of our common aims and our common interests—the advancement and prosperity of the Bank. After an experience of these annual meetings of over a quarter of a century I can say that the staff has always worked in full harmony and in full co-operation with the Board. We on our side have placed the fullest confidence in both, and in doing that we have been more than justified. The bank has kept on forging ahead, in good times and in bad times consistently earning handsome profits and paying substantial dividends to its shareholders. I am sure you will all unite with me in conveying to all concerned our warmest appreciation and thanks.

Mr. Frederick Tomkinson: I have pleasure, gentlemen, in seconding the resolution which has just been proposed.

The resolution was carried with acclamation.

The Chairman briefly acknowledged the compliment on behalf of the directors and staff and the meeting terminated with a vote of thanks to the Chairman for presiding.

At a meeting of the Board of the Suez Canal Company on April 4, M. Jonnart made known his desire to resign the Presidency. The Board thereupon elected him Honorary President and the Marquis de Vogue (manager) was unanimously chosen to be President of the Board.

Roumania's autumn sowings are stated to have been as follows:—Wheat, 2,578,364 hectares, against 2,077,991 hectares in 1925; rye, 239,507 hectares, against 272,472 hectares in 1925; winter barley, 103,634 hectares, against 108,037 hectares in 1925; autumn rape, 15,168 hectares.

In accordance with the Greco-Roumanian commercial convention, signed on March 29 in Athens, both parties will enjoy most-favoured-nation privileges, Greek shipping in Roumanian ports on the Danube will be given the same facilities as Roumanian, and the duty on Greek currants in Roumania will be abated.

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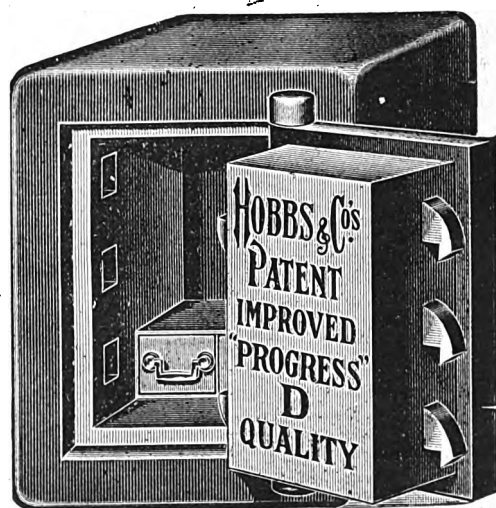
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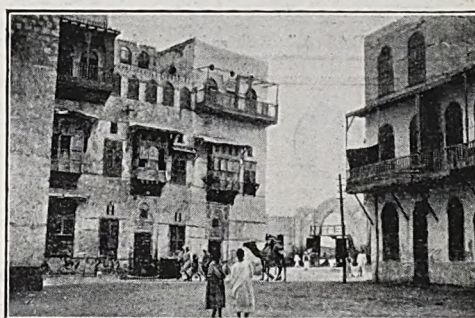
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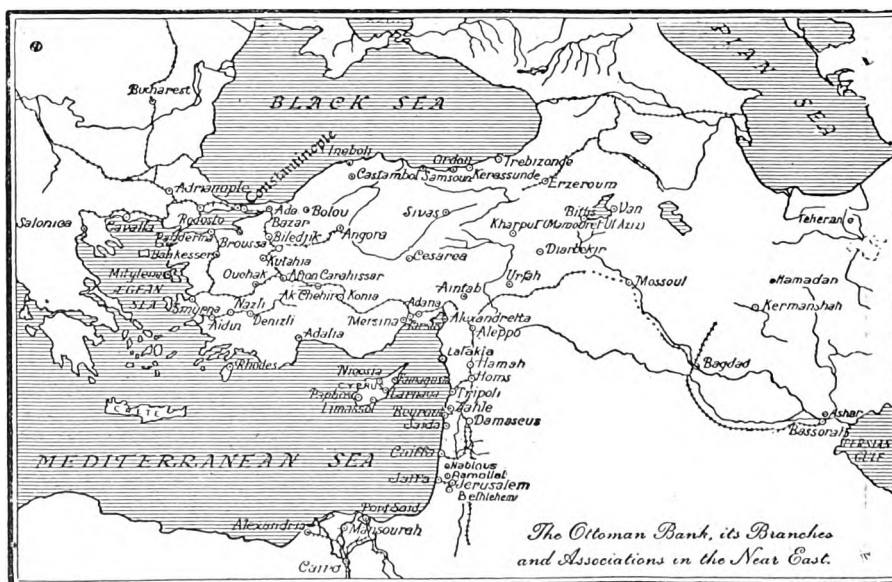
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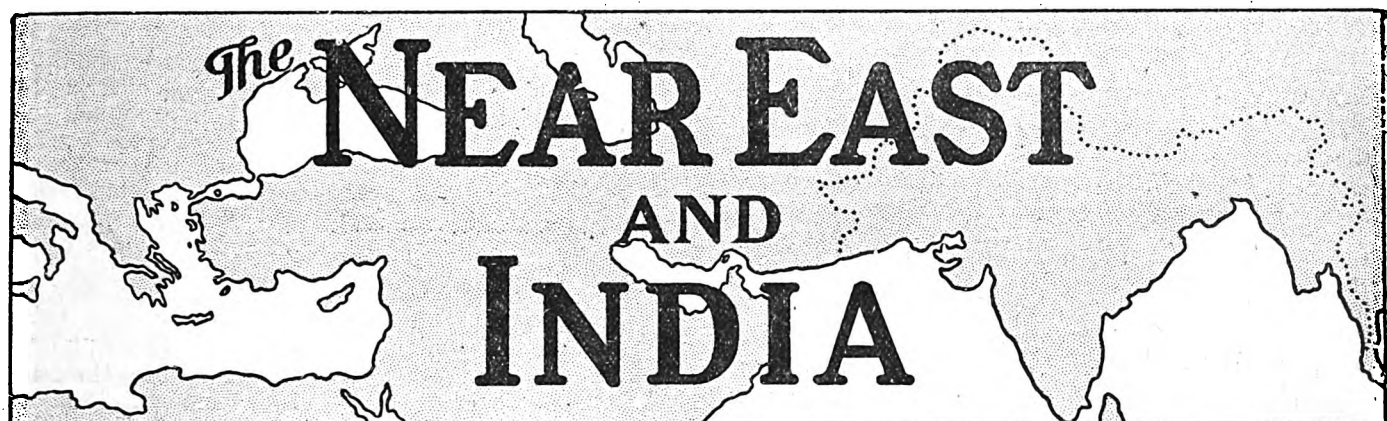
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No. 830.—VOL. XXXI.

THURSDAY, APRIL 14, 1927.

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The Puzzle of Turkey.

The East of to-day is studded with problems such as never before, in their variety and many-sidedness, puzzled mankind. No matter where you look, whether it be China, Russia, Persia, Arabia, or Turkey, the condition of affairs in each country is open to many different interpretations, and, in fact, is being interpreted in many different ways. So you will hear some observers speak of "Nationalism" in China and others deny its existence; of freedom in Bolshevik Russia and its description as a mockery; of efficiency in the Hijaz and the assertion that the interests of Islam are incapable of being protected and realised by the Wahhabis; and so on. There is in the Western world nothing approaching unanimity in the estimates of the East; the Oriental problem (or problems) is infinitely more elusive than it was before the Great War.

But if the West cannot make up its mind about the East, equally the East cannot make up its mind about itself. Let us take Turkey as a test case. Here is a country ruled by a Dictator, Mustapha Kemal, who for a time was the cynosure of Muslim eyes. He, the Ghazi, had stood firm for Islam against the all-powerful West; there was hardly a Muslim soul in non-Turk countries who did not look up to him in awe and pride. But now? Who would say what the Muslim East thinks of Kemalist Turkey? Manifestly his strength and iron determination are still the source of infinite admiration; in Iraq and Persia, for example, the example of the Turkish President inspires some not insignificant men. The fact that Turkey is governed under the thinnest veil of constitutionalism matters little to Muslims, who are fortunate enough to be able to appreciate good governance without

any theoretical moralisings upon its methods. But is Kemalist Turkey universally admired among Mussalmans?

Obviously the answer is, No! Kemalist Turkey has been a considerable disappointment to a section of Islam. That section which longed for a more zealous practice of the doctrines of its religion and which hoped that renaissance Turkey would take the lead in such a movement has been gravely disappointed. It has seen Turkey apparently rushing blindly in an uncheckable desire to be superficially like the West; it has watched Turkey march to the beat of men who seem (to this section of Islam) to have imbibed the vices of the West rather than to be exhaling the virtues of the East; it has been dismayed at the strange attempt on the part of the Kemalists to have banished for ever the charge of being Oriental.

When will this perplexity end? Time alone can tell. But there are signs—very small, perhaps, as yet—that the old Islamic Turk is reasserting himself. At the religious festival of Qadr recently in Constantinople, crowds are said to have filled the mosques. Of course, Stamboul is not Angora, where it may be that the Charleston is among the select a more popular indulgence than is a religious observance. But it is difficult to believe that the present tendency in Turkey to account other things more important than the religion which it so long and gloriously defended will endure indefinitely.

In time, one is forced to think, the rulers of Turkey will come to see that not all the immemorial habits of their subjects need be broken in the worthy and painful struggle to establish a new order. But until they see that, they will remain a puzzle to the world; and when they see it, they will willy-nilly find all Islam upon their side.

THE NEAR EAST AND INDIA.

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THURSDAY, APRIL 14, 1927.

THE ALBANIAN PROBLEM.

Three weeks have sufficed to dissipate effectually the scare created by the Italian communication to the British, French and German Governments regarding Yugoslavia's alleged preparations for war. Apart from the chronic strain to which the relations between Yugoslavia and Italy are subjected, which became intensified by the conclusion of the Tirana Treaty, the sequence of events leading up to the crisis begins with a test mobilisation ordered by the Yugoslav Government at the beginning of the year, to determine the efficiency of the country's military organisation. Although no military movements were involved, an alarmist interpretation was placed on these activities by the Albanian Government, which proceeded as a precautionary measure to strengthen its forces on the northern and north-eastern frontiers. Alarmed in turn by this concentration, the Yugoslav Government is reported to have instructed its frontier commands to mobilise sufficient reserves to bring their units up to adequate strength in case of emergencies on the Albanian frontiers. It was at this stage that Italy intervened. In the interests of both Albania and Yugoslavia it was time that the mutual misunderstandings—if such they were—should be cleared up, and it is evident that any outside Government, actuated by the right motives, could easily have brought about this end by asking for simultaneous explanations in Belgrade and Tirana. The Italian Government preferred to launch an unqualified denunciation against Yugoslavia and at the same time unmasked its own designs by landing—so it is stated—troops on the island of Saseno in the Bay of Valona. This latter movement, if it actually took place, does not seem to have received the attention that it deserves. The Italian note to the Powers threatened that support would be accorded to Albania in the event of a Yugoslav attack; it did not, as far as is known, mention that the Albanian Government had invited Italy to send troops to its aid, and, if this invitation had been received, it is difficult to understand why Saseno should have been selected as a landing place in the face of a threatened invasion from the North of Albania. Possibly, in omitting to mention the dispatch of troops to Albania, Italy may have adopted the attitude that Saseno is still an Italian island, in spite of the fact that the Tirana Treaty and the subsequent letter of the Italian Minister will have led the Albanian Government to suppose that the territorial *status quo* which Italy has undertaken to maintain is that of the official boundaries of Albania, and not as modified by Italy's seizure of Saseno prior to Albania's admission to the League of Nations. Even so, the landing on Saseno must have given the Albanians, with their whole attention fixed on the north, furiously to think.

Not the least satisfactory aspect of the situation is the readiness with which the countries immediately concerned have endeavoured to atone for the mistakes made by each of them. The appointment by the Albanian

Government of Major-General Sir Jocelyn Percy to command all the forces of the Republic in the Scutari zone is an eminently tactful measure, calculated not only to reassure Yugoslavia, but also to impress the tribesmen of Northern Albania with the good intentions of the Tirana authorities towards them. The Yugoslav Government for its part has placed no obstacles in the way of any course suggested for the liquidation of the crisis. It was prepared to accept an investigation of frontier conditions by military experts, and has equally acquiesced in the proposal for direct negotiations between itself and the Italian Government. If Italy's contribution to the general improvement of the situation has been of a more negative character, it has been none the less useful. Signor Mussolini's abrupt abandonment of his first provocative attitude has done more than anything else to convince other Governments that Italy's action was not altogether disingenuous and has caused them to modify the judgment that they were inclined to pass on Yugoslavia immediately on the receipt of the Italian note. It is difficult, however, to see what advantages are to be gained by direct negotiations between Italy and Yugoslavia. Nothing could improve upon the cordiality of the treaties already signed by the two countries; but this circumstance has not ameliorated the relations between them one whit, nor did it prevent Italy from denouncing Yugoslavia to the Great Powers instead of making friendly representations to Belgrade with a view to easing the tension with Albania. Under the pressure of public opinion in Europe it is possible that Italy and Yugoslavia may sign yet another treaty of friendship and cordiality; but until there is a complete change of attitude towards Albania on Italy's part, there is likely to be little real improvement in the relations between the two States.

The crux of the situation, therefore, lies in the position of Albania. It is an axiom of Italy's Adriatic policy that any modification in the frontiers of Albania or any violation of her independence constitutes a danger for the strategic safety of Italy, and the validity of this point of view was endorsed by the Governments of Great Britain, France, Italy and Japan in the decision taken in Paris on November 9, 1921, when they recognised Albania as a sovereign and independent State. The four Governments then agreed, however, that appeal must first be made to the Council of the League of Nations for the safety of Albanian territory, and that, only in the event of the Council's deciding that intervention was not expedient, would they take the matter in their own hands and entrust the protection of Albania to Italy. By the Tirana Treaty the Italian Government has gone behind the four-Power agreement and has constituted herself the special protector of Albania without reference to the other Powers or to the League of Nations. It is clear, therefore, that the Governments of Great Britain, France and Japan are no longer bound by the Paris Pact of November 9, 1921, which Italy herself has "scrapped." In these circumstances what is required now is that the League of Nations in the interest of European peace should examine the question of Albania's status. An Italian protectorate over Albania is entirely opposed to the principle of the Balkans for the Balkan peoples, and so long as it exists or is claimed by Italy it must be challenged by Yugoslavia and, sooner or later, by the other Balkan States. On the other hand Italy's fear of having the Adriatic closed against her is genuine and legitimate, and a solution of the Albanian problem, to be complete, must safeguard Italy's naval position. As far as Yugoslavia is concerned, a resolve, however fiercely expressed, not to tolerate Italian designs on Albania is in no way incompatible with the most conscientious respect for Albanian integrity and independence. Convinced as we are that a final settlement of the Near Eastern Question can be found only in a Balkan Federation, which must include Albania, we can but hope that Italy will be great-minded enough to realise that she stands to gain much more from a united and prosperous Balkan Peninsula, which she will have helped to create by a voluntary surrender of her past claims on Albania, than by seeking petty advantages at the cost of constant friction with all her neighbours.

Notes of the Week.

Balkan Nerves.

It is inevitable that the scare recently raised by Italy should have reacted on the nerves of the Balkan peoples, and the situation has not been improved by the conclusion of a Treaty of Friendship between Italy and Hungary. The epidemic of treaty-making which has swept over Eastern Europe is, however, so innocuous that there is no need to invest the Italian outbreak with any sinister import. Signor Mussolini has found yet another Government willing to give and accept promises of good behaviour in keeping with an age that has seen the creation of the League of Nations, and, as there still remain some two score countries belonging to the League which have not yet signed an undertaking to behave in the same way, Italian diplomacy may yet be kept busy multiplying treaties for some time to come. The only significance attaching to the Italo-Hungarian Treaty lies in the fact that its conclusion follows hard on the early steps of an attempted *rapprochement* between Hungary and Yugoslavia. For the moment it is likely to check the progress of the negotiations between Belgrade and Budapest; but it is to be hoped that the Yugoslav Government will quickly decide that the best way to counter Italian activity in the realm of academic agreements is to conclude treaties which can lead to practical and beneficial results in the economic sphere. Hungary is not to be blamed for taking the hand of friendship held out by Italy. She has still to smart under the affront and anachronism of the Little Entente, which in its origin bound Czechoslovakia, Yugoslavia and Roumania together in the joint purpose of jumping with their forty-three million inhabitants on eight million Magyars in the event of the latter attempting to commit political suicide. It is true that the Hungarian "menace," in view of its relative insignificance, has been allowed to sink into the background, and the Little Entente serves little further purpose than to irritate Italy and to spur her on to undermine it. Each of the three countries, however, hesitates to propose its dissolution. So long as it exists, both Roumania and Yugoslavia remain catspaws of Czechoslovakia's Central European ambitions, and are prevented from promoting their own interests by a Balkan federation.

Greece's Political Troubles.

It would have been a serious misfortune for Greece if the Coalition—or Oecumenical—Government had been dissolved at this early stage of its existence. In four months there has not been time for the Cabinet to achieve more than a modicum of its programme. It has indeed inaugurated a policy of reconciliation between Venizelists and anti-Venizelists in its own composition and by appointing representatives of the latter to diplomatic posts; and now it has to its credit the settlement of the Greek War Debt to Great Britain. Trouble, however, arose as soon as it tried to get to grips with the all-important domestic problem of military reform. For many years now the Greek nation has been at the mercy of military revolutions, and it could expect no permanent relief from this danger so long as the Army was officered on the in-and-out system in regard to the two main political divisions of the country. The task that the Government set itself was, first, to restore the anti-Venizelist officers who had been retired on political grounds, and then to pass an impartial non-political comb through the Officers' Corps with a view to re-establishing the efficiency of the Army. No real progress had been made in the matter before the resignation of M. Tsaldaris, Minister of the Interior one of the Anti-Venizelist leaders was announced. The step followed a Gendarmerie appointment and was not directly linked up with Army reform, but it reflected the strained relations that have been brought about in the Ministry by the attempt to settle the military problem. The incident has now been closed by a compromise and M. Tsaldaris retains his portfolio. Any

radical change of Government at this moment would be doubly unfortunate in view of the fact that the general Balkan situation holds out prospects of a possible solution of the questions outstanding between Greece and Yugoslavia.

The Labour Party and Bulgaria.

The British Labour Party is evidently exercised in mind over Bulgaria, for in recent years many of its members have undertaken missions of investigation to find out "at first hand" just what the situation in the country is. The latest visitors are Mr. R. C. Wallhead and Mr. D. Grenfell, who seem to have made up their minds that a "white terror" exists in Bulgaria and to have tried to gauge its intensity. Now, of the earnestness and conscientiousness of both these investigators we have not the least doubt; but it requires only a slight knowledge of the Balkans to realize of what little practical value their inquiries must be. To begin with, they can learn only what is told them, and, having no profound knowledge of the country and its people, they will be unable to gauge the value of the evidence that they collect. Members of the Government or at least some of its followers will tell them, presumably, that all the political prisoners still in gaol are criminals; members of the Opposition will maintain that they are one and all saints, victims of such a terrorist Government as was never before. Unless the inquirer is well acquainted with the language of political opponents in the Balkans, who the day after may be members with the party in power of a Coalition Government, is it likely that he can profitably gauge where the line of probable accuracy is to be drawn between the two contradictory statements? Mr. Wallhead has unburdened himself to the *Daily Herald* and appropriately rings the changes on the word "terror" and all its derivatives. Mr. Grenfell, we gather, is more circumspect, and sees some point in the contention that if a man who is generally believed to have been responsible, directly or indirectly, for the death of one or more of his neighbours but cannot be convicted for lack of evidence, is let out of gaol he may not be received exactly with open arms by those neighbours. Now it is unnecessary in the Balkans to introduce the political terms of "Fascist" and "Labour" to explain this phenomenon. Quarrels there are settled in the more elementary way of "an eye for an eye and a tooth for a tooth," and it is much better for the inexperienced Englishman to realize that the adoption of Western drawing-room methods in the settlement of political differences in the Balkans is likely to be a slow progress, however earnestly Labour Members of Parliament, who know it not, may tour the Peninsula.

Depression in Palestine.

The continuance of the depression among the Jewish immigrants in Palestine is not, we think, adequately realised in this country, for the fact that the Palestine Government's finances are in a quite satisfactory condition has led many people to suppose that the general situation also must be good. But it is patent that the depression which set in several months ago still continues. In January and February of this year emigrants from Palestine once more outnumbered immigrants into it; and it has been stated by the *Dayar* of Tel Aviv—which town, by the way, has on its at present impotent shoulders a debt of over a quarter of a million sterling—that of the 23,460 members belonging to Labour Organisations, no fewer than 8,150 are unemployed. It has been suggested, of course, that the Government should alter this state of things by the institution of large relief measures. What can be done in this direction, however, is already being done; there is obviously a limit to this kind of thing. It looks very much as if Zionists in Palestine would have to bear their souls in patience until the report of the non-partisan body of Jews, who are expected soon to be in Palestine, is published, and the financial support that is.

thereafter expected from American Jewry comes to the rescue of those who at present are in so anxious a plight.

The Turco-Iraqi Commission.

The second meeting of the Commission which was provided for in the Turco-Iraqi Treaty is to be held on April 20 at Jazirat ibn Omar. The first of these meetings, which, it will be recalled, are to take place at six monthly intervals for two years and alternately on Iraq and Turkish soil, took place last autumn at Zakho. Then the Turkish representative was the Vali of Julamerk, and the meeting was the happiest possible augury for Iraqi-Turkish relations. For this next meeting Tewfik Hadi Bey, Vali of Mardin, has been chosen to represent the Turks. It appears that the forthcoming meeting may be complicated by the request, made from Baghdad, for the Iraqi frontier tribes to migrate into Turkey during the summer—as, of course, has been their custom. The difficulty that arises from drawing an arbitrary line through territory over both sides of which tribes have for generations been wont to roam is not peculiar to the Turco-Iraqi frontier; and it is to be hoped that the comprehensiveness and elasticity which in other parts of the world have marked the arranging of international and tribal borders will also be in evidence here. There is some talk of a refusal by the Turkish Government to accede to what is manifestly a reasonable request; but it is possible that the Turkish representative, on closer examination of the problem, will see that what may appear from Angora to be a dangerous precedent is in fact nothing of the kind. In the meantime the Frontier Commission set up by the League of Nations is at work finally delimiting the northern frontier of Iraq.

The Iraq Diplomatic Agency.

To follow, in whatever capacity, in the footsteps of Jaafar Pasha, the present Prime Minister of Iraq, is no easy task for any Iraqi, but the young Arab State is certainly to be congratulated on having secured the services of so able a man as Muzahim Beg for the post of Iraq Diplomatic Agent in London. This Agency has sometimes been condemned in Iraq as a needless extravagance: if the advice of London be needed, said some of those who opposed the formation of the Agency, it can be sought across the Tigris (meaning the Residency). But a wider view of the purpose and of the accomplishment of the Iraq Agency is, we believe, now being entertained. Iraqis are realising that it is no bad thing for Iraq to be differentiated, in the diplomatic sense, from

such countries as Palestine or Syria. At all the diplomatic functions here the independence of Iraq is duly recognised: that fact in itself is a useful reminder to Iraqis of how their country is essentially different from those bearing a more nearly "colonial" status. At the forthcoming Colonial Conference, for instance, there is provision for Palestine, but not for Iraq. For ourselves, we should certainly consider well spent the small sum that has to be devoted by Baghdad to the upkeep of the Iraq Diplomatic Agency in London. And we feel confident that, in Muzahim Beg's hands, its usefulness will become more and more manifest, not only to his own countrymen, but also to the British people. The next few years must, as they affect Great Britain and Iraq, be years of cementing friendship and establishing prosperity: the days of danger and uncertainty being over, it is the task of both countries to build up the Arab State. Already much has been accomplished, but much remains. It is well therefore, that a man should have been chosen to represent Iraq in England who not only has had practical experience of Iraq's needs but who is also an enthusiastic admirer of British ways and of the British people.

THE POWERS AND ALBANIA.

In view of the interest attaching at this time to the Declaration signed by the British, French, Italian, and Japanese Governments in Paris on November 9, 1921, in which they recognised Albania as a sovereign and independent State, we give below the text of the Declaration:—

1. If Albania should at any time find it impossible to maintain intact her territorial integrity, she shall be free to address a request to the Council of the League of Nations for foreign assistance.
2. The Governments of Great Britain, France, Italy and Japan decide that, in the above-mentioned event, they will instruct their representatives on the Council of the League of Nations to recommend that the restoration of the territorial frontiers of Albania should be entrusted to Italy.
3. In case of a threat to Albania's integrity or independence, whether territorial or economic, owing to foreign aggression or to any other event, and in case Albania has not availed herself within a reasonable time of the right provided for in Article 1, the above-mentioned Governments will bring the situation before the Council of the League of Nations.
4. If the Council considers intervention necessary, the above-mentioned Governments will give their representatives the instructions stipulated in Article 2.
5. If the Council of the League of Nations decides, by a majority, that intervention is not expedient, the above-mentioned Governments shall reconsider the question in conformity with the principle enunciated in the preamble to this Declaration, namely, that any modification in the frontiers of Albania constitutes a danger for the strategic safety of Italy.

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ARCHÆOLOGICAL DISCOVERIES IN ARMENIA.

In the course of a scientific expedition carried out last autumn in the region of Lake Sevan and the slopes of Mount Alagaz, the Antiquities Commission of Armenia brought to light some hieroglyphic writings and works of art which may prove to be of great importance.

Mr. A. Kalentar, the leader of the expedition, discovered various specimens of a new form of cuneiform writing, believed to be of the earliest type, inscribed on rocks east of Mount Alagaz. On another part of the slope he found other slabs of rocks covered with hieroglyphs and artistic designs of a very primitive type. Higher up the slope Mr. Kalentar discovered a cave, the walls of which are covered with cuneiforms.

A preliminary examination of these discoveries appears to show that the ideograms used at various spots are different from each other. One set of cuneiforms bears all the characteristics of hieroglyphs; the others more resemble linear letters.

The works of art, roughly representing wild beasts and possibly deities, often occupy the whole surface of large slabs of rocks, occasionally interspersed with writing of a linear type.

The Armenian archæologist is convinced that these cuneiforms have no likeness whatever with the Khaldian (or Urartian) form of writing, of which that region contains several specimens.

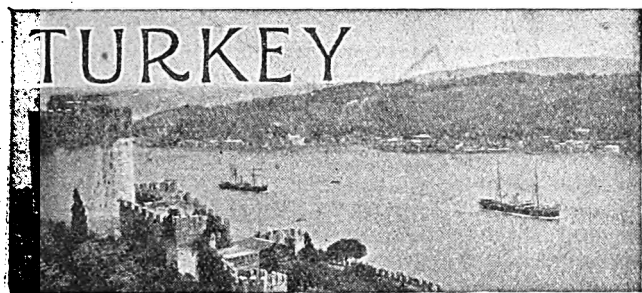
In a statement which he made recently before the Antiquities Commission, Mr. Kalentar implied that these hieroglyphs may be the earliest type of Sumerian writing hitherto unknown to the archæological world.

All the cuneiforms and the works of art have been carefully photographed and copies taken. The Commission intends to publish them shortly.

A. S.

The Near and Middle East*

From Our Own Correspondents.



Constantinople, April 6.

Alleged Excavations.

The excavations on the site of the old Hippodrome have, as yet, brought to light nothing of importance, but Mr. Casson states that he does not anticipate the finding of anything of interest for some four or five days. The public of Constantinople were, however, led to believe on April 1 that discoveries rivalling those at Luxor had already been made. The mere fact of the excavations being in progress was, to the *Vakit*, too fine a chance to be missed; so it immediately proceeded to make fools of hundreds of its readers. On the morning of April 1 great headlines and two columns of matter—complete with photographs—described how, on the previous day, the representatives of the British Academy had unearthed a perfectly preserved mummy which was even so accommodating as to have its complete history sheet in its possession, an astounding pyramid, and a large vase overflowing with golden coins, and so forth. The account of the find, the description of the objects (which were alleged to be on view to the public) and the detailed explanations which Mr. Casson had given to this paper's enterprising reporter were so well done that before noon an excited crowd had gathered round the wooden enclosure where the excavations are taking place. It was some time before it was realised that the paper was having its little joke and the fact that its circulation has not fallen off speaks well for its readers. One or two of the afternoon papers were also badly spoofed, as they gave a prominent reproduction of the morning's interesting news. It is fortunate for these papers whose custom it is to subject their readers, once a year, to different inconveniences that Constantinople possesses a long-suffering population.

Reconstructing Constantinople.

The Prefecture of Constantinople is now engaged upon a scheme for the reconstruction of the town which will take 50 years to realise. Plans have been prepared by a German architect named Lorhel which provide for numerous new bridges across the Golden Horn, theatres, parks, play-grounds and 20-metre wide streets. The project as imagined by the above architect is reported to have been approved by the local authorities, and all that

now remains is to find the money for its execution. Idea as this metamorphosis would undoubtedly be, the Prefecture would appear to be well advised to come down from the clouds and examine the earth in this particular part, as any money going spare would be admirably spent in making the existing streets of the town negotiable to pedestrians.

Votes for Women.

The activity of the Union of Turkish Women of which Nézihâ Mouhiédine Hanem is president, is occupying the serious attention of the Press. "Votes for Women" is the cry which this union has now taken up, and Nézihâ Hanem, in view of their being no discrimination between the two sexes under republican principles, believes that they will get their desires. She contends that the Turkish woman has already achieved sufficient to justify her claim to a say in the government of the country, and goes so far as to say that her right to a vote cannot be contested on the pretext that she is intellectually undeveloped. The word is now with the men; and they will doubtless have much to say on the matter.

Papa Eftim.

Papa Eftim's name is again before the public. This time the Greek newspaper *Metarythmisis* charges him—in concert with a certain Papa Tranta—with illegally disposing to an antique dealer in the Grand Bazaar of valuable religious objects belonging to the churches "Christo" and "Panaghia." It is alleged that had not the Bairam holidays interposed, thereby preventing the booty—which was found in the Customs House—being removed the antique dealer would have already shipped his treasures abroad. The above-mentioned paper is now demanding the expulsion of the two priests from these churches which, since his excommunication, Papa Eftim has administered under a denomination of his own invention. Furthermore, the *Metarythmisis* appeals to the local authorities for the restitution of the objects in question and their handing over either to the Greek Orthodox community or to the Turkish National Museum. Consequently it is not unlikely that the notorious Papa will find himself constrained to change his usual rôle of plaintiff in the Turkish Courts to that of defendant.

Refugees for Turkey.

Before the end of 1927 seventy thousand refugees—50,000 from the neighbourhood of Tiflis and Erivan, 10,000 from Cyprus and 10,000 from Bulgaria and Yugoslavia—are to be removed to Turkey. Those from the Caucasus will be installed in the eastern vilayets, but the disposal of the remainder has yet to be decided upon.

*Under this heading appear weekly or at regular intervals, communications from correspondents in Egypt, the Sudan, Roumania, Yugoslavia, Greece, Bulgaria, Albania, Turkey, Cyprus, Palestine, Iraq, and Persia.

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IRAQ.*Baghdad, March 31.***The Northern Frontier.**

The Commission appointed by the League of Nations to demarcate the boundaries between Iraq and Turkey is now at work, the Swiss President—M. Baischlin—and Colonel Nalder, the British representative, having reached Baghdad on March 12. The work of demarcation, which is being assisted by a party of surveyors provided by the Iraq Government, is expected to take three or four months.

The Syrian Frontier.

A special tribal conference is shortly to be held on the Iraq-Syrian border, to discuss the best measures for the prevention of raids across the frontier. The paramount shaiikh of the Dulaim tribe, Ali Sulaiman, has been authorised by the Chamber of Deputies to absent himself from the Majlis for the rest of the session, to enable him to attend this conference.

Income Tax.

The Government of Iraq having decided to levy an income tax, a law to put it into effect has been prepared by the Ministry of Finance, but has not yet come before the Majlis for discussion. It is understood that the tax will be one of seven pies per rupee on all incomes over Rs.4,000 per annum. The tax will apply to companies as well as individuals.

Baghdad Municipality.

Very great strides have been made during the past months in improving the streets of Baghdad. The two experimental stretches—one macadam, one reinforced concrete, are nearing completion, and the rest of the long street, which is the city's main thoroughfare, will be paved according to the results observed. A considerable

stretch of road between Baghdad and Hinaidi has also been very successfully tarred.

Another innovation is the introduction by the Posts and Telegraphs Department of electrically synchronised clocks, which may be hired for offices or private houses at a yearly rental. They will be checked by an official chronometer, and by daily wireless notifications of Greenwich time. Baghdad residents will now have no further excuse for the uncertainty about "the right time" which has prevailed hitherto.

General News.

Just ten years from the unostentatious entry made by General Maude's troops on March 11, 1917, the last British regiment has left Baghdad. The 2nd Battalion of the King's Regiment, who have served two years in Iraq, marched through Baghdad to the railway station with bayonets fixed, colours flying, and bands playing. A very smart guard of honour was provided by the Iraq Army, whose band played "Auld Lang Syne" as the train left the station. A large gathering of officers and officials and many civilians, both Iraqi and British, had assembled to say goodbye to the King's.

A serious accident occurred near Rutbah—the half-way desert post between Baghdad and Damascus—last week, when a car belonging to a local transport company overturned. Two passengers, an Iraqi and a Persian, were badly injured, and a doctor from another convoy sent in a wireless message to Baghdad, suggesting that they should be removed by air. The R.A.F. authorities at once sent out a hospital aeroplane, with a doctor, and the injured men were brought in to Baghdad in the quickest and most comfortable way possible. Thus were the most modern discoveries of civilisation employed to save the lives of two obscure Orientals.

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and Branches.

*Cairo, April 3.***Great Britain and Egypt.**

The visit of Sir William Tyrrell and his departure with Lord and Lady Lloyd to Wady Halfa, where Sir John Maffey is being met, could hardly fail to stir the imagination of local political circles. The usual crop of rumours, of which the most interesting, however, does not originate in Cairo, but in London, has resulted. The Diplomatic Correspondent of the *Daily Telegraph* produced a quite large ripple of excitement in the so long placid political waters with his summary of the conditions supposed to have been set out as essentials to an agreement between Great Britain and Egypt, by Zaghoul Pasha, during his recent visit to the Residency. The excitement has been quickly dissipated, however, by the unqualified denial given by Zaghoul Pasha to the suggestion that he had thought of or discussed with anybody any such conditions, and the political prophets of the vernacular Press are again left with no other material than their own imaginations can provide for building up elaborate hypotheses regarding the outcome, if any, of the southward journey of the High Commissioner and the Permanent Under-Secretary of State for Foreign Affairs.

Marriage Laws.

The reforms in the marriage laws proposed by the commission set up by the Ministry of Justice to make recommendations on the subject are at the moment the principal

subject of journalistic discussion. The suggested changes are numerous and cover many aspects of the legal side of matrimony. From the lay point of view the most important proposed changes would have the effect of hedging polygamy about with such restrictions as practically to secure its abolition and would also give wives some rights—not nearly so extensive as their husbands possess—in the matter of divorce. Publication of the commission's report has provoked protests from the ulema, who are shocked at the intended practical abolition of polygamy. Plurality of wives, say the Al Azhar authorities, is permitted by the Quran and was conspicuously practised by the Prophet. Therefore it cannot be abolished by a State's calling itself Moslem. Social conditions, notably the fact that there are even now many unmarried Moslem women, are also advanced as reasons for the maintenance of polygamy, the abolition of which, say the ulema, would result in a large increase in prostitution. The latter evil is consistently regarded by Egyptians, against all the evidence, as a peculiarly Western product. It is, therefore, not surprising that shaikhs who have never been to Europe and probably never will go there should instance what they imagine to be conditions in Paris and London as proofs of what happens where the evil and anti-social custom of monogamy prevails. Another argument against the abolition of polygamy is that such a step would reduce the number of children born. Seeing that the bulk of the Arabic Press, inspired by the recent Census results, has lately been speculating regarding what will happen in thirty years if the present rapid rate of population increase continues, this particular objection of the ulema to the proposed reforms awakes little enthusiasm.

It is, indeed, remarkable to note with what unanimity the Arabic newspapers applaud the recommendation of the commission. Not less striking is the avidity with which the attitude of the ulema is seized upon as an occasion for showering abuse on the Rector of Al Azhar, the Grand Mufti, and all the Moslem hierarchy. I lately wrote, in connexion with the new Egyptian attitude towards the Moslem religion and its local pillars, that there were frequent new proofs that Egypt, in regard to religion, was following in the path marked out by Kemalist Turkey. The *Kowab el Shark* newspaper seized upon this remark, declaring that it proved that the correspondent who made it was a fool and knew nothing whatever about what was happening in Egypt. Despite this gentle rebuke, it must be reasserted that Egypt is rapidly imitating Turkey in many ways and in no manner more conspicuously than her progress towards secularisation. Anyone who had been absent from Egypt for a decade and had not followed the march of events here would hardly believe his eyes if, returning, he picked up a copy of the *Syassa* newspaper, or even the *Kowab el Shark* itself and read the criticism of the ulema and their methods. Young Egypt cordially detests Al Azhar and all it stands for. From being an institution exercising an incalculable influence throughout the country, so powerful as to be courted and propitiated by every aspirant to power, Al Azhar has sunk now to a position of impotence. It is continually criticised with the utmost vehemence, in Parliament and Press alike, and many of the younger politicians make no secret of their hope that, if they cannot reform the venerable university in accordance with their ideas, they will secure its abolition, or at least its reduction to a status of no great importance than any other religious school attached to a mosque.

A Leisurely Period.

Ramadhan has ended and Egyptian Government officials are enjoying a four days' holiday in celebration of the happy event. As Friday immediately preceded the first day of Bairam, the public servants get a clear five days' respite from their labours. The leisure is spent in ways varying in accordance with circumstances, nationality and temperament. Thousands of families make of the holiday a long picnic in the public gardens which, just now, are lovely with flowers. The main roads out of

the city carry a continuous stream of motor-cars some, nowadays, driven by *hanoums* who dispense with any male companion and who doubtless anticipate—and with reason—that, should a puncture necessitate the fitting of a spare wheel, or a choked carburettor demand messy fiddling with the car's "innards," there will be no lack of amateur mechanics to offer assistance. The trains to Alexandria are filled with week-enders, among whom are the representatives of Cairo in the annual Bally Cup lawn tennis contest with Alexandria. With them this year has gone a second team, to strive for a newly-presented cup for the forty-five years and upwards veterans of the two cities. Lawn tennis continues to gain popularity in Egypt, though it is noticeable that not very many Egyptians take to the game. Association football remains easily the most popular field game in this country, cricket and hockey having made no headway whatever.

Drama and Music.

On Monday evening the Cairo Amateur Dramatic and Musical Society opens a week's run of "Iolanthe." This represents the second part of the season's activities of the society, which recently produced "Dear Brutus," with astounding financial, and creditable artistic results. Nothing is more surprising to the average non-Briton in Egypt than the manner in which the British community each year assembles, almost to the last woman and child, to see its dramatically and musically inclined members give proof of the faith and talent that is in them. Sometimes, watching the productions, one has felt something of the same sentiment of surprise. But the C.A.D.M.S. has now, by successive stages, reached a very creditable level, and its productions are usually well worth paying to see for their intrinsic merits, uncoloured by any patriotic feelings. The Society will be very hard hit this year, for the departing officials and their wives include some of the oldest and most devoted members. The present performances of "Iolanthe" will doubtless live long in the memory of some of the cast, for whom, in the near future, the footlights of the Royal Opera House will be nothing but a memory.

CYPRUS.

Nicosia, March 28.

The Governor's Energy.

The Governor is indefatigable in making himself acquainted with all districts of the island, their various institutions, and leading personages. Good results should follow from an innovation now in force, viz., that of

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periodical meetings of the Commissioners of the six administrative districts. Officers can learn much from consultations with one another, regarding the application of laws, and many local subjects, concerning which differences of practice arise, and much correspondence with headquarters can thus be avoided. A meeting took place recently in the anti-chamber of the Legislative Council, at Nicosia. Villagers are now encouraged to send complaints respecting local grievances direct to the heads of Government departments concerned.

Decoration for the Governor.

The Greek Government has bestowed on Sir Ronald Storrs the Order of the Saviour, first-class. The Hellenic Consul, M. Sakellariades, presented the insignia at Government House, Nicosia. Sir Ronald expressed his warm thanks and appreciation of the honour conferred.

Cypriot as Solicitor-General.

Mr. Neoptolemos Pascáli, a Greek barrister of great ability, who holds a distinguished place in the bar at Nicosia, and who is much esteemed in all circles, has been appointed to the new office of Solicitor-General. Acceptance of the post involves considerable pecuniary loss, and for various reasons Mr. Pascáli, not unnaturally, felt some hesitation in accepting the honour. The appointment causes the greatest satisfaction in the Greek community.

Mr. Amery's Despatch.

Meetings of elected members of the Legislative Council have been held to consider and draft a communication to the Colonial Secretary of State with reference to his recent despatch to the Governor. The note is regarded generally by Cypriots as lukewarm and feeble, and a leading Greek paper of Nicosia considers that it would have been wiser to pass the matter over in silence.

General News.

The Greek National Fête, in honour of Greek Independence Day was duly observed in the town and many parts of the island on March 25.

The Mining Company at Skouriotissa, in the north of the island, recently celebrated the inauguration of important new installations near the village of Karavostási. The Governor spoke at some length in reply to the managing director.

It appears that Athletes from Greece will take part in the next Pan-Cypriot Athletic Sports. They will no doubt receive an enthusiastic welcome.

Mr. Popham Lobb, Colonial Secretary, has left, in order to represent Cyprus at the forthcoming conference of Colonial representatives in London. Major Bolton will act during his absence.

CORRESPONDENCE

The columns of THE NEAR EAST AND INDIA are open for the discussion of subjects of general interest to its readers. The publication of such letters must not be taken, however, as indicating that the views expressed by the writers are those of THE NEAR EAST AND INDIA.

THE STATUS OF SASENO.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—In the editorial note appended to Mr. J. S. Barnes's letter in your last issue you observe that "if Italy lands troops in Albania, she will be attacked by Yugoslavia." You cannot, of course, be unaware that, technically at least, Italy has within the last few weeks again "landed troops in Albania"; for, although the

political status of Saseno is almost ludicrously intricate, there can be no doubt that geographically it is as much part of Albania as St. Michael's Mount is of England, Procida of Italy or the Chateau d'If of France, whilst it would be difficult to establish on ethnological or linguistic grounds a claim to a barren rock, the normal population of which consists of a lighthouse-keeper, two goats and a few gulls. The material insignificance of Saseno of course renders its military occupation by a foreign Power only the more significant and one is consequently inclined to ask whether it might not be in the interests of the general peace that the juridical status of this rock should be investigated and definitely established by the Council of the League of Nations. The lighthouse-keeper at least would then "know where he is" and so, perhaps, in a slightly different sense, should we.—I am, etc.,

HARRY H. LAMB.

Sidmouth, May 8.

GREAT BRITAIN AND H.M. IBN SAOUD.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—The remark of *Umm ul Qura* (a Mecca weekly) published in your issue of April 7 ought to command more than a passing interest, especially in view of the fact that Sir Gilbert Clayton is to reopen Anglo-Arab negotiations. In the beginning, however, I cannot conceive that any reputable English journal or responsible person in this country has either published or even suggested the view that Jalalatul Malik Sultan Ibn Saoud may be placed under British tutelage. I do not speak of the "dross," who do not count in any country.

From the highest to the lowest, students of Arabian affairs with whom I have had an opportunity of speaking on the subject are agreed that the present peacefulness of the Hijaz is undoubtedly due to that great warrior of the desert, Sultan Ibn Saoud; but when during my expositions of the greatness of the Wahhabi King as the "necessity of the age" the report was published that the Ali Brothers and their kind in India had actually persuaded the Maharaja of Mahmudabad to send a telegram to His Majesty King George here requesting the British Government to have the Wahhabi hands stayed from the alleged dismantling of the Holy Shrines of Islam, it took a great deal of explaining to prove that the anti-Wahhabi agitation in India was not a true index of the Islamic attitude towards the Jalalatul Malik's régime at Mecca.

Still more awkward was the point that England, despite possessing the greatest Muslim Empire, was yet a Christian State, and theologians are perplexed to find the justification of Mahmudabad protest when a Muslim could appeal to non-Muslims in matters of pure religious nature. The whole scheme is but part and parcel of a disgraceful form of propaganda with its headquarters in India which has endeavoured to throw the odium of bad faith upon the Wahhabis for making a treaty with Great Britain, and which desires a different form of government established in the Hijaz from that which exists there to-day. They might as well ask Russia to go back to the Tsarist régime or the United States to elect a King.

But the tragedy of this wasted endeavour is that the Indian Khilafatists are not doing anything to bring the Hindu-Muslim tension even an inch nearer its close, and continue to meddle with the international high policy to which their mentality does not rise. My personal view is that the Ali Brothers and their victims in India can do greater service to Islam if they ameliorate the lot of their co-religionists in India: but it may not be in the programme of professional agitation.—I am, etc.,

IKBAL ALI SHAH.

THE ARMENIANS IN SYRIA.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—We wish to commend very heartily the appeal being made by the United Committee of British Societies working for Armenians.

Arising out of the last Assembly of the League of Nations, a scheme has been worked out for relieving the appalling congestion in the refugee camps of Syria by placing 20,000 Armenian refugees on the land in productive employment. The work has already begun under the auspices of the League and has the full goodwill of the

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French mandated authority, who has made a generous contribution. Not less than £120,000 is needed and only half that sum is at present in sight.

The responsibility for these unfortunates who have suffered for the Allied cause does not lie with the Syrian mandatarly alone but with all the Allies who made them frequent promises that still remain undischarged. The opportunity of making these promises good is here, and it is a matter of national honour to make this scheme a success.

Each family placed permanently in independence costs about £30 for four or five persons. Settlers repay the cost over a period of years into a revolving fund that is available for further settlement, so that the money will be continuously useful.

The Archbishop of Canterbury permits us to add that he is in favour of this appeal, which also has the sympathy of His Majesty's Government, the Prime Minister having expressed the hope that it will meet with the fullest success.

The societies constituting the United Committee are:—

Armenian (Lord Mayor's) Fund,

96, Victoria Street, London, S.W.1.

Friends of Armenia, 47, Victoria Street, London, S.W.1.

Save the Children Fund (Armenian Section),

26, Gordon Street, London, W.C.1.

Society of Friends (Armenian Committee),

Friends House, Euston Road, N.W.1.

Any of these societies will gladly receive contributions earmarked for Syrian Settlement, or they can be sent direct to the United Committee.—We are, etc.,

CHARLES GORE (Chairman of the United Committee).

THOMAS NIGHTINGALE (Secretary of the Free Church Council).

GILBERT MURRAY (Chairman of the League of Nations Union).

The United Committee, 96, Victoria Street, S.W.1. April 6.

GREAT BRITAIN AND YUGOSLAVIA.

BY A SLOVENE.

There is nothing during the recent period of tension with Italy, now happily overpast, which affected Yugoslav public opinion more painfully than Great Britain's sympathy for Italy. As this sympathy seemed necessarily to entail an anti-Yugoslav attitude, the Yugoslav public could not but ask when and how it had come to deserve this unkind disposition? Even the most searching self-criticism failed to show us any guilt in the matter, for in all Yugoslavia there is surely not one person who feels even the slightest cause for dislike towards England. So Yugoslavia was driven to the conclusion that the reason for the coolness between Great Britain and Yugoslavia must be sought in some deplorable misunderstanding. The main object of this article is to dispel such misunderstanding, in so far as it may exist, and to pave the way back to the old-established friendly terms between the two States. And we venture to hope that British public opinion, which above all knows how to appreciate frankness in word and deed, will not refuse them its attention.

For generations past, the Southern Slavs have been accustomed to look upon England—i.e., Great Britain—as the country of all where parliamentary government is most highly developed and democracy most securely established. On these grounds alone Great Britain was always regarded by them as the land of order, as the best-governed country in the world. It is obvious that such opinions can give rise to sympathies only, never to antipathy. History records no clash of British and Yugoslav interests, and to this day there is not even the most trivial conflict, economic or political, between Great Britain and Yugoslavia. The struggle with the Central Powers compelled the Yugoslavs to range themselves on the side of the Allies; and Yugoslavia has always realised that Great Britain occupied a leading position in the Entente. To Great Britain the Yugoslavs looked for their emancipation, and in the searching ordeal of the World War, their consciousness of the might of Britain upheld their faith in the ultimate victory of the Allied cause. These hopes were fulfilled, and therefore the conclusion of the World War found Yugoslavia all anglophile and anxious to remain so for good. For this reason it has always been an axiom in Yugoslav politics to maintain friendly relations with Great Britain in all circumstances. And from this axiom Yugoslavia has never swerved.

Now it is altogether obvious that Yugoslavia is far too small for even the slightest interference in the differences of the Great Powers among themselves; Yugoslavia

cannot afford to take sides with one group or the other, since such action on her part might end by endangering her own existence.

But Yugoslavia has every reason to be anxious about her existence; because Italy, which is a Great Power, has shown on repeated occasions that it has aspired to Yugoslav territory and is hostile to Yugoslavia. Yugoslavia has made many sacrifices and behaved with the greatest self-denial in order to achieve cordial and neighbourly relations with Italy. In the Treaty of Rapallo, 1920, she relinquished the whole of the Littoral, parts of Carniola and Carinthia, and the Istrian islands in favour of Italy—whereby 600,000 Yugoslavs became Italian subjects. The greatness of this sacrifice—especially where the Slovenes are concerned—can be measured by the fact that one-third of the Slovene people was made over to alien masters thereby. And these masters proclaim quite openly that their one aim in regard to these Yugoslavs is their complete denationalisation. All means conceivable are employed to accomplish this aim, and not a day passes, but well-authenticated news reaches Slovenia of the intolerable oppression of the Slovenes under this process. All the same Yugoslavia made yet more sacrifices, only to make sure of peace.

She resigned all her claim to Fiume, her one property-equipped seaport. By special conventions she granted the Italians of Dalmatia—who do not, numerically, constitute even one-thousandth part of the population of the province—extensive national privileges; she permitted the Italian fishing fleets to fish off the eastern coast of the Adriatic, the only area where the fishing is good; she concluded the Treaty of Rome; she was consistently considerate to Italy—and yet all these concessions have been in vain.

The Yugoslavs in Italy continue to be as brutally oppressed as before. Italy initiated diplomatic action on a large scale in order to isolate Yugoslavia, its effect can be felt in Sofia, Budapest, Bucharest, Athens and Tirana. Albania was given an Italian navy manned by Italian officers and crews. Italy has begun to build strategic roads in Albania, every one of them leading to the Yugoslav frontier. Finally, Italy acquired a kind of protectorate over Albania. Simultaneously there was an outburst of *komitaji* activity on the Albanian and Bulgarian frontiers. The moment for the blow seemed imminent, and in this moment of extreme tension Italy ushered in her campaign against Yugoslav armaments.

It is not possible to conceive of a more groundless accusation than this of Yugoslav war aims.

1. The Yugoslavs are a peasant nation, and never in history has a peasant nation shown itself in favour of aggressive warfare. The peasant will fight in defence of his land and country, but he has no desire to gain foreign land by war.

2. Yugoslavia is scarcely yet consolidated. In order to carry out her own consolidation, she needs and desires peace. No sane and responsible person in Yugoslavia wants war to-day.

3. Italy is a Great Power with a population of forty million or more. It has a well-developed armaments industry, a powerful navy, and is in every way technically superior to Yugoslavia. And Yugoslavia with her thirteen million population stands accused of seeking cause for attack upon Italy. Is it not rather absurd?

4. In case things were to become serious, Yugoslavia has no ally among her immediate neighbours. In fact, she would have to reckon with the contingency that Hungary, Bulgaria, Albania, and, possibly, even Greece,

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would move against her on the word from Rome. And in these circumstances Yugoslavia is said to be anxious for war.

5. Most certainly Yugoslavia's internal administration is not ideal. But life and liberty are safer here than in any of the neighbouring States, excepting Austria. A dictatorship is out of the question in Yugoslavia, because the Skupshtina possesses real power and because government by parliament is a fact in the country.

6. Yugoslavia is closely allied in friendship to France; and this friendship is already traditional. Yugoslavia desires to remain true to this friendship, because the Yugoslav does not change his friendship as one would one's shirt. But how could this friendship stand the strain, were Yugoslavia, without the knowledge or approval of her powerful friend, to embark upon warlike adventure? The Franco-Yugoslav friendship is a sure guarantee for Yugoslavia's pacific intentions.

Yugoslavia desires no war and would fain live on good terms with all her neighbours, and, above all, with her friends. M. Voya Marinkovitch, the late Minister for Internal Affairs, spoke to the point when, incidentally to the last great debate on the country's foreign policy, he remarked that Yugoslavia is faithful to her friends, and that she cannot form new friendships unless she is sure that these will not do harm to the old. She is bound to France by old ties, and when she concluded a pact of friendship with Rome, this did not mean a turning away from France. In fact, the new friendship was possible in so far only as it would make no difference to the old friendship with France.

The same considerations apply to Yugoslavia's relations with Great Britain and Russia. Most certainly, Belgrade will seek to be on good terms with Russia, but not at the expense of her friendship with Britain. In other words, Yugoslavia cannot enter into close alliance with Russia, unless her old ties with Britain do not stand to suffer thereby.

It is true, that Russia, as the only Slavonic Great Power—and a Power which has in the past shown itself materially helpful to the Yugoslavs in their fight for freedom—enjoys great sympathy in Yugoslavia. But this is Russia—not the Communist Soviet State—for communism does not appeal to agrarian Yugoslavia.

Moreover, we must bear in mind the clash of Russian and Yugoslav economic interests. Yugoslavia's most formidable competitor in the grain market is Russia, and agrarian Yugoslavia cannot expect economic help from agrarian Russia.

Yugoslavia believes herself to be in danger of Italy, and she has cause to do so. It stands to reason, therefore, that she should welcome any support that offered. Bulgaria and Albania side with Italy, Roumania inclines that way; and if the Great Powers should permit Yugoslavia's existence to be placed in jeopardy, she will have to seek protection and accept it wherever she can find it, though it come from Soviet Russia. But in this case the fault will not lie with Yugoslavia, but with the Great Powers who have left her no other alternative.

CYPRUS.

A lecture entitled "Cyprus: Our Newest Colony" was given before the Royal Colonial Institute at Victoria Hotel on April 5 by Mr. William Bevan, Colonial Commissioner for Cyprus. Mr. Bevan dealt very comprehensively with his subject and showed a large number of excellent lantern slides illustrating the life, the scenery, and the industries of the island. In the course of his remarks he said:—

"Cyprus is a country rich in history, and though in recent times comparatively neglected, it was of great importance in the ancient world.

"In ancient times Cyprus was under the rule of Egypt, Phœnicia, Assyria, Persia, Greece and Rome: and coming down to the Middle Ages, from the 12th century to the 19th century, she was in turn governed by Lusignans (a French dynasty), Venetians and Turks. The latter seized

the Island in 1572, and retained it for 300 years until in 1878 it came into British occupation when Great Britain agreed to defend the Asiatic possession of the Sultan of Turkey against further aggressions from Russia on condition that the Sultan introduced reforms for the protection of his Christian subjects in his Dominions, and that Cyprus should be administered by Great Britain, subject to the payment of an annual tribute of £92,000.

"In 1191 for a few months Cyprus was actually English territory, for it was seized by Richard I., Cœur de Lion, King of England, when on his way to the Crusades: and he became King of Cyprus. But he soon sold his new possession to a French Crusader, Guy de Lusignan. Under the Lusignan Dynasty Cyprus attained the very summit of her glory; and during that period—1192-1489—it came under the influence of the Roman or Latin Church. The Lusignan Kings of Cyprus, especially in the 14th century, amazed all Western visitors. The rich merchants of Famagusta were wont, we are told, to give their daughters, on their marriage, dowries more precious than all the jewels of the Queen of France.

"The Lusignans were succeeded by the Genoese and through them by the Republic of Venice. We can still see the 'Lion of Venice' and the old inscriptions on the fortifications of the citadel of Famagusta: also a fragment of the palace of the Lusignans, now greatly fallen from its former pomp and converted into a police station.

"In 1572 the Island, after a long siege, was conquered by the Turks and remained in their hands for 300 years, as already mentioned. There is little of importance to relate during this period, during which the country was farmed out to Turkish Pashas, and its glory gradually disappeared. Some credit, however, must be given to the Turks that under their rule serfdom was abolished. The Greek Orthodox Archbishopric was also restored after having been suppressed since 1275; and the Christian population was given a large measure of independence.

"Having for a time been forgotten, she is now—since she became a full British Colony in 1925, and since our position in Egypt has become less prominent—emerging once more into prominence; and is, we hope, on the way to become of greater and more definite value in the Empire.

"The origin of the first inhabitants of the Island is doubtful, but within historical times Cyprus came under Greek influence, although never actually under Greek government.

"The population to-day consists mainly of Muslims or Turks, and non-Muslims who are Greek Christians; but they are neither Turks nor Greeks in race, but only in religion. When the Turks took the Island they married native wives; and in each generation the blood has been thinned away. Only the fez, the turban, the mosque, the religion remain. As to the Greek-Cypriots, we should remember that in old times many traders were called Greeks, and spoke the Greek language, when most of the Near and Middle East was under the general influence of Greece. In Cyprus they became Cypriots with a language which, though not pure Greek, is a dialect of that language. All the local newspapers are printed either in Greek or Turkish.

"Christianity was first known in Cyprus through 'those that were scattered abroad upon the tribulation that arose about Stephen.' They travelled as far as Cyprus, 'speaking the Word to none save only to Jews,' as we read in the Acts of the Apostles. But in A.D. 45 Saint Paul and Saint Barnabas, bringing with them John, Mark, landed at Salamis and crossed the Island to Paphos, where they converted the Roman pro-consul, Sergius Paulus; and a stone has been found in Paphos district engraved 'Sergius Paulus, Pro-consul.' St. Barnabas returned to Salamis, his native city and there suffered martyrdom.

"The Church in Cyprus claims to be the successor of St. Barnabas. The Archbishopric of Cyprus is one of the very oldest in all Christendom; equal in Apostolic foundation to the churches of Antioch, Jerusalem and Rome. Its independence was recognised by the Council of Ephesus in A.D. 431. Tradition says that this church appealed in

A.D. 485 against the Bishop of Antioch to the Emperor Zeno, and that the Bishop of Salamis went in person, taking with him the newly recovered body of St. Barnabas, and a M.S. copy of St. Matthew's Gospel found in St. Barnabas' tomb, and said to have been in the latter's handwriting. The appeal was granted and the Bishop of Antioch was forbidden to interfere with the Church of Cyprus.

"The Greek Orthodox Church of Cyprus thus became independent and autocephalus, recognising no head but its own Archbishop. This spiritual ruler, whose title is His Beatitude, is a prince in his own world, and is very jealous of his right to wear a purple robe, to carry an imperial wand, and to sign his name in red ink!

"There are also three Bishops or Metropolitans, and the Abbot of Kykkou, whose monastery is one of the principal of 82 monasteries in Cyprus.

"In the Orthodox Church the village priest, who must be married and is therefore not eligible for the ranks of the clergy, properly so called, unless he becomes a widower, is generally an uneducated, unpretentious person, who ploughs and reads prayers in church indiscriminately. A priest may frequently be seen even road-mending with his cassock tucked inside his baggy blue breeches. The house servant of a former Chief Justice was pressed by his co-villagers to become a priest, and when he saw him some time after he had left domestic service, he was letting his hair grow long—it is twisted up in a sort of bun—had grown a beard, and was trying hard to learn his Bible, and the office by heart."

After describing the educational system of the Island and the progress made under British Administration, the lecturer continued:—

"The principal cereals are wheat, barley, and oats, and the Island is a veritable garden of fruits. Raisins, pomegranates, oranges, lemons and grapes are those principally exported, but large quantities of apricots, caishas (the famous Cyprus white apricot), melons, figs, cherries, peaches, quinces, dates and loquats are grown. In the hills, apples, pears and plums are produced but are inferior to the English varieties. Walnuts, almonds, hazelnuts, chestnuts, and pistaci are grown in increasing quantities.

"After the cereals one product of Cyprus more than any other deserves special mention. That is the carob or locust bean which for long ages has been indigenous in certain parts of the Levant. It is an evergreen hardy tree, growing to a height of about 40 ft. and thrives in most soils. The ripe fruit is a dark brown pod about six inches in length, containing 6 to 10 hard seeds, surrounded by a sweet viscous substances possessing the characteristic flavour and smell which are so acceptable to animals. The greater portion of the annual crop is exported to England, Spain, France, Egypt, and elsewhere, for manufacture into cattle food, and a small quantity is used locally in the preparation of confectionery.

"Next in importance to the carob comes the olive tree. Like the former, it needs to be grafted before its fruit reaches perfection. Olive oil enters very largely into the dietary of the Cypriot, but as the unrefined, more strongly flavoured oil appeals mostly to his palate, the Cypriot has been slow to improve his methods of preparation. It is hoped that he is now becoming alive to the advantage of producing a more delicate, refined oil that will compete with others in European markets. As the cultivation of this tree has been extending for many years, Cyprus should, ere long, be able to create a very profitable export trade in this commodity.

"Cotton, which in the Middle Ages was a very important crop, has fallen very far behind its former position. The uncertainty of shipping opportunities, the fluctuation in prices have, no doubt, contributed to this; but there seems no reason why Cyprus should not regain her place among cotton-producing countries, if these difficulties can be overcome and sufficient water for irrigation can be relied on.

"The Jaffa orange export reaches some 18 millions, and is capable of much extension. Lemons also flourish and a

scheme is now under consideration for developing that industry, combining with it the production of lemon oil, candied peel and citrate of lime, which at present is almost exclusively obtained from Sicily.

"Tobacco growing is on the increase, and the Latakia variety is well regarded and, if carefully prepared, has good possibilities. It is now being used in the various Empire blends of tobacco which are so much in demand.

"Flax is also likely to be more widely grown, as it can now be scrutched by machinery. There are now three scrutching mills in the Island.

"A sumac factory, established in 1925 by two Englishmen, is making good progress and is producing a first-class tanning substance which it is believed will be able successfully to compete with the Cilician sumac, which has hitherto been the main source of supply.

"Forests are a great feature of the country. Cyprus was at one time famous for its forests, but during Turkish times it was practically denuded of forest trees. Since the British occupation artificial reforestation has been carried out, and a considerable improvement has taken place. The State Forests extend to 415,000 acres, with a boundary of over 1,800 miles.

"Pines, juniper, plane, dwarf oaks, alder, cedar, acacias, eucalyptus are among the principal species growing in the forests. The forests supply the local needs for fuel and in part for timber, but the export of timber on a commercial scale is questionable since it is recognised that the principal value of the forests is indirect, by increasing the rainfall, by preserving the sources of water supply, and by reason of their climatic effect.

"During the Great War Cyprus provided the bulk of the fuel and timber for our expeditionary forces in Egypt and Palestine. There is, of course, the perennial conflict between the shepherds (who graze their goats in or near the forests) and the Forest Department: and a scheme is now being tried for effecting voluntarily the wholesale transfer of certain villages situated in or on the edge of the forests, to sites elsewhere to be prepared for occupation, at the expense of the Department, in such a way as to enable the villagers to earn more money as agriculturists than they do as graziers. It will be interesting to see how the scheme will attain its object."

Turning to the subject of Cyprus as a place for tourists, the lecturer said:—

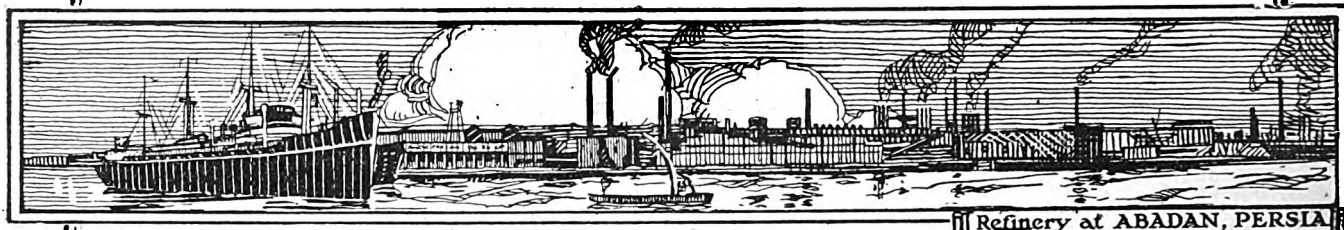
"During the summer months many people come from Egypt, Syria, Palestine, and Mesopotamia, and the attractions of the hill station are becoming more widely known. In 1926 a new hotel, under English management, was opened at Platres, four miles below Troodos, and is being kept open all the year round. Other hotels have been either opened or improved, but much yet remains to be desired to make them really attractive for tourists who wish for Home or Continental comforts.

"A tourist ship with several hundred Knights of St. John visited the Island last year, as did other tourist ships carrying French and other passengers. These tourists were much impressed with what they saw and will, it is hoped, be the forerunners of many more. Last month the Cunard liner Samaria visited the Island with 450 American tourists, and next year another Cunard liner will bring several hundred Canadian students: and other similar excursions will be organised in the near future.

THE AHMADIYYA MOVEMENT.

During the month of April lectures are being held in the Lecture Hall of the Mosque, 63, Melrose Road, S.W.18, on each Sunday at 3.30 p.m. On April 17 and 24 the subjects of examination are "The Growth and Propagation of Islam" and "The Importance of Religion in this Life" respectively

Egypt has in preparation a new set of stamps to celebrate the forthcoming International Statistical Congress.



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LEITH	CAPE TOWN	MOMBASA
LIVERPOOL	COLOMBO	ORAN
MANCHESTER	COPENHAGEN	OSLO
SOUTHAMPTON	DONGES(Loire)	PORT SAID
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SWANSEA	DURBAN	SYDNEY

Other Stations are in course of erection.



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PERSONAL AND GENERAL

TO-DAY

April 14, 1927 (New Style).

April 1, 1927 (Old Style).

Shawall 11, 1345, A.H., of the Muslim Calendar.

Nisan 12, 5687, of the Jewish Calendar.

Sir Henry and Lady Bax-Ironside have returned to 23, Grosvenor Place from the Continent.

Field-Marshal Viscount Allenby and Viscountess Allenby are spending Easter at the Hotel de Paris, Monte Carlo.

Prince Antoine Bibesco left London on April 7 *en route* for Madrid, to take up his duties as Roumanian Minister to Spain.

Lieutenant-General Sir Aylmer and Lady Hunter-Weston left London on April 7 by the P. and O. special train to join the s.s. Rawalpindi at Marseilles for Port Said.

Lady Warren, with her daughter and younger son, and Miss Wyndham last week arrived at the Golf Hotel, Valescure, from Bombay, where Sir Norcot Warren is remaining for the present.

M. Pavle Karovitch, the newly appointed Counsellor of the Legation of the Kingdom of the Serbs, Croats and Slovenes, has arrived in London and has taken up his duties.

Lady Stavridi left London for Venice on April 9, and will be abroad for a month.

Sir Francis Humphrys, who has recently arrived in England from Kabul, and Lady Humphrys, are staying at the Wadhurst Castle Country Club, Sussex.

The Marchioness of Linlithgow was expected to arrive at 29, Chesham Place on April 12, on her return from India.

Sir Arthur du Cros, Bart., who has been in Egypt for some months for his health, will return to London next week.

Among those present at the reception held by Sir John and Lady Stavridi at 33, Lennox Gardens on April 4, for members of the Greek Community in London to meet the new Greek Archimandrite, M. Constantinides, were Archbishop Germanos, the Greek Minister, M. D. Sophianis, Sir Lucas Ralli, M. and Madame Fiffo, M. and Madame Vasschiadi, M. and Madame Lambrinudi, M. and Madame Collas, and M. and Madame Romanos.

The marriage arranged between Charles Alexander MacKenzie Van Millingen, M.C. (late the Rifle Brigade), elder son of the late Rev. Professor Alexander Van Millingen, M.A., D.D., of Constantinople, and Marjorie Elizabeth, daughter of Mr. and Mrs. Joseph Boardman, of Wallasey, Cheshire, will take place on Tuesday, April 19, in Alexandria, Egypt.

Madame Ferid Bey, the wife of the Turkish Ambassador in London, on April 5 entertained at luncheon at the Embassy the Countess of Birkenhead, Lady Hamar Greenwood, Mrs. Stanley Baldwin, Mrs. Amery, and Mrs. J. C. C. Davidson. In the evening the Ambassador and Madame Ferid Bey entertained at dinner the Japanese Ambassador and Baroness Matsui, the Persian Minister, the Siamese Minister, Lady Churston, Lady Gibbons, Sir George Clerk, Mr. and Mrs. Godfrey Locker-Lampson, Mr. and Mrs. J. B. Gregory, Herr and Frau Dieckhoff, and Jevad Bey.

EGYPT EXPLORATION SOCIETY.

A lantern lecture on Memphis will be given by Mr. S. R. K. Granville, M.A., on April 28 at 8.30 p.m., in the Meeting Room of the Royal Society, Burlington House (by kind permission of the Council). The lecture is the fifth of a series arranged by the Egypt Exploration Society, and a few free tickets are available for non-members upon application to the Secretary, 13, Tavistock Square, W.C.1.

29TH DIVISION GALLIPOLI MEMORIAL SERVICE.

The annual Gallipoli memorial service for the 29th Division will be held in Holy Trinity Parish Church, Eltham, at 11 a.m. on Monday, April 25. General Sir Walter Braithwaite, who was Chief of Staff to Sir Ian Hamilton during the Gallipoli campaign, will deliver an address, and a sermon will be preached by the Rev. C. L. H. Beardmore, C.F., Tower of London, who also served with the Mediterranean Expeditionary Force. The R.A. Band and Trumpeters will attend. The vicar, the Rev. H. A. Hall, will send tickets for reserved seats to any who apply to him before April 20 enclosing a stamped addressed envelope.

The Bulgarian Sobranje last week passed the Budget for 1927-28.

Mr. and Mrs. Rudyard Kipling have arrived at Biarritz for a few weeks' stay.

The death took place at Calcutta on April 14 of Mr. Cecil Frank Beadel, C.I.E., of Hartley Court, near Reading, in his 56th year.

Field-Marshal Sir William Birdwood presented new Colours to the 2nd Battalion, The Sherwood Foresters, at Karachi on April 8.

President Masaryk and his daughter, with the Czechoslovak Chargé d'Affaires from Cairo, arrived in Jerusalem recently for a week's visit to Palestine.

The death occurred at his home, 13, Endsleigh Gardens, Ilford, of Mr. Ardeshir Kapadia, aged 62, the barrister-at-law who defended Mrs. Dyer, the notorious baby farmer, in 1896 at the Old Bailey.

The death is announced of Colonel J. Kellie (late Royal Engineers). He entered the Service in December, 1871, and served for thirty years in India. He took part in the Afghan War, 1879-80, and retired in 1904.

The Postmaster-General announces that henceforward until further notice, the Egypt-Iraq (Cairo-Baghdad-Basra) air mail service will operate every week. Letters may now be posted every Thursday at the same times as for the Indian Mail.

It is stated that a Swedish archaeological expedition under Professor Gjerstad, of Upsala, will go to Cyprus in the autumn to make a survey of the Stone and Bronze Age antiquities of the Island and excavate at Lapithos and elsewhere.

King Fuad is expected to arrive in London on July 4, and will be the guest of the King at Buckingham Palace for three days. He will afterwards stay at Bute House for two or three weeks, and will visit Bolton for the Crompton Centenary celebrations. King Fuad will subsequently officially visit Paris and Rome, and perhaps Brussels.

The Wahhabi King of the Hijaz and Najd, says *The Times*, has sent an autograph letter to King Fuad of Egypt and four Arab horses for his son, Prince Faruk, who is now seven. Some ostriches were also sent as a present, but half-way from Najd the birds became so wild that it was possible to bring them to the coast.

Lord Lloyd, High Commissioner for Egypt, accompanied by Lady Lloyd and Sir William Tyrrell (Permanent Under-Secretary at the Foreign Office) and Miss Tyrrell, returned to Cairo on April 6 from a trip to Wadi Halfa, where they were met by Sir John Maffey, Governor-General of the Sudan, and Sir George Schuster, Financial Secretary to the Sudan Government, and spent two days.

Where to stay in the East

Write for particulars of attractive offer
for Advertising Hotels on this page.

ALEXANDRIA—Windsor Hotel.

HAIFA—Strand Hotel.

JAFFA—Hotel Jerusalem.

JERUSALEM—

St. John's Hotel,

H. & F. Fast, Managers.

KYRENIA, Cyprus—

Sea-View Hotel.

NICOSIA, Cyprus—

George Hotel.

PORT SAID—

Casino Palace Hotel.

Grand Hotel de la Poste.

Marina Palace and Savoy Hotels.

NEAR EASTERN PRESS.

Turkey's Westernism.

It is interesting to note the awakening of a more forward movement in certain States in the Near East. The introduction of more Western methods has for some time been considered; and with the greater facilities for inter-communication now available, together with a better political understanding, the seed so long sown is beginning to bear fruit. Foreign alarms and excursions, nevertheless, still seem to disturb the insecure foundations and to prevent a fuller and more speedy realisation.

Turkey has been turning her attention to setting her house in order, and has to dig deep to the most primitive foundations. The Government has at last realised the necessity of expert advice, and *L'Echo de Turquie* tells us that an economic Council is in process of formation and will advise the Government on the subject on internal development. By this means the effort will be made and much be done to obviate the waste of Turkey's mineral resources, and so to place her in a better economic position. Again, in her municipal reform, a remarkable thing has occurred, in that women will in future be eligible as members of the prefectorial Council. Such a clause is significant of Turkey's attempt to emulate the West.

Education in Roumania and Turkey.

The question of education has been occupying the minds of more than one State. The people of Roumania, according to *L'Indépendance Roumaine* are helping themselves to education with very little assistance from the Government. Large territories have come within her boundaries since the War, and as in most countries, the vote was granted to their inhabitants before the necessary qualifying education was thought of.

"All these newcomers," the article continues, "to our national life are hungry for instruction. Never before has such a desire to learn been seen in so young a people. In the towns, the lecture rooms are crammed, and even compete with the cinemas. In the villages, not only are schools demanded, but the peasants are collecting money among themselves for their construction.

"And this is easily explained. The artisans, the small shop-keepers, the workmen, have attained to a state of well-being which they did not have before the War. They have greater interests to defend, and realise that they can only do this by educating themselves. The new middle class is strong and full of energy to rise and organise."

And yet, to help to carry out this purpose plans and organisation are lacking and the Government seem slow to undertake an additional burden.

Nejati Bey's Tour.

In Turkey, on the contrary, Nejati Bey has returned from his European tour, his mind full of ideas for reconstruction. Instructional courses for teachers have been started, and a programme to include work in all faculties and trades is in course of preparation. It is interesting to note the stress laid on the necessity for physical culture, for which both Turkey and Roumania are trying to cultivate a taste.

The following is the comment in *La République* on the Turkish Minister's visit over the name of Yunus Nady Bey:—

"After so many centuries of ignorance, prejudice and error, all those who are gifted with a grain of intelligence have finished by realising that the West represents, without discussion, the ardent hearth of civilisation, the hearth which belongs to all humanity and can be the individual possession of no one. . . . From the declaration of our Minister for Education we gather that Nejati Bey has returned from his tour convinced that we must appeal to European specialists and that we must send the largest number of students possible to Europe.

"The Minister is equally convinced of the necessity to ameliorate the conditions of those of our young people who are studying in Europe at this time.

"We have had occasion, moreover, to mention here several times the precarious position of our young students, as much from the point of view of their daily life as of their method of work.

"Another idea which Nejati Bey brings us, a completely new idea and one which seems to be dear to him, is to start among us schools for all sorts of trades, a measure which practical daily life urges, and to multiply these establishments as far as our means allow. . . .

"Thus we have learned with the greatest pleasure that our active Minister for Education, whose promptitude we all know, has already

engaged an eminent Belgian specialist to develop as quickly as possible this very important work.

"All mothers and fathers must certainly be glad to hear Nejati Bey speak with such great ardour of physical training, such as is understood and carried out (to-day) (in Europe).

"The day is not far off when we shall have the great joy of at last seeing the end of the lamentable state into which the distussion of education has fallen.

"While pointing out how backward we are in the matter of fine arts, our Minister shows us a good and noble example of the way in which one must consider things as they do in Europe. . . .

"Convinced of the enormous advantages which our country can draw from the precious notes of our Minister, we can but wish with all our hearts that the work of Nejati Bey may be as successful in practice."

Minorities.

The vexed question of minorities has given cause for the usual amount of sparring in the press. An article appeared in the *Messenger d'Athènes* describing the excellent conditions of the Turks inhabiting Western Thrace, and, needless to say, comparing the state of their brothers in Turkey in a very unfavourable light. The matter was investigated, and the following appeared in *La République*.

The *Messenger d'Athènes* affirmed to those who wished to hear, that our co-religionists inhabiting this country were living in a state of happiness and prosperity, enjoying all the rights of minorities; that their situation both social and economic was developing day by day, and that the Greek Government administered to them each year every kind of help. . . .

Whereas we knew perfectly well how much to believe of these lofty speeches. The lamentable and tragic situation of this unfortunate Turkish minority, spoiled of their houses, vineyards and fields, of their religious schools and even of their cemeteries . . . was spread before our eyes. . . .

Again in Roumania the Government has been troubled by the reverse aspect of the same question.

According to *L'Indépendance Roumaine* promises have been extracted by the minorities from candidates at election time, which afterwards the Government have been unable or unwilling to fulfill. The simple method of a fixed party programme has been suggested for the first time by M. Tataresco, and may remedy injustices on both sides.

Balkan Troubles and the Little Entente.

The Italo-Yugoslav trouble so recently allayed gave rise for much concern in neighbouring countries. In the midst of all the discord Roumania called attention to the existence of the Little Entente; and the determination of the members to support their Ally was shown in an article in *L'Indépendance Roumaine*.

In terms, of which we cannot but approve, for they represent the firm opinions of our paper, M. Nintchitch, the former Minister for Foreign Affairs, spoke in the Parliament of Belgrade, analysing the present situation of the Little Entente.

"It is not true," said he, "that the relations between the three Powers have in any way changed owing to recent events. The friendly relations between Roumania and Italy cannot nullify the Little Entente, just as a better understanding between Yugoslavia and Hungary could not alarm Roumania. On the contrary, new friendships consolidate the peace of Central Europe, which is the aim of the Little Entente.

It is astonishing that certain organs of the Yugoslav Press should not understand this. As long as the treaties between Yugoslavia, Czechoslovakia and Roumania remain in force, one cannot reasonably talk of the isolation of one of these countries, and all fears of complications in that part of Europe should be dismissed. . . .

But the Little Entente is too efficacious an instrument of guarantee for there to arise no counter-action on the part of the enemies of peace. The Soviets keep themselves perpetually ready in wait to throw the poison of doubt and to sow the seeds of mistrust. Especially now that their diplomatic defeats incite them to retaliate wherever they can find a weak point in the enemies' armour.

It is true that their intrigues are not foreign to the state of mind which shows itself in certain circles in Belgrade. We regret that they should have found a footing in an allied country, which is passing through a difficult period, and needs precisely to strengthen her ties of friendship.

The remaining members of the Indian Agricultural Commission sailed for Bombay on April 9 for England.

The Greek Cabinet has decided to appoint General Petsas to succeed Colonel Katsonas as Chief of the Gendarmerie instead of Colonel Karambelas.

Book Reviews

TOUCH AND GO IN TURKEY.

"**THE MOSQUE OF THE ROSES.**" By Harold Armstrong. (London John Lane. 7s. 6d.)

Secret dispatches there must needs be, and they are intended to reach their destinations. What an evil day it will be for the writer of fiction when it occurs to some one in authority that it would be much safer to send that secret dispatch in the charge of four men instead of in the charge of one! Fortunately for Captain Armstrong's readers such a simple precaution was not likely to occur to any member of the British Government at the time of the Chanak crisis, and so we have his thrilling story of those days, or of what might have been, if an imaginative intelligence officer's fancies had become realities. Here is adventure, however, with a very solid foundation of experience. The author has put his detailed knowledge of Constantinople and its immediate surroundings to telling effect; but it is to be hoped that the future historian will not feel compelled by the obvious accuracy of topographical details, to place the same amount of reliance on the historical picture. The difficulty of a novel that selects recent events for its background is that the sheer delight of the story is apt to be clouded by personal opinion of the author's reading of contemporary history. "The Mosque of the Roses" is like a hand trolley on a railway line—an exhilarating mode of progress, but not the one for which the line was built; and if a good look-out is not kept and the trolley occasionally lifted off the rails to allow a train to pass, there is apt to be trouble. Captain Armstrong takes his reader along with him so breathlessly, arrestingly and plausibly that there is danger of the latter's losing sight of the fact that this a picturesque delineation of those Chanak days. Some of the pictures that the author paints so luridly are bound to strike the imagination, and one is left to wonder whether in Anglo-Turkish relations a whole generation may not have to suffer for the shortcomings of those who did not recognise their individual responsibility in the days of the Allied occupation of Constantinople. These reflexions, however, are, perhaps, wide of the purpose of the book, and need not disturb the pleasure given by a novel cinematographically full of adventure, intrigue and the boldest handling of world forces. Captain Armstrong has already established a reputation as a writer by his "Turkey in Travail." In this novel he is still autobiographical, but his mastery of plot and effect bids fair to carry him a long way.

WESTERN ART AND ORIENTAL LIFE.

"**THE APOLOGY OF ARTHUR RIMBAUD.**" By Edward Sackville West. (London: The Hogarth Press. 2s. 6d. net.)

Of recent years there has been a considerable increase in the interest shown in the amazing career of Arthur Rimbaud, the strange poet-genius who was the friend, or at least the companion of Verlaine, and who before he was twenty renounced Literature and resolved to seek life in the untarnished and illusionless East. And, indeed, it is impossible to lose interest in a man who, having staggered Europe with the originality and force of his verse, turned his back upon Western civilisation and sought the reality of the Orient.

In 1878, it may be remembered, he went as a recruit in a Dutch regiment to Java. After that he was in Egypt. And between 1880 and 1891 he was wholly in the East, unconcerned with the life of the West which he had so startlingly and—as it appeared to some—so inhumanly relinquished. He found odd jobs in places like Cyprus, Aden (which he loathed), Harrar (which he loved) Choa, Cairo, and so on. While travelling in primitive fashion in Abyssinia he set up the physical ailment that was to necessitate his return to France. It was with longing to go back to Africa that, on November 10, 1891, this peripatetic genius died.

Obviously such a psychology as was Rimbaud's needs much study for its comprehension. In this little book Mr. Edward Sackville West attempts to set out, in the form of a dialogue between himself and the poet-trader, the fundamental ideas of Rimbaud. In a fascinating way he shows how Rimbaud, determined that Literature for him was ousting life, fled the West to throw himself upon the "facts" of the East. He chose Africa because it was "a synthetic land, where life could be realised on its intensest plane." Here it was possible for him to find freedom, he who hitherto had been a "slave" either to his mother, or to Art, or to Verlaine. Of Verlaine in particular he says: "Arguing with Menelik at Ankober was better than arguing with Verlaine. We wrestled on a basis of fact, instead of on a quicksand of emotion." And Rimbaud is made to say: "However great the ecstasy to be enjoyed from the evasion of life that is Art, and however great tranquillity attained by such a synthetic appreciation, it must in the final analysis of value be the fountain-head—life itself—which takes the most important place."

Mr. Sackville West has written a stimulating and convincing book, and one that those who admire Rimbaud's verse and life, or even only one of these two separate things, will certainly be glad to have. Since the death of Rimbaud, the East has harboured many such lonely souls as his, and it may be that we of this generation are the more easily enabled to understand the processes of the French poet's mind by this fact, that since the War the East has been unloosed to certain of those who found comfortless the conventions and beliefs of the West.

The first day of the Anglo-Hellenic sports opened in Athens on April 10 in the Stadium in magnificent weather. After the march-past of the athletes to the sounds of the Greek and British National Anthems the events began.

It is stated that the number of Jewish immigrants into Palestine during January and February was 181 and 220 respectively. The number of Jews who emigrated from Palestine during these two months was 536 and 280.

At a Convocation held at Oxford on April 9 a decree was approved making a grant of £25 out of the Craven Fund to E. J. Forsdyke, assistant-keeper of Greek and Roman antiquities at the British Museum, in aid of the Knossian Tombs Fund of the British School at Athens.



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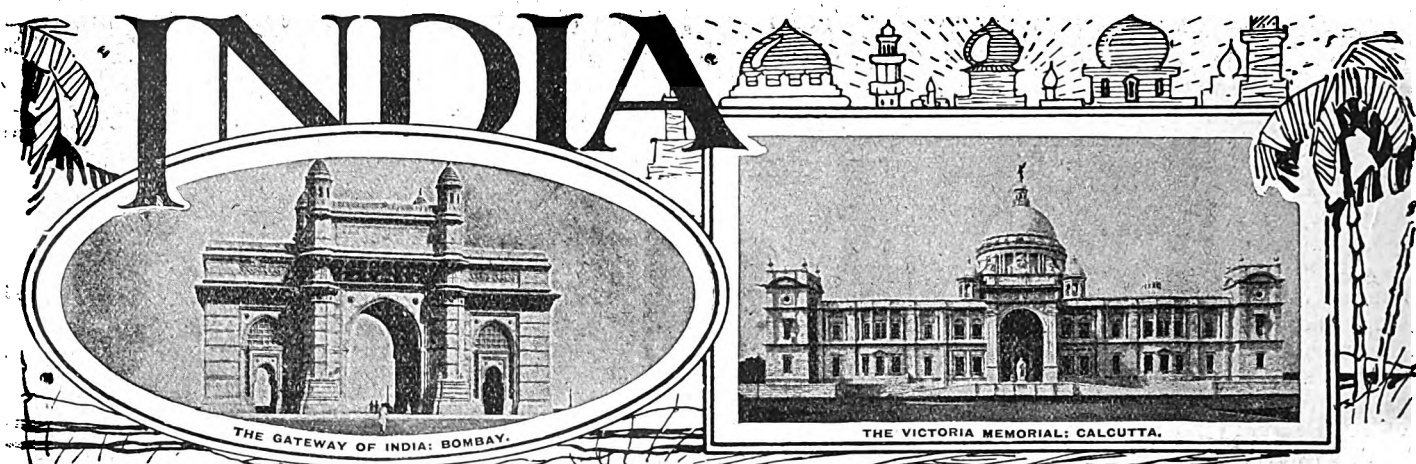
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THE INDIAN NAVY BILL.

To the vast majority of the people of this country India has always been an enigma—vast, mysterious and romantic. To know a country, even slightly, one must visit it, and although the exigencies of the War period, which saw so many erstwhile civilians on garrison duty in India, and the increasing popularity of the globe-trotting habit, have undoubtedly brought about a considerable change in that respect, it has recently been estimated that only about 2 per cent. of the population of these islands have had the advantage of visiting in person the most interesting country in the world. Vast as are the responsibilities of Parliament in the matter of India's destiny, even under the reformed Constitution, its many other pre-occupations only enable it to devote ordinarily a few hours each year to the consideration of Indian affairs in general and for India to figure prominently on the order papers of both Houses twice in one week is a very rare event. With Lord Birkenhead's statement in the House of Lords, we are not at the moment concerned, except to remark that, as we anticipated, its reception in India has been on the whole favourable, although the *Times of India* pertinently points out that the real issue is not whether the Statutory Commission is ready for India, but whether India is ready for the Commission.

The Indian Navy Bill, having emerged from the Committee stage with a few alterations in detail but without any radical change in its provisions, came up for third reading in the House of Commons on April 5, and in spite of renewed opposition from the Labour benches, was finally passed by a substantial majority. The assent of the Upper House is assured, but the Act does not come into operation until certain consequential legislation is adopted by the Indian Legislature. Although the debates were on the whole not unworthy of the occasion, several speakers displayed such obvious ignorance of the origin of the measure that a short account of its history will not, perhaps, be out of place at the present juncture. The attitude of the educated classes towards the problems of India's defence has undergone a considerable change of recent years. They have for long admitted, at least in theory, that their political aspirations ultimately depend for fulfilment upon the capacity of the country to defend itself, but there was until recently little demand on the part of those classes for a military career. Latterly, in addition to the many signs of awakening interest in the strictly military aspect of the question, there have also been indications that the importance of the corresponding naval problems is gradually being appreciated in the same quarter. The report of the Mercantile Marine Committee of 1923-24 stated:—"It is the almost unanimous desire of all Indian witnesses that the creation of an Indian Navy capable of defending the coasts, harbours and commerce of India should proceed hand in hand with the development of an Indian Mercantile Marine, and we strongly recommend to Government that the re-organisation of the Royal Indian Marine into such a service should be undertaken with the least possible delay."

The Government of India's acceptance of the policy was

formally announced by Lord Reading at the opening of the Delhi Session of the Council of State last year. The beginnings of the force, in accordance with the recommendations of the departmental Committee presided over by the late Lord Rawlinson, which drew up the present scheme, will be comparatively humble—a squadron of four sloops, two patrol craft vessels, four trawlers, two survey ships and one depot ship, while the suggested *personnel* consists of one flag officer commanding, nine captains, 19 commanders, 42 lieutenant-commanders and lieutenants, eight sub-lieutenants, four midshipmen, 14 boatswains, 44 engineer officers and six assistant surgeons. The two primary duties of the new force will be the training of *personnel* for service in war and the policing of the Indian Ocean and the Persian Gulf, other functions being the organisation of naval defence at ports under the control of the Indian Government, survey work in the Indian Ocean and marine transport work for the Government of India.

British and Indian boys will alike be eligible for appointment to commissions and will enter at the age of eighteen, Indian cadets being mainly recruited through the Prince of Wales College, Dehra Dun. One-third of the commissioned ranks are to be reserved in the first instance for Indians, provided qualified candidates are forthcoming. The estimated annual cost of the Royal Indian Navy, in the initial stages, will be nearly sixty-three lakhs, but this only involves an additional net expenditure of ten lakhs, as the work of the Royal Indian Marine will practically be confined in future to the marine survey. "Ten lakhs," as an Indian contemporary observes, "does not seem an excessive sum to pay in return for the benefits of a definitely Indian fighting force at sea, which will be privileged to fly the White Ensign." To quote Lord Reading:—"India by this privilege is directly admitted at the outset of her naval career to share in the record of the centuries of proud and gallant traditions for which that Ensign stands."

One could hardly have imagined it possible to regard such a measure as of a controversial nature; and yet that is the character which it assumed at an early stage in its progress through the House of Commons. In a speech which has been hailed with applause by the same extremist Press in India as two years ago was indulging in an orgy of abuse of the Government for its delay in adopting the Mercantile Marine Committee's recommendations, one Labour member moved the rejection of the Bill on the ground that it was simply an endeavour to foist a part of the burden of the Royal Navy on to India's shoulders. The main object of the opposition during the debate on the second reading was, however, to hedge round with additional safeguards the provision enabling the Indian Government to place the Indian Navy at the disposal of the Admiralty in the event of an emergency arising which, in the opinion of the Governor-General, is sufficiently grave to justify its diversion to other areas. Having failed to carry the necessary amendments in Committee the Opposition spokesmen endeavoured, fortunately without success, on the third reading "to confine the use of the force to the protection of the shores

of India and to preclude its use for any other purpose." A more reasonable amendment moved by Lieutenant-Commander Kenworthy to provide that in no circumstances should India be required to defray the cost of the fleet, or of any individual unit, when employed outside Indian territorial waters shared a similar fate, but it must be admitted that Lord Winterton's defence of the somewhat archaic procedure proposed in the Bill, borrowed from the corresponding Army legislation, was not very convincing.

Meanwhile, reports from India indicate that a great deal of preparatory work has already been done in that country and that the training of boys as deck and engine-room ratings has started on the depot ship at Bombay. A gunnery instructor has been appointed and took up his duties several months ago. Provision has been made in the Budget Estimates for 1927-28 for an initial grant of Rs.5 lakhs towards the cost of the scheme. Neither in the House of Commons nor in Indian political circles however, has the real problem, which successive Committees have failed to solve, been squarely faced. All the lower ratings in the Indian Navy will eventually be composed of Indians and we understand, and can readily believe, that the material secured for training so far is eminently satisfactory. It is the supply of candidates for commissions that is likely to constitute the real difficulty. The weakness of the Skeen Committee's proposals in a similar connexion is laid bare in a cogent article which an informed correspondent contributes to this issue. Will it be any easier to find Indian cadets to enter the Naval Service and to undergo the requisite training? We wish we could answer in the affirmative.

CURRENT TOPICS.

Demands for Grants.

Although the Budget speech is widely reported at the time of its presentation, even in organs which do not ordinarily devote much space to the consideration of Indian affairs, the subsequent fate of the Finance Member's proposals is not always known in this country until some time after the end of the session. Particularly is that the case with measures which are not embodied in the Finance Bill and criticism of which, if it is to be effective, must be deferred until the motion for the appropriation of funds for the department concerned is submitted to the vote of the lower House. With the exception of certain charges of a special or recurring nature, e.g., the cost of defence, the debt payments and certain fixed salaries, the Assembly is free to refuse its assent to, or reduce, any demand, and the fact that at an early stage of the last session over 200 notices for reduction of grants had been received shows that the privilege is widely exercised. Unfortunately the legislators, while quick to appreciate the possibilities of the concession, have yet to realise that without co-ordination and economy of effect such zeal merely defeats its own ends. The inevitable result is that progress is retarded to such an extent that many important votes have never been reached since the inauguration of the reformed Constitution.

So far as can be ascertained the debates on the railway and general budgets this year have been conducted on the whole with a commendable regard for parliamentary conventions. A tribute is undoubtedly due in this connexion to the President, Mr. V. J. Patel, whose duties have been rendered more than ordinarily onerous by the unusually large number of highly controversial questions which have come up for discussion. By the firmness, tact and discretion with which the proceedings have been conducted he has proved himself a worthy successor to his distinguished predecessor in the Chair. It is a matter for regret that his former colleagues in the Congress party

have not seen fit to profit by his experience and example. If the powers of the Assembly are increased in 1929 it will certainly not be due to the action of those members of the party who are still unable to realise the folly of pressing for the virtual elimination of the whole Budget when a point can be emphasised, or a grievance ventilated, by a token cut of a single rupee. The session which has just concluded provided three examples of that particularly futile form of "non-co-operation," indulgence in which, as the division lists show, is unfortunately not confined to the one party. As the grants for the Railway Board, the Army, and the travelling expenses of the Executive Council are clearly essential "to the discharge of the Governor-General's responsibilities," their restoration may be regarded as a foregone conclusion, but to compel Lord Irwin to use his emergency powers in such circumstances is a grave error of tactics. Not only does such irresponsible action alienate the sympathies of the moderate elements in all parties, but every exercise of the powers of veto vested in the Governor-General, whether by the above means or by certification, strengthens the right and causes it to be regarded as an essential part of the Constitution. On the other hand, if no occasion should arise for its exercise over an extended period, its use at the end of that time would evoke such unfavourable criticism that the utility of the provision would be largely destroyed.

India in London.

It is now a good many months since the question of the accommodation in London of the High Commissioner for India was brought prominently to notice, and it is satisfactory to learn that the construction of the new India House will be begun this summer. Plans for the building, which, as previously announced, is to be erected on an L.C.C. site in Aldwych, next to Bush House, are, we understand, nearing completion, and Sir Herbert Baker, who was associated with Sir Edwin Lutyens in the planning of New Delhi, and Sir Atul Chatterjee, the High Commissioner, are engaged in settling the final details of the design. So far as can at present be ascertained, the new building, which will be of six or eight storeys, will not be dissimilar to Bush House itself and we are assured that "any jarring break in architecture will be avoided." Accommodation will be provided for more than three hundred people and the probable cost is estimated at about £300,000. A preliminary grant of £60,000, it will be recalled, was recently approved by the Standing Finance Committee of the Legislative Assembly, although only by a small majority, and the recent announcement indicates that the proposal has been endorsed by the Assembly, though whether the assent was conveyed by the direct vote of the House or indirectly, through the operation of the "guillotine," has not as yet been made clear. The point is of some importance as the form or temper of the Congress Party's opposition to the grant would have provided a useful indication of whether the party's attitude towards the larger issues involved have really changed to the extent that is sometimes suggested. When one considers that the trade that Great Britain does with India is larger than that which she does with any of the Dominions and capable of almost indefinite expansion, the inadequacy of the present arrangements needs no emphasis. It is, however, only fair to remember that the Swarajists view the question from a totally different standpoint. They do not desire the expansion of India's trade with Great Britain, at any rate while it retains its present general characteristics, of the exchange of India's raw materials for Britain's manufactured goods. They desire to see India self-supporting in her manufactures and making use of her own raw materials in order to become so; and they do in fact specially resent the large exports of India's raw materials and produce on substantial as well as economic grounds—that the exporter of raw materials is in the position of a "hewer of wood and drawer of water" to the manufacturing nations that make use of them.

CALCUTTA LETTER.

(From Our Own Correspondent.)

Calcutta March 24.

The Currency Bill.

The Legislative Assembly having voted for the rs. 6d. rupee, two questions remained to be discussed: the establishment of a gold standard and a gold currency in India. Mr. Kelkar's proposal urging that, if the sovereign were demonetized, a gold mohur should take its place, being issued only in return for gold, though it was a modest proposal, was repulsed by 60 against 49. Sir Basil raised the bogey that the proposal to put the sovereign value at the rate of his own ratio would wreck the bill. This was evidently an appeal to those who had previously stood by him for the rs. 6d. ratio. A short study of the division list shows how admirably he succeeded in this, too, for none of his supporters left him. It was disclosed that a recommendation for a gold standard and a gold currency had been made a quarter of a century ago, and that the Secretary of State and the Government of India had accepted them, but that nothing had been done in that direction. There is certainly a great and useful lesson in the numerous attempts made during the last one hundred and twenty years to get a gold standard and a gold currency. They were all thwarted. A member proceeding to read an extract of the Chamberlain Commission of 1914 on the subject of Indian sentiment regarding currency. Sir Basil interrupted him, saying that the extract had been read before. To this Pandit Malaviya quoted Mr. Fielding's opinion that if one tells an Englishman a thing once, he ignores it; if he is told again, he begins to notice it; and if he is reminded of it a third time, he starts thinking about it. "This is why I am reading it for the third time," added the Hon. Member. Sir Basil opposed the amendments, but offered a compromise:—to omit the clause relating to the demonetization of the sovereign, which would leave it at Rs. 10 for the time being. Government business is very congested, and it looks as if the House will have to sit daily next week.

Sir Francis Stanley Jackson, P.C., G.C.I.E.

A programme has been arranged for the official and public arrival of the new Governor of Bengal, who will be in Calcutta on March 28. Sir Stanley will be received at Howrah Station by the Chief Secretary to the Government of Bengal. At that moment, seventeen guns will be fired from the ramparts of Fort William. Presentations will be made, including the staff of the Governor, the Commissioner of Police and other officials. At Government House the Ruling Chiefs of Bengal, the Consuls, the Members of the Legislative Assembly and the Bengal Legislative Council will assemble. At the top of the grand staircase Sir Stanley Jackson will be received by His Excellency Lord Lytton, who will then present the Chief Justice of Bengal, the Lord Bishop, the Ruling Princes, Ministers, etc. When all are in the Throne Room to hear the reading of the Warrant of Appointment, they will remain standing until the new Governor takes his seat on the dais. The Chief Justice will then administer the Oaths of Allegiance. After the function Lord Lytton will leave for Howrah. His departure will also be public.

The Fellowship Organization.

An appeal has been issued by a large and representative body of citizens to fight the ever increasing racial conflict. The signatories, who include Rabindranath Tagore, Lord Sinha, Dr. George Howells, Rt. Rev. Bishop Pakenham-Walsh, Sir J. C. Bose, Sir R. N. Mukerjee, Mr. W. C. Wordsworth, Dr. S. K. Datta, Bipin Chandra Pal, the Maharajah of Mayurbhanj, and many other prominent persons, say that communal hatred has become a great menace to Indian national unity and peaceful progress.

They appeal to all leaders to join this Fellowship, and strive to fight the conflicts of races, cultures and religions that have been tearing up the ideal of universal human brotherhood, towards which the world has been aspiring for the last one hundred years and more.

The Army Estimates.

By refusing to sanction any expenditure on the Army, the Legislative Assembly did not mean to voice its faith in pacifism, says the *Bengalee*. The Indian legislators do not dare to do without an army. They have not yet been so far converted to Mr. Gandhi's creed of non-violence as to think of attempting to run a State without an army. Their wholesale rejection of the army grants has more meanings than were made clear to the Assembly. A *New Empire* editorial explains that there is great dissatisfaction at the Government's military policy. The heavy expenditure incurred on the Frontier militia has been strenuously opposed by Indian legislators and publicists. They ascribe the peaceful penetration method to Great Britain's Imperialistic ambitions. There is another grievance added to the list, that is the dispatch of Indian troops to China without a discussion of the matter in the Assembly.

Mrs. Besant's "New India."

The official organ of the Home Rulers has ceased publication as a Madras daily. The paper will, however, reappear very shortly as a weekly from Bombay, under the joint editorship of Dr. Annie Besant and Mr. Jannadas Dwarkadas. The last issue of the daily contained an editorial in which Mrs. Besant recalls the forfeiture of securities and the internment she had to suffer through the emergency laws. "The task of *New India* as a daily fighting paper is over," says Mrs. Besant, "and it has been carried on at a loss, from the beginning, nearly thirteen years ago. But good friends have been helping all along. The end will be a great triumph. Take care it is not stained by excess." In concluding her article Dr. Besant pays a feeling tribute to the loyal co-operation of Messrs Wadia, Arundale and others, and declares that "the weekly *New India* will take its share in fighting the dragon of communalism, and in building up the nation."

Comrade Saklatvala and Gandhi.

In support of the communist M.P.'s criticisms of Gandhi's methods, Mr. Chamanlal, speaking at Delhi, declared that Gandhi had failed. He doubted whether there was a single Indian leader who had ever investigated the conditions of the factory workers and of the peasants. The country was suffering from idolatry and hero worship, and it was time India rose to a sense of reality. Another speaker, Mr. Srinivasa Iyengar, said it was idle to talk of internationalism in a country in which the peoples were divided into so many creeds and parties. The first step was for India to become national, and the different religious and political parties had to be brought under one flag. The success of that task was still far off. In reply to Mr. Saklatvala's open letter Mr. Gandhi has written in his paper, *Young India*, an article entitled "No and Yes." He does not doubt Comrade Sak's earnestness and sincerity; neither does he question his love for the poor; but in spite of his desire to say "yes" to the appeal, he, Gandhi, has to say "no." He finds himself against a blind wall. They stand at opposite poles. Yet there is one thing in common between them: the claim to have the good of the country and humanity as the only goal. Mr. Saklatvala swears by the modern rush, while Gandhi detests the modern desire to destroy distance and time, to increase animal appetites, and go to the ends of the world to satisfy them. If civilization stands for all this, Gandhi distrusts its schemes for the amelioration of the lot of the poor; he distrusts everything—the Currency reform, the Army, the Navy. He would destroy the existing system to-day, if he could, because it has enslaved and bribed powerful men with distinctions, and crushed down patriots who could not be won over by

flattery or riches. But the weapons that would have to be used would perpetuate the system, even if it destroyed a few of its present administrators. Then Gandhi goes on defending *khaddar* on account of its great organizing power and valuable discipline. He adds that he is not opposed to the organization of labour, especially when employers are humane and considerate, and when agreements are honourably kept. He is ready to subscribe to a bill making it criminal to call him "Mahatma" and touch his feet. "I impose the law, myself, where I can," he concludes, "and in my *ashram*, the practice is considered as a crime." The two poles will probably never meet.

The Frontier Policy.

In a concluding address at the Calcutta Rotary Club on the problems of the North-West Frontier Mr. Wentworth Lewis said that he was of opinion that the policy of penetration by peaceful advance, such as was adopted in 1922, was the only method of solving problems that had confronted successive Empires and rulers in India. About half of the tribespeople over whom the British Raj exercises control are males; out of those one and a half million males, 750,000 are of fighting age and eager for conflict. Such numbers make the problem a formidable one. Yet the policy of peaceful penetration had so far proved successful, since the number of raids in administered territory had considerably decreased. That policy represented a great cultural and civilizing mission, teaching trade and giving the people an economic chance in life, beside relieving the peaceful dwellers of the plains of an ever-present menace. Mr. Lewis also said that tribesmen were becoming reconciled to the continuance of the British Raj, and that it had to be proved that British administration was sufficiently strong and beneficent to be worth backing.

Here and There.

Last week a Fairey aeroplane crashed near Peshawar. Three lives were lost: Flying-Officer R. O. Rigg and two passengers, leading aircraftmen G. T. J. Sexton and C. W. J. Meaden.

A secret society is said to have been formed by a section of the students of the Pudukottah College. The name of the Society is "Shanmuga Raising Society." Members are recruited among dissatisfied students. The subscription is Rs.5. The meetings are held in the forest. The penalty for betrayal is death. The authorities are taking action.

Abdul Rashid, the murderer of Swami Shradanand, has been sentenced to death. The insanity plea could not be entertained, and there were no extenuating circumstances. Communal hatred impelled the accused to seek the Swami and to murder him deliberately, without provocation or cause. The accused did not act while of unsound mind. He was and is perfectly sane and responsible.

Thefts of the more easily detachable parts of a motor car are becoming quite common in Calcutta. It is almost impossible to leave a car unattended in a busy thoroughfare. On returning one finds the horn-bulb or the driving mirror, or the spare wheel gone; in fact anything may be gone. A Calcutta doctor, who had his horn-bulb stolen two or three times within a month, has camouflaged (I really ought to say camouflaged, to be correct) the new bulb by sticking odd pieces of rubber on it to make believe it is an old one. But it is hardly a solution of the problem.

There was a serious accident to the Madras Mail last week. The train collided in Bhadrak Station, 180 lines from Calcutta, with an engine and goods wagons. There were 14 killed and 43 injured. Among the latter there were three Europeans.

During the *holi* festival a serious communal disturbance was averted, thanks to the tact of the Assistant Superintendent of Police of Barrackpore. Police arrangements were elaborate, strong pickets having been detailed at all important crossings. Armoured cars were seen patrolling the streets, especially Burrabazar and Chitpore. The *holi* festival passed off peacefully in Calcutta.

BOMBAY NOTES.

The weak spot of Sir Basil Blackett's fifth successful Budget is becoming more and more apparent as the financial year comes to an end. He has financed a very large proportion of his home requirements not by selling exchange in the Indian markets, but by book transfers in London. His resources of this kind cannot be unlimited, and it is permissible to inquire whether, when they have come to an end, it is likely that the present ratio will, in all circumstances, be able to stand up to the sale of, say, £25 million more Council Bills than was necessary this year.

The visible balance of trade has during the past year been unusually unfavourable to India, and it is not necessary to be a confirmed optimist to look for some improvement in this respect. But the strongest argument in support of the 1s. 6d. rupee lies in the invisible movement of the exchange. It is certain that to some extent, as long as there was any doubt as to the fixation of the rupee, there has been a strong tendency to remit to England. There will probably be a considerably reduced volume of normal remittance in the future, and possibly a good deal of remittance on speculation account will return to India now that the rupee is stabilised. But the computation of these figures is of course a matter of guess work: the amount of abnormal remittance may be equal to the book transfers of the Indian Government in London or it may fall very much short: and it is on this very uncertain factor that our judgment of the extent to which the 1s. 6d. rupee has stood up to the difficulties of a very indifferent export season must depend.

The Trade Outlook.

As I have pointed out before, the past year, and especially the past six months, have, as far as Bombay is concerned, proved almost uniquely unfavourable to exchange. A very large and cheap American cotton crop has effectively checked Indian exports of cotton and at the same time stimulated Indian imports of piece-goods. In previous years there has generally been a reaction about the middle of the hot weather. Indian cotton prices fell before the monsoon, and the prospects of exporters and millers alike became brighter. There is no reason why this should not happen this year. But if it does not happen, and if, for instance there should be another large American cotton crop and another comparative failure in India, it is obvious that Bombay will not be able to do much towards the stability of the rupee.

It has been some times objected in Bombay that the disparity between Indian and American prices has been brought about by the too easy financial arrangements which have enabled cotton to be held back from the market. It does not, however, appear how it is possible for bankers to discriminate between the commodities that demand their assistance, and if, by their aid, cotton growers and dealers are enabled to carry their stocks through a period of temporary depression, it seems to me that it needs a good deal of bias to find anything unsatisfactory about the business.

The Railways.

The battle between Bombay's two railways as to the future of the railway traffic in Bombay seems to have finally come to an end in the decision to build a terminus for the B.B. and C.I. in the Byculla area. The alternative was to bring all long distance traffic at any rate into the present G.I.P. Railway terminus at Bori Bunder, giving it the necessary room for expansion by acquiring the site of the European General Hospital. The discussion between the two railways is alleged to have been long and acrimonious, and it has spread into divisions by paths in which most of the European population has been involved. Five years ago a violent attack was made on the inconvenience of the site of the European Hospital, and on the assumption that the railway was prepared to pay very large sums for it, a mass meeting was invited to consider

the advantages of its removal to Malabar Hill, or to the reclaimed area of Back Bay. As far as I can remember, the meeting voted *nem. con.* for the Malabar Hill proposal and the European community having thus as a whole approved of the scheme, proceeded, in their individual capacity, to write to the Press condemning it. In any event, no funds were forthcoming for the project, and the only tangible result was the appointment of a committee to deal with the subject. The committee for some time used to address the Director of Development on the prospects of obtaining a site on the reclamation, and eventually it is understood to have handed over its duties to the European Association—to remain in abeyance until there is some prospect of a move.

As, however, the G.I.P. will now have to be content with comparatively little expansion of its present site, it is not likely that there will be any purchaser of the hospital at a price which will help on a move. I am not at all sure that this is a pity. The hospital's present site has some disadvantages, but they can be put right, or very nearly right, at a comparatively small cost. But it has the very great asset of being about the most central and accessible place in Bombay; and I am inclined to think this a final argument in favour of it.

THE ARMY IN INDIA.

[The following contribution has been received from a correspondent who in the course of a distinguished journalistic career in India has made a close study of the many important issues raised in the Skeen Committee's Report.]

In June, 1925, the Government of India appointed a committee "to examine the means of attracting the best qualified Indian youths to a military career and of giving them a suitable military education." This committee which was presided over by Lieut.-General Sir Andrew Skeen, Chief of the General Staff in India, included thirteen other members, only one of whom was an official. It has become known as the "Indian Sandhurst Committee," as the main question on which it was asked to report was the desirability and feasibility of establishing a military college in the country.

The report of the committee has just been published. In a foreword the Government of India explains that it has formed no conclusions upon the report, which will be used "as a starting point for discussion" with his Majesty's Government, whose approval to any scheme of Indianisation is indispensable.

The Indianisation of the Indian Army is a grave and very complex problem, and it is very extraordinary that the Skeen Committee should not have thought it necessary to produce more evidence in support of its bold recommendations than could be condensed into barely fifty octavo pages. To the intricate and vital question of caste, for example, the committee has given only a very brief paragraph, which embodies a hope that the problem will solve itself.

The report gives one the impression, that, at the outset, the members of the committee took it for granted that they had to produce an ambitious scheme of Indianisation and forthwith proceeded to devise ways and means by which that goal could, in some way, be attained. That is the only explanation of the far-reaching character of the recommendations contained in the report. The committee has certainly succeeded in showing that the present rate of Indianisation is inadequate and that the present system is full of defects. But it has committed a capital blunder in concluding that the shortage of recruits is due, except in a small degree, to the shortcomings of the "eight units" scheme.

The causes lie deeper, and the failure of the committee to recognise them in proper perspective is all the more remarkable in view of the fact that they are fairly stated in more than one part of the report. The committee proposes that the present system be replaced by one

under which, according to its calculations, in 1952, more than 50 per cent. of the total officer cadre of the Indian Army would consist of Indians. That is not, as a programme, an extravagant one, and the only ground on which the recommendation of the committee can be criticised is that even such a programme is unpracticable.

The total number of officers in the Indian army is 3,200. Under the present scheme of Indianisation 10 Indians represent annually for training to Sandhurst. The committee proposes that the number be doubled immediately and that the number of cadets admitted be increased by four in each year until 1933. In that year a similar institution with provision for 100 cadets should be established in India and from that time the number of cadets admitted at Sandhurst should be limited to 20 per year. Regarding an Indian Sandhurst the committee has no illusions, for it has proposed that cadets passing out of that institution and commissioned "should be attached to a cavalry or an infantry unit in the United Kingdom for a period of one year." If this was the only condition to be fulfilled, the cost and difficulty of training Indians as officers would be sufficiently great.

But what is really baffling is not the discovery of means of converting suitable human material into capable military officers. The problem is to find the human material.

The committee has frankly faced the fact, that young men of the right type do not exist, but, curiously it has failed to draw the only obvious conclusion.

The committee quotes with approval the verdict of the Commandant of Sandhurst on the Indian cadets admitted to Sandhurst, that the cadets coming from the Dehra Dun college are an easy first, and the others nowhere. The committee has, therefore, decided that, the ordinary educational institutions being quite incapable of reproducing the right type of youth, the prospective military officers must be raised, like hot house plants, in a special institution or institutions.

It is open to very grave doubt whether even this part of the committee's anticipations can be fulfilled. It may seem incredible to many that among a population of 320 million people, three or four thousand young men who have received an English education and possess good physique and character cannot be found to be trained as officers. It is essential to remember, however, that the military classes in India lack education, that English education has spread among those sections of the population who conspicuously lack the requisites of physical strength and character and that there are in the whole country less than two million persons over five years of age who are literate in English.

Granting that the proposals of the committee will result in the placing of 1699 capable Indian officers in the Indian Army by 1952, there remains a vital question, which one is amazed to find the committee has not at all considered. That is a reserve. On the committee's own showing, the young men trained as officers will be the only men in the country capable of being officers at all.

The committee has found that the annual wastage is 160. But that is in times of peace. The committee has entirely omitted to consider the effects of a war on its scheme. In any big war ten, fifteen or twenty years hence, seventy-five per cent. of the carefully and most expensively-trained Indian officers may be wiped out. There would be absolutely no reserve to fall back upon for the replacement of casualties. English youths will have to be recruited, but young and inexperienced British officers will not be able successfully to lead into battle soldiers, whose language, customs and character they have had no opportunity of studying. In such a situation the Indian army will go to pieces.

It is pertinent to recall here that the absence of an adequate reserve of non-commissioned officers and men in the Indian army proved a great source of weakness when reinforcements had to be found for the Expeditionary Force in France. But the absence of suitable officers would be disastrous, because the officers are the backbone of an army.

The fact must be faced that the Indianisation of the

Indian army is not a practicable proposition until there is in the country a large reservoir of human material, from which the requisite number of military officers can be easily drawn. To build such a reservoir not only must the whole educational system of the country be revolutionised but a vast advance in civilisation must also be achieved by the people. A corps of officers without a reserve is unthinkable. The problems of Indian self-government and Indian defence will not be solved until the Indians apply themselves to the great and laborious task of national reconstruction.

To the recommendation of the Skeen committee that commissions should be given to Indians in the Air Force and the technical branches of the Army, there can be no objection.

THE DELHI EXODUS.

(From a Correspondent.)

As I write, the sun is pouring down on to the baked earth outside and the white buildings of New Delhi are flashing like the facets of a great diamond, for the hot weather is at its beginning and from day to day will grow in strength. At this moment the members of the Indian Legislature are sitting comatose and somnolent, listening to speeches by various disgruntled gentlemen who would like to see the annual Finance Bill entirely rejected. Pandit Madan Mohan Malaviya has just made what he said will probably be his last speech in the Legislative Assembly and it is rumoured that he means to resign his seat in the Central Legislature and devote the remainder of his time probably to Hindu communal affairs. With the Pandit will disappear almost the very last of the Old Guard of Indian politicians. The men who made their reputations in the early days of the Indian National Congress and were proud to call themselves disciples of the famous veteran Dadabhoj Naoroji. The Pandit has given and taken many hard knocks in the course of his political life, but there was nothing bitter in this final speech of his and, indeed, during its course he said much that both Englishmen and Indians would do well to ponder.

This is the time of year when Englishmen in India "lift up their eyes unto the hills" and the exodus from the plains has already begun. Many fortunate ones there are who are going to England and in Delhi we count among these the President of the Legislative Assembly, Mr. Patel; Mr. Graham, Secretary of the Legislative Department; and last but not least Sir Charles Innes, Commerce Member of the Viceroy's Executive Council. Sir Charles is retiring from the service of the Government of India after nearly 30 years of hard and highly successful work. As Commerce Member he has made history, for he has had much to do with the fostering of the steel industry in this country and with the epoch-making change which separated the railway budget of this country from the general budget. For two years past this change has been in operation and has already worked wonders. And now those responsible for railway development in India can plan out their work for years ahead, knowing that they will have the resources available to carry their plans to completion. Sir Charles is also one of the original as well as one of the most popular members of the Reformed Legislative Assembly. The young lions of the Swaraj Party, not to mention the older lions also, will take a castigation from him without as much resentment as they would show at a far milder wiggling from some other occupants of the Government benches. During the past few weeks Sir Charles and Lady Innes have been the chief guests at numerous farewell ceremonies and the good wishes of all who know them go with them in their retirement. Sir Charles, of course, is a Scot, as also is his successor, Sir George Rainy.

There has been a great to-do lately over certain proposals put forward by a number of Muhammadans for replacing the system of separate communal electorates by joint electorates, and a certain section of the Indian Press sees in these proposals the beginning of a solution of the old Hindu-Muslim conflict in India. The proposals, however, are guarded by such stringent conditions that there is no likelihood of any responsible Hindu spokesmen accepting them; indeed, they have already been rejected tacitly by a representative Hindu gathering presided over by Pandit Madan Mohan Malaviya. It is not likely, therefore, that this particular movement will lead to any notable improvement in the communal situation in this country.

INDIAN MAIL.

The Salt Tax.

By its decision to restore the budget rate of the salt tax, which it had originally cut down by a half, the Legislative Assembly has fulfilled expectations. The original cut must have been made in the usual vein of light-hearted irresponsibility that characterises the Assembly in such matters: in the assurance that the budget rate would be certified by the Viceroy. But the announcement that, if the Assembly persisted in a refusal to agree in the restoration, made by the Council of State, of the budget rate, the Viceroy would not exercise his special powers, evidently induced a number of Indian members, not belonging to the Congress Party, to take a more serious view of their responsibilities: those who, as the cabled report put it, had cast their votes against the existing rate in the belief that to do so would be "useful for electioneering purposes." The Congress Party persisted in their support of the cut; but were unable, even in a thin house—only two-thirds of the members voted on the question—to carry their point. The extremist Press, which has all along violently protested against the existence of provincial contributions to the central exchequer, on the ground that these diverted money that would otherwise be available for "nation-building" purposes, has yet protested even more violently against the "disgraceful bribe" of their remission, offered—as it asserts—by the Finance Member in order to ensure acceptance of the eighteen penny rupee, without which it could not be carried out. It will doubtless use a similar phrase in the matter of the salt tax; since Sir Basil Blackett explained that the halving of the tax would reduce the budget surplus by approximately the amount of the remissions, which he would therefore be unable to provide for.

The salt tax has always been, and will certainly always remain, an unpopular one: it is just forty years ago that Rudyard Kipling put into the mouth of the out-going Viceroy, Lord Dufferin, the advice to his successor to "lift" it. And Lord Reading's action in certifying its increase, though necessary in order to balance the budget after a long succession of deficits, perhaps did more than any other Government action to strengthen the non-cooperation movement: a result which its reduction, in the following year, to the original figure, did nothing to minimise. But in fact, though any tax on the necessities of life is admittedly objectionable, the salt tax makes only the most infinitesimal difference to even the poorest: it amounts to one rupee four annas per maund of 80 lb., or the merest trifle more than a farthing a pound. More objectionable than the tax, which is a valuable source of revenue in spite of its small proportions, is the fact that the production of salt in India is a Government monopoly, and that persons are prosecuted and punished for producing it privately. Not until the tax is removed altogether will it be possible to avoid this unpleasant necessity: and in this, much more than in its incidence on the consumer—though it is on the latter ground that it is always attacked—lies the real objection to the continued existence of a tax that will certainly be among the first to be abolished when financial considerations admit.

Commercial and Financial Section.

NOTES AND NEWS.

170, Strand, London, W.C.2.

Tuesday Morning.

The Greek Debt Settlement.

After negotiations which, with intermissions, have lasted since 1925 a settlement has been arrived at in respect of the Greek War Debt to Great Britain and on April 9 the agreement was signed by the Chancellor of the Exchequer and M. Caclamanos, the Greek Minister in London. The total of the debt is fixed at £21,440,000 after deducting the interest due and a sum for damage caused by the British Army in Macedonia during the War. It will be repaid in sixty-two annual instalments rising from £200,000 for 1927-28 to £250,000 for 1929, to £300,000 for 1930, to £350,000 for 1931 to 1935, and to £400,000 from the latter year to 1987. It will be noted that the agreement contains what is known as the Balfour clause, which is to the effect that this country will not ask from her Allies more than will suffice with the reparation payments to meet the payments that have to be made yearly to the United States. For Greece the settlement should mean much, for so long as the country's external debts remained unsettled it was impossible to achieve the financial stabilisation which is being sought. By the agreement Greece has taken one of the preliminary steps that are essential if she is to place her financial house in order, and her action will have done much to prepare the way for the assistance that she will need to further her economic recovery. In this connexion in a letter handed to M. Caclamanos by Mr. Churchill, in which reference was made to Britain's satisfaction at the settlement, it was stated that the fullest support will be given to bring about Greece's financial restoration as well as the stabilisation of the drachma.

The Budget.

For obvious reasons the Budget has been awaited with an unusual degree of anxiety, for it was not difficult for the plain citizen to conjure up a variety of unpleasant expedients that might be adopted by the Chancellor to meet the needs of the financial situation. For once, however, the unexpected did not happen, and Mr. Churchill's proposals were in the main in accordance with expectations. The duty on tobacco is to be increased, while foreign

tyres, wines, films, and matches come in for attention. The new taxes did not constitute the most striking part of the Budget proposals, and first place from the point of view both of importance and interest must be given to the programme of economy outlined by the Chancellor. It is proposed to abolish three Ministries during the year—the Transport Ministry, the Mines Department, and the Department of Overseas Trade—while recruitment for the Civil Service is to be curtailed. As I indicated last week in referring to the possibility, in my opinion the abolition of the Overseas Trade Department will be a serious mistake, but, that apart, there is nothing to take exception to in the proposals, which will doubtless meet with a generous measure of approval from those who have been insistent in their demands for economy. There is one point, however, which cannot but occur to anyone in regard to these changes. If these Ministries are not indispensable how is it that the economy was not effected in 1925 so that by this time the country would have felt some real benefit from it? If it is possible to recruit on a smaller scale, why has there been no change hitherto? The fact is that under modern conditions it needs little short of a crisis to bring about heroic measures. That is the fatal weakness of democracy to-day. The Chancellor's remark regarding the impossibility of reducing Exchequer contributions for Education, Health, and Local Government—three departments (in particular the first) where there is really scope for economy—aptly illustrates the position. There is unlikely to be a clamour for a reprieve for the three Ministries sentenced to the guillotine, but in the case of Education, for instance, there would be a widespread agitation.

A Bad Decision.

The irony of the decision with regard to the Department of Overseas Trade lies in the fact that it is the only Ministry whose duty it is to further the development of the country's commerce, and it is only by the expansion of trade that Great Britain can recover the ground lost during the past few years. The actual cost of the Department is very small when compared with the huge expenditure on social services—an expenditure which is only made possible and can only be maintained by the growth of the country's overseas commerce. In the circumstances the expenditure on the Department is nothing more nor less than an insurance policy. If there were no other means of economising, then there would be nothing more to be said, but that is not the case. The Chambers of Commerce have paid abundant tribute to the value of the work of the Ministry, and it is very evident that British trade endeavour will be handicapped by its abolition. In writing this I am not overlooking the fact that the Department is presumably to be absorbed by the Foreign Office and the Board of Trade. With its functions divided in that way it is out of the question that it can give the guidance and assistance to British commerce that it does at the present time.

Yugoslavia and American Capital.

It is perhaps not without significance that Yugoslavia should have found it somewhat easier to obtain loans in America than in this country. The United States is at the moment in the fortunate position of having a plethora of wealth, and the natural sequel is the development of overseas loans. Last week the issue was made in New York, by a group which includes Messrs. Blair and Co., Inc., and the Chase National Bank, of 30,000,000 dollars Seven per Cent. Yugoslavia Gold Bonds at a price of 92½ per cent., and it speaks volumes for the growing interest of the American public in foreign investments

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that the lists had to be closely very quickly as the loan had been heavily over-subscribed. This loan is, of course, part of the Blair Loan which was arranged some years ago for the construction of the Adriatic railway, but at the time it was found possible to float only a small loan. The proceeds of the present loan are to be devoted mainly to general railway construction, whereas, as I have pointed out, the original purpose of the loan was for the construction of one line to the coast. In addition to this loan one, if not two, other Yugoslav loans are being issued in America.

Egyptian Cotton.

The cotton position from Egypt's point of view promises to be further complicated by the prospect that the 1926 crop will considerably exceed the estimates. The arrivals at Alexandria so far are only a quarter of a million kantars in excess of those of the previous year, but it is believed that the ultimate result of the crop will be about 750,000 kantars over the estimates. If this proves to be the case a new factor will be introduced in regard to the all-important question of the price. Already Egypt is beginning to feel the competition of the Sudan, and for a good many weeks past our Liverpool report has shown that the sales of Sudan Sakel have been in excess of Egyptian, and if Egypt's crop is particularly large it follows that the prospects of any considerable improvement in price in the near future must be in considerable doubt.

Sudan Commerce.

The figures for the trade of the Sudan for January show a decrease of £E66,851 on the figures for the corresponding month of 1926. This decrease is entirely in the imports, Government imports at £E195,622 being £E65,381 lower, while public imports show a trifling decrease of £E1,728 at £E254,160. On the other hand, the value of the exports showed an increase of £E6,390 at £E232,606, while re-exports improved by £E2,572 to £E15,393. There are several features in the trade of this month which call for reference. The decline in Government imports was largely due to the decrease in the imports of sugar, the value of which was £E37,041 as against £E88,111. In public imports the most interesting feature was the increase in the imports of machinery, the value of which was £E11,976 as against £E7,768. A comparison of the exports of the two months shows some striking changes. In January, 1926, the exports of cotton totalled 4,615 kantars of the value of £E28,201, but for the month under review they amounted to 22,738 kantars of the value of £E112,677. Counterbalancing this there were substantial decreases in the exports of ground nuts, hashab gum, and sesame.

Sudan Plantations.

At the recent general meeting of the Sudan Plantations Syndicate a further issue of shares was foreshadowed to provide the additional capital required for the development of the company's operations. The issue is now announced of 750,000 shares of £1 each at a price of £2 10s. per share, which will be offered to shareholders registered on April 19 in the proportion of one new share for every two shares then held.

COMMENTATOR.

Yarns of linen, flax, hemp and jute have been added to the list of goods exempted from Customs duty on importation into Palestine.

Provisional trade agreements between Greece and Bulgaria include the most-favoured-nation clause, and an agreement is arrived at in regard to the payment of export taxes.

Spies Petroleum Company announces that cabled advice has been received by Hamilton's Oil Concessions from Bucharest as follows:—"Production for week ended April 8, 350 tons. Well No. 8 now producing 40 tons daily. Well No. 7 trial baling. New well No. 9 depth drilled to date, 623 metres. Romano Belgiana participation well producing 100 tons daily."

ROAD DEVELOPMENT IN PERSIA.

In a recent report the American Consul at Teheran, Mr. Orsen N. Nielson, states that while the new Director General of Roads has not formulated a definite programme of road construction for 1927, he has found it possible to indicate several features of the probable developments.

The most urgent need is for a road capable of supporting motor traffic between Teheran, the capital, and Mohammerah. At present motor lorries may operate over this route between Teheran and Khurramabad (in Luristan) and between Dizful (in Kuhzistan) and Ahwaz on the Karun River, but with some little difficulty. The stretch between Dizful and Ahwaz will require a comparatively small expenditure to make it suitable for trucks. From Ahwaz merchandise may be dispatched to Mohammerah by road, or it may be sent down the Karun River by shallow-draft steamer.

Between Khurramabad and Dizful, a distance of 240 kilometres, only caravan tracks wind over the mountains of Luristan. The route followed is unsuited to modern traffic, and the road which is now being opened between the two cities will follow the valley of the Kahgan River, avoiding the heavy mountain grades. For the present the Government will open a road only good enough to meet the minimum requirements of trucks. Surfacing will be done only where absolutely necessary.

The Director General has at his disposal for this road approximately £38,000. Since the average cost in Persia of a road of sound construction, capable of supporting lorry traffic, varies between £800 and £1,000 per kilometre in mountainous districts and between £700 and £900 per kilometre over level stretches, it is apparent that a considerable increase in the appropriation will be necessary if the 240 kilometres are to be completed.

The road from Teheran to Mohammerah will be of considerable strategic importance, since it will give Persian merchandise that is capable of standing the cost of transport an opportunity to leave the country freely through territory exclusively Persian and from a Persian port.

The 248 kilometres of road between Teheran and Sari (in Mazanderan), completed only last summer, have been inspected by the Director General. Although the road in general is satisfactory, it is believed that it will be necessary to rectify some of the heavier grades, which run to approximately 17 per cent.

The great difficulty in drafting a road programme for Persia is the lack of funds. Under existing legislation the sole source of revenue for building and maintaining roads is the road tax, which returns an average annual yield of about £300,000. There are now in Persia between 7,000 and 7,500 kilometres of roads to be kept in repair. Maintenance costs are high, and when these are met there remains a relatively small sum to be applied to new construction. The exploring of possibilities for additional funds is one of the most absorbing of the Director General's present tasks.

Because of the high cost of transport in Persia and because there is an abundance of native stone, rubble, and clay, it is very probable that local materials will be used for culverts and bridges to the exclusion of foreign material. It has been calculated that circular brick culverts can be built at approximately one-third the expense that would be incurred if iron were used.

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PROGRESS IN AFGHANISTAN.

The Government of Afghanistan recently appointed Bashir Ahmed as its Consul at Karachi. In the current issue of the American "Commerce Reports" there is an extensive review of conditions in Afghanistan based on a report from Mr. E. Verne Richardson, the United States Consul at Karachi, in the course of which quotation is made of some interesting views expressed by Bashir Ahmed regarding commerce and finance in Afghanistan. We give the following extracts from the article:—

The highways of Afghanistan have been considerably improved during the past two years, and more roads will be built in 1927 (says a recent American Consular report). A reasonably good road is now open from the railhead at Landi Khan, via Jalalabad, to Kabul, and another from Kandahar to Herat is under development and already open part of the way for motor traffic. From Kabul to Kandahar and from Kandahar to the Indian frontier, road travel is safe and not difficult. The connexion between Kabul and Herat is not yet available for vehicular traffic, but it is anticipated that it will be soon. In this highway programme the Afghan Government has been aided by German surveyors and engineers.

As Afghanistan has no railways, development of motor roads there is of prime importance. The Government's energy in attacking the problem indicates that it is preparing for more active intercourse with other countries. Inquiries regarding railway equipment coming from Afghanistan during the past two years, furthermore, would seem to show that the Government is seriously considering the building of railroads in the interior.

At present several foreign companies in Afghanistan enjoy a sort of preferred status in Afghan commerce, but the Consul stressed the point that agreements existing between them and his Government were in no sense to be considered as concessions, nor did they confer any exclusive rights in buying and selling upon either side. Afghans, he asserted, were entirely free to buy in whatever market they choose and to sell where they can.

Afghanistan is deeply concerned with the exploitation of its national resources. It feels, moreover, that money for development purposes will be more easily attracted from the United States than from Europe, according to the Consul. Although no complete survey of the country's resources has been made, it is known to be rich in coal, iron, and precious stones, and has large agricultural and pastoral areas.

Referring to the financial rehabilitation of Persia now in progress under American guidance, Bashir Ahmad indicated that like measures would materially benefit his country. He emphasised the fact that Afghanistan has no financial institutions and, therefore, all commercial transactions are conducted through the medium of currency,

principally rupees. In actual practice the exports of Afghanistan and its purchases of foreign goods are transacted largely by agents in Karachi, where banking facilities are available. This lack of banking facilities will be one of the most serious handicaps to trade, as roads to and from the border are watched by brigands who make the transport of cash very dangerous.

Notwithstanding the primitive methods of doing business in Afghanistan the country's foreign commerce amounts to £2,000,000 annually, equally divided between imports and exports. The country's fruits, melons, raw wool, shawls, and rugs are exchanged for cotton piece-goods, yarn, manufactured leather goods, tea, metal manufactures, wearing apparel, dyes, automobiles, and lac.

The best method of approaching this market at present is probably through Indian firms in Karachi, who already have the confidence of Afghan merchants. Karachi is the logical point for these negotiations. It has direct railway communication with Peshawar and is the nearest city in India to Khyber Pass, the gateway to Afghanistan, from which motor and camel trains make their way across the sands to the little known cities of the interior.

FORTHCOMING SAILINGS.

The following are the sailings for the Near East and India, the ports of departure and closing dates for cargo being given in parentheses:—

Anchor Line.—S.s. Elysia for Bombay (Birkenhead, April 26). (For passenger sailing and dates see advertisement.)

Anchor Brocklebank Line.—S.s. Masirah for Port Said, Colombo, Madras and Calcutta (Birkenhead, April 30); s.s. Mahratta for Port Said, Colombo, Madras, and Calcutta (Birkenhead, May 14).

Bibby Line.—S.s. Yorkshire for Port Said, Colombo, and Rangoon (Birkenhead, April 20).

British India Line.—S.s. Warfield for Colombo, Madras, and Calcutta (London, April 23); s.s. Hatkhola for Bombay and Karachi (London, April 27).

Cunard Line.—S.s. Brescia for Gibraltar, Malta, Patras, Piræus, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza, also Algiers and Volo if inducement offers (Liverpool, Glasgow, and Swansea, May 14); s.s. Phrygia for Gibraltar, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Venice, Trieste, and Fiume, also at Corfu, Gruz, and Ancona if inducement (Liverpool May 14, and Swansea May 17).

Johnston Line.—S.s. Aviemore for Piræus, Syra, Volo, Salonika, Smyrna, Constantinople, Bourgas, Varna, Constantza, Sulina, Galatz, and Braila (Liverpool, April 23).

P. and O. Line.—S.s. Ranpura for Bombay (London, April 22); s.s. Tregenna for Colombo, Madras, and Calcutta (London, April 30).

Prince Line.—S.s. Highland Prince for Tunis, Malta, Alexandria, Syrian Coast, and Cyprus (Manchester, April 23); s.s. Italian Prince for Tunis, Malta, Alexandria, Jaffa, Haifa, Beyrout, and Cyprus (London, May 4).

Ellerman and Papayanni Lines.—S.s. Assyrian for Patras, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza (Liverpool, April 16); s.s. Gerano for Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Gravosa, Ancona*, Venice, Trieste, and Fiume* (Liverpool April 23, Swansea April 28); s.s. Serbino for Malta, Alexandria, Jaffa*, and Haifa* (Glasgow, April 27, Liverpool April 29); A steamer for Algiers*, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza (Liverpool May 7, Swansea May 7). * Subject to sufficient inducement. Transhipments.—Algerian ports via Algiers; Moroccan ports via Gibraltar; Tripoli (Barbary) via Malta; Syria and Cyprus via Alexandria; Greek outports via Piræus or other convenient port; Fiume via Trieste.

The Madras and Southern Mahratta Railway Company has declared a dividend for the half-year ending June 30, 1927, payable July 1, of 5 per cent., namely:—Guaranteed interest £1 15s., stockholder's revenue account £3 5s.

The Corporation of the Royal Exchange Assurance announces that it has been decided to recommend its General Court, to be held on April 27, to declare a further dividend of 17 per cent., making 27 per cent., less tax, for the year 1926.

The Indo-European Telegraph Company recommend a final dividend of £1 2s. 6d. per share, free of tax, making 7 per cent. for the year, plus a bonus of 15s. per share (actual), free of tax, making a total distribution for 1926 of 10 per cent., free of tax.

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THE WEEK'S FINANCE.

(By Our Financial Expert.)

London, April 12.

Mr. Churchill's third Budget has been well received in City circles. His decision to strengthen the Sinking Fund to £65 millions and thus pay off nearly half the arrears resulting from the industrial disasters of 1926 is recognised as the only way in which British financial prestige can be maintained in the markets of the world. The methods by which he secures sufficient revenue to do this are ingenious and perhaps questionable on certain grounds, but the fact that the direct burden on the taxpayer has not been increased means that trade revival will not be nipped in the bud by an addition to the heavy loan which British industry is already bearing. So far as individual items are concerned, the duty imposed on foreign tyres has, of course, proved a bull point for the market in Dunlops, while the small addition to the tobacco duty had already been discounted in advance and a slight rally in the tobacco share market resulted.

The news from China, though unwelcome and disturbing, has not apparently had much effect on security prices during the past week. Gilt-edged stocks keep steady with a slightly hardening tendency, thanks to the easier visible conditions in the money market, and Home Rails have shown a slight disposition to improve.

The "Introduction" of Shares.

The practice of introducing shares on to a Stock Exchange market, which has more than once been criticised in this column in the past, shows no signs of dying out, and its continuance is spreading the feeling of uneasiness aroused in financial circles. Briefly the method followed is for a firm or small group to take a block of shares, place them round, in advance, at a higher price among a slightly wider circle in the market where dealings will take place when the Stock Exchange Committee's sanction to deal has been obtained. The news begins to leak out, and the public gradually learns that the expected introduction is to take place. Then, in order to comply with Stock Exchange requirements, a few meagre details are published in the Press "For public information only," and the necessary permission to deal in the shares granted and a market starts in the Stock Exchange at a price which

is governed by the degree of public interest aroused. It must be admitted that many excellent shares, which now stand at good prices, have been introduced in this way, and there may be good reasons which amply justify the process. But the latter undoubtedly facilitates the entry of shares in companies which, from the ordinary investor's point of view, are best left alone. The issue of a full-fledged prospectus, of course, by no means ensures the soundness of the shares offered. But a prospectus is at least open to the full light of publicity and criticism, whereas the latter is entirely avoided by the "introduction" method.

Dunlops and Levers—A Contrast.

Two of our largest industrial undertakings have this week issued reports which, partly by reason of the contrast they form, are exceptionally interesting. The report of the Dunlop Rubber Company is further proof of the merits of sound finance. The net profit, it is true, is some £380,000 lower at £2,401,801, but the ordinary dividend is increased from 15 per cent. to 20 per cent. Nor is this achieved at the expense of the financial position as a whole, which shows a notable improvement. Cash and bills disclose the remarkable expansion of £2,000,000, while it has been wisely decided to add to the reserve by the allocation of £500,000. Thus the reorganisation of the capital is bearing good fruit and the directors, and particularly Sir Eric Geddes and Sir J. George Beharrell, are justified in taking pride in the results. The company's strong financial position should enable it to take full advantage of the apparently favourable outlook.

The other company to which we refer is Lever Brothers, whose position is much less satisfactory than that of the Dunlop Company. In this case also profits show a reduction, but here there is no compensating gain in a strengthening of the financial position. The reserves, for example, are of conspicuously modest proportions, the figure being only £27,000, against liabilities totalling nearly £68 millions. Again, cash is not, in the circumstances, excessive, the total being £1,250,000, as compared with £1,053,000 a year ago. The top-heavy character of the capital is obviously a handicap, the ordinary capital again receiving no distribution. The report is not informative regarding current business prospects, so that the meeting will be awaited with more than usual interest.

Investments in Cable Companies.

The ordinary shares of the larger cable companies are standing at prices at which they offer attractions for the investor. It may be objected, however, that the development of wireless has gravely threatened the earning capacity of the cable companies. Admittedly wireless must be regarded as a serious competitor. But evidently the cable companies realise this to the full, for development and research are proceeding apace. Qualified observers are of the opinion that, given a continuance of this enterprise, the cable companies should be able to make satisfactory profits in the future. The position, indeed, is not dissimilar from the gas and electricity companies, which, as experience proves, are developing side by side.

The companies, moreover, occupy a strong financial position, two of the three companies to be referred to having reserves and carry-forward exceeding the issued ordinary capital. One of these two undertakings is the Western Telegraph Company, which has paid an ordinary dividend of 10 per cent. for some years past. The ordinary shares, in denominations of £10 each, return £5 19s. per cent. free of income-tax. The other undertaking is the Eastern Extension Company, which has also distributed 10 per cent. to the ordinary shareholders during recent years. The shares—again in denominations of £10—yield £5 14s. per cent. free of income-tax. The Eastern Company is likewise accustomed to pay 10 per cent. to its ordinary stockholders, the return on the stock being £5 15s. per cent. free of income-tax.

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LONDON—ANDREW WEIR & CO., 21, Bury Street, E.C.3.

NEAR EAST MARKET REPORTS.

The monthly review of Barclays Bank contains the following reports covering the past month.

Egypt.

Alexandria.—Cotton.—At the beginning of the month, there was a burst of activity, during which considerable sales were effected, but this was followed by a complete calm, and for a fortnight practically no new business was transacted, spot cotton, in consequence, being neglected. Owing to lack of sellers, the futures market was firm. Stocks are large, but desirable cotton is scarce. The planting of the new crop is proceeding and in some areas germination is good.

Cotton Goods.—There is a firmer demand, owing to the native holidays, but prices are low and buyers are operating with caution. The statistical position is better, stocks totalling 10,500 packages, weighing 3,100 tons, of which 3,700 packages, weighing 1,850 tons, are Manchester goods.

General.—The flour spot market is steady, as a result of decreasing stocks, and the demand is moderate, while flour afloat is weak, owing to the large quantity expected to arrive shortly. The general opinion is that the demand for export will improve. Australian spot is quoted at £18½ afloat £15½, March shipment £14½. The stock consists of 36,000 bags, of which 10,000 are Australian and 21,000 American. With the exception of maize, stocks of cereals are decreasing, and prices of wheat and barley are 15 per cent. and of maize 5 per cent. higher. Lentils are unchanged, but beans have fallen by 30 per cent. Rice is steady and the market active, with a good export demand, the stock amounting to 89,000 bags. The quotations are Burma spot £14½, Siam £16½. Sugar is weak, in sympathy with American markets, and the demand is quiet. Java spot is quoted at £19½, Trieste £18½, Russian £17¾, stocks totalling 114,000 bags, of which 6,000 are Java. There is a sustained demand for coffee, of which the stock is 11,000 bags.

Sudan.

Khartoum.—The general situation is practically unchanged since last month. Market arrivals of gum are regular, but the demand is not keen, although exports continue steadily. The price of Kordofan Natural is 38s. per cwt., c.i.f. United Kingdom. Sesame and groundnuts are very scarce, the price for White Sesame being £E27, Red Sesame £E26, and groundnuts Piastres 1,680 per ton, delivery Port Sudan. The market for cotton piece-goods is slack and prices have fallen to 11s. 6d. per piece, c.i.f. Port Sudan. Other imports are dull.

Palestine.

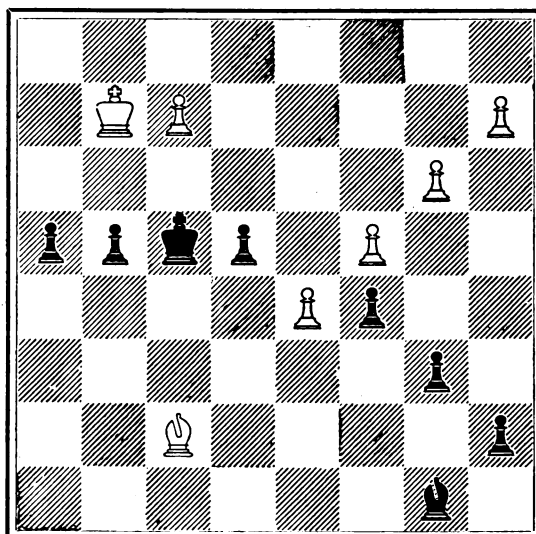
Jerusalem.—Business conditions during March were slightly more favourable, owing to the approach of the Easter festivals.

The sugar market exhibited little activity, probably owing to existing large stocks, and prices showed a declining tendency, quotations being Cuba £18, Czechoslovakia £18, Java 18½, Russian £17¾, c.i.f. Alexandria. Stocks total 600 tons. The general tone of the coffee market has been weak and there is only a moderate demand for available stocks, buyers apparently believing that present prices will not be maintained. Present quotations are Santos £90, Minas £77, c.i.f. Alexandria. Stocks amount to 90 tons. Business in flour has been restricted, spot Australian being quoted at £17. The rice market is quiet and prices are weaker. Rangoon is quoted at £14½, Siam £17½, Egyptian £15, and Italian £19. Stocks amount to 200 tons. The market for cotton and woollen goods is quiet and at times has been almost featureless.

The traffic receipts of the Egyptian Delta Light Railways for the ten days ended March 20 amounted to £E7,064, making the total from April 1 £E324,016. For the corresponding periods of the previous year the totals were £E8,803 and £E350,727.

CHESS.

By "CARO-KANN."



The above position occurred in a London League match last week. Black actually won despite the Bishops of opposite colour. Ought he to have done so?

The following game was played between R. Spielmann and A. Niemzowitsch in the recent American tournament:—White, Spielmann; Black, Niemzowitsch.

1, P—K4, Kt—QB3; 2, Kt—KB3, P—K3; 3, P—Q4, P—Q4; 4, P—K5, P—QKt3; 5, P—QB3, QKt—K2; 6, B—Q3, P—QR4; 7, Q—K2, Kt—B4 (1); 8, P—KR4, P—KR4; 9, Kt—Kt5, P—Kt3; 10, Kt—Q2, QKt—K2; 11, Kt—B, P—B4; 12, P—B3, P—B5; 13, B—B2, P—Kt4; 14, P—KKt4, Kt—Kt2; 15, Kt—Kt3, Kt—B3; 16, Q—Kt2 (2), B—K2; 17, PxP, PxP; 17, R—KKt, R—QR2 (3); 19, KtxBP, KxKt; 20, KtxRP, BxP (ch); 21, K—K2, KtxKt; 22, B—Kt6 (ch), K—K2; 23, BxKt, K—Q2; 24, Q—Kt7 (ch), B—K2; 25, B—B7, R—R7 (ch); 26, K—Q, K—B2; 27, B—B4, RxP; 28, Q—R7, K—Kt3; 29, R—Kt8, Q—B2; 30, Q—R8, Kt—Q; 31, B—Kt6, R—Kt7; 32, Q—R, RxB; 33, RxR, P—Kt5; 34, R—Kt7, Q—B3; 35, Q—R8, Q—R5 (ch); 36, K—K, Kt—B3; 37, QxB, B—R5 (ch); 38, B—Kt3, RxR; 39, BxB, Q—B7; 40, B—Q8 (ch), KtxB; 41, Q—Kt8 (ch), Kt—Kt2; 42, resigns.

(1) The opening moves are interesting as showing the development of modern strategy. I must admit that Black's QKt would have been to me an irresistible object of attack, while in reply to the text move 8BxKt followed by Kt—Kt5 has a great deal in its favour.

(2) The position after White's 16th move deserves study. Superficially the first player would seem to have the better game, but actually the pending counter-attack of Black is the important factor.

(3) The all-important move of Black. The QR was the pivot of the defence scheme, and ultimately, as it happened, the chief factor in the attack. It is interesting to note how Black has only just the requisite moves available in which to place his King in the safety of Kt3.

The British Consul at Mersina has informed the Department of Overseas Trade that the President of the Adana Chamber of Commerce has expressed a wish to have British Trade Catalogues for reference in the Chamber, which he is organising on modern lines. The Consul also suggests that, in addition, catalogues should be posted to Mersina Chamber of Commerce. Both Chambers have members who have a very good knowledge of English.

Sir Frank Forbes Adam, Bt., of Sackville Street, Manchester, President of the Manchester Chamber of Commerce on five occasions, chairman of the Manchester and County Bank, vice-president of the British Cotton-Growing Association and the Empire Cotton-Growing Corporation, and a Governor of the Imperial Institute, who died on December 21, left estate of the gross value of £20,365, with net personality nil.

TURKISH-ARMENIA AND ITS RESOURCES.

(From a Correspondent.)

Surrounded by the Black Sea, Anatolia, Mesopotamia, and Persian and Russian Armenia, Turkish-Armenia is a highly mountainous, elevated plateau. Sloping gradually down in the West to the Anatolian, and in the East to the Iranian highlands, it is bounded on the North and South by the high mountain ranges of the Pontus and Taurus, which reach an altitude of 13,200 feet, whereas the average elevation of the valleys of the highland is about 6,000 feet. The climate is consequently very trying. The snow frequently covers the whole country to one to two yards deep and remains there for about six months, viz., from the end of October till May. Spring commences at the end of April and is very short, as is the autumn; for three or four months there is a really hot summer, and as the soil is exceedingly fertile, all the crops, vegetables and fruits ripen in that space of time. Except on the coast of the Black Sea and on the hills which adjoin it, there are no forests, but the highland has excellent pasture land.

Formerly, Turkish-Armenia was populated by a considerable number of Armenians, but, as they revolted against their Government in the War and made common cause with the Russians who invaded the country, they were compelled, as soon as the Russians retreated, to emigrate to Russian and Persian Armenia. At present the population consists of Kurds, Turks, some Georgian clans and a few Assyrians.

Geologically the country is very interesting, being cross-cut by mountains of archæic, palæozoic, mesozoic and tertiary deposits, as well as older and younger igneous and volcanic rocks. There are frequent occurrences of mines of different ores and useful minerals, which form the principal resources of the country and might, if properly developed, be one day of considerable importance.

Copper is found at seventeen places, most of them situated in the Pontus mountains. The most promising mines in this region are those of Fol, Kalanema and Elew, and some of them are now being exploited. One of the most famous copper mines worked is that at Arghana-Mâdan, situated on the Southern slope of the Taurus mountains not far from the sources of the Tigris river, in a north-western direction from Diarbekir; it has suffered from lack of fuel. The ore which contains 28 per cent. of copper, appears at the contact between serpentine rocks and eocene limestones and consists of lodes and accumulations of copper-bearing pyrite and copper glance. It produces yearly about 1,000 tons of black copper with 75 per cent. of pure metal.

A very important copper mine is that at Tillek, on the south-western slope of the Dudjik-dagh at Dersim; here the copper ore is accompanied by tin ore.

The most notable silver and lead mine is that of Gumush-Khana at the Kharshut river in the Pontus mountains. The ore consists of highly silver-bearing galena, which in lodes and veins pierces through granite and cretaceous limestones. The extracted silver contains 4 per cent. of gold. Work at this mine had to be stopped as the forest which surrounded it was used up and other fuel was not at hand. The Heban-Mâdan mine, on the Euphrates river, is also of considerable importance. It also had to be given up owing to the lack of fuel, though it is very rich and highly silver-bearing. Other mines of silver and lead ores exist at Gumush-Mâdan, Dorona, Kabon, Ortakol and Ispir.

Iron-ore is found at many places, as for instance, at Sokman near the sources of the Kalkid river, Arghana-mâdan, Sivan, Diarbekir, Tashkesan, and Djemil in the Pontus mountains; Mervanen, Mukus, Mardin, and Talari in the Taurus. The richest iron mines are the Talari ones where the ore is extracted and worked.

Gold is found at Kulvanak and Khutel on the Euphrates river, near Kharput in the Taurus mountains. Old gold mines are found at the Shivan-dagh, south of the Lake of Van.

Platinum is found in serpentine rocks in the district of Sasun. Iridium and osmium in small quantities frequently accompany the gold in the gold mines mentioned. Zinc-ores occur frequently with copper and lead ores. Manganese-ores are largely distributed in the Pontus mountains.

Rocksalt is found in many places; the best mines are at Flaso, to the south of the Taurus, where the salt is very pure. Palæozoic or Mesozoic coals are unknown in Turkish-Armenia, but a tertiary lignite of very satisfactory quality is largely distributed over the country and at some places the mines are worked. About fourteen mines of lignite are known, and it is more than probable that with the development of communications these coals will be of great importance for industrial enterprises.

As in Persia and Mesopotamia oil occurs here in the miocene formation, which is largely distributed over the plains and valleys of Turkish-Armenia. Surface indications of oil are found at Pulk, Erzeroum, Erzingan, Van, Kordsot and several other places, and even at Trebizond, the regions have not yet been properly prospected and there are no detailed reports about the commercial value of the oilfields of this country. Should these oilfields prove to be promising they would contribute one of the most important resources of the country.

The new Jerusalem Municipal Council is composed of three Muslim and three Christian Nashashibists, four Jews, and two Muslim Husseinists.

Mgr. Agathangelos, Metropolitan of the Isles, has been translated by the Phanar to the metropolitanical see of Chalcedon (Kadikeuy, opposite Constantinople), vacant since the death of the late Metropolitan, Mgr. Joachim, on February 5.

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SUDAN.

Port Sudan: The Egyptian Library, Post Office Box No. 44.

PALESTINE.

Haifa: Newspapers Agency Steimatzky, Jaffa Street.

Jerusalem: B. Y. and W. A. Said, 23-24, Jaffa Road.
Newspapers Agency Steimatzky, Jaffa Road.

SYRIA.

Beyrout: Sarrafian Bros.

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Basrah: Jashanamal, Bridge Street, Ashar.

BULGARIA.

Sofia: Librairie Francaise et Etrangere, 4a, Bvd. Tsar
Ostvoboditel.

CYPRUS.

Nicosia: Dick Soutanian, P.O. Box 6.

GREECE.

Athens: "Eleftheroudakis," Librairie Internationale, Place de
la Constitution.

Messageries de Journaux et Publications Etrangers, 24,
Rue du Stade.

TURKEY.

Constantinople: The Anglo-American Book and Newsagency,
18, Rue des Petits Champs, Pern.

AMERICA.

New York: Brentano's, Fifth Avenue and 27th Street.
Boston (Mass): Smith and McCance, Ashburton Place.

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RESERVE - £470,000

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Sir Norcot Warren, K.C.I.E.
Sir N. M. Murray.

Manager in London :—
Sir S. A. H. SITWELL.

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Subscribed Capital ...	£4,000,000	Reserve Fund ..	£2,900,000

HEAD OFFICE : 26, BISHOPSGATE, LONDON, E.C.2.

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Aden, Steamer Point	Cawnpore	Delhi	Madras	Tuticorin	Kisumu		Jinja	
Amritsar	Chittagong	Kandy	Mandalay	Zanzibar	Mombasa		Kampala	
Bombay	Cochin (S. India)	Karachi	Newera Eliya		Nairobi, Nakuru			

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HEAD OFFICE : LONDON, E.C. 3.

Capital Subscribed - £73,302,076	Reserve Fund - £10,000,000
Capital Paid up - £15,810,252	Deposits, &c. (31st Dec., 1926) £347,653,458

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Company Meetings.

TRADE INDEMNITY COMPANY.

Satisfactory Progress.

Mr. C. E. Heath's Speech.

The ninth ordinary general meeting of the Trade Indemnity Company, Limited, was held on April 8 at the Institute of Chartered Accountants, Moorgate Place, E.C.

Mr. C. E. Heath, O.B.E. (chairman of the company), presided.

The Secretary (Lord Francis Hill) having read the notice concerning the meeting and the report of the auditors,

The Chairman said:—Gentlemen,—We are presenting you with a report which, considering the shocking state of trade during 1926, we hope you will think satisfactory. During last year, if the business has not increased in the same ratio as formerly, we have not been standing still. In a comparatively new industry such as this, organisation for the future must at first take a large place in our activities.

Credit Insurance Conference.

Not only are we planning methods by which our business and, incidentally, the trade of the country may be improved, but, as some of you may have noticed, we have been cultivating our foreign relationships. In December was held a meeting in London of the representatives of no fewer than 18 nationalities to discuss the ins and outs of International Credit Insurance. The conference lasted over two days and finally resulted in the proposal to form a committee for investigating and giving advice on those questions which must continually crop up. That committee has now been formed and has already had put before it several questions for consideration.

But, apart from the work actually done, the conference certainly was beneficial in another respect. It brought together many able men who then and there made each other's acquaintance and who undoubtedly separated satisfied with the knowledge of what manner of men they would be dealing with in the future.

I have explained before to the shareholders our hopes of eventually being intimately in touch with foreign associations in all countries, with whose aid alone a satisfactory foreign business can be carried on. Certainly we have made a great stride forward in that connexion. At home, too, there are certain proposals being put forward which may materially help us. But, for a good many reasons, I should prefer to be allowed not to discuss them on this occasion.

The Accounts.

Now may be turn to the accounts? I want you to bear in mind that, though we are now dealing with the results of 1925 underwriting, the greater part of the liabilities of that year matured in the very disastrous commercial year of 1926.

There is an item in the accounts which is very significant as showing the bad times trade has been going through. If you had last year's accounts before you you would have seen that we received in 1925, on account of the transactions in 1924, a sum of £3,500 for additional premiums. In the accounts now before us, so far from perceiving additional premiums, we have had to return £241, a difference of nearly £4,000 on the wrong side. There is only one redeeming point in this difference; it is that our liabilities should be less, and this should be reflected in next year's accounts.

The net results of our operations for 1925 has been that we pay the same dividend as last year, put the same amount to reserve and carry forward £1,500 more. The slightly better result has not been due to fewer losses—they have indeed been greater, as was I think to be expected in such a year as 1926—but to an increase in dividends from investments. Like all insurance companies we depend largely on the interest on invested premiums. This you will see has increased considerably, amounting to about £3,000 more than the previous year.

But in stating that the losses have increased I am far from saying we have not made a profit on the underwriting. On the contrary, the year 1925, with which we are now dealing, shows an underwriting profit after paying expenses of about 17 per cent. on the premium. This does not include interest received on invested premiums or otherwise. I think every credit is due to Mr. Spain for that result.

So far as 1926 is concerned, although our gross premiums have increased by a small amount, about £5,000, our retained premium is smaller. Our underwriter has thought it prudent to reinsure a

larger proportion of the risks. In view of the circumstances of last year I feel sure you will approve of his caution. The losses to date are about normal and I hope we may meet you next year with a fair report.

You would like to know something of the results of accepting risks from foreign companies. There was very little premium from this source in 1925, but during 1926 the receipts increased considerably and so far the results have been quite satisfactory and show a rather better loss ratio than our own business.

For 1927 there is little to say; the premiums are up and we hope will continue to increase. There is no doubt that interest in credit insurance is increasing. The overseas department is I believe doing a good deal of business, but I believe we can hold our own against even the very friendly competition of the Government, and I would wish again to emphasise how courteous and straightforward have been all the dealings with us of Sir W. Clark's department.

Tribute to Mr. Spain.

Gentlemen, from my point of view the interest of this credit insurance scheme grows from day to day. Hardly a week passes in which suggestions and ideas are not put forward in connexion with it, which show how far-reaching may be our scope and how immensely beneficial the proper working of the scheme can be.

When, as I confidently believe will be the case, the business has reached the proportions which it merits, you, gentlemen, will be able to congratulate yourself that you had the courage and the faith to constitute yourselves the pioneers—a title which no one will ever be able to deprive you of.

But if so far we have been successful the credit must be given where credit is due. Mr. Spain, as usual, has not spared himself—sometimes I think he should give himself more rest. The staff, too, has shown an enthusiasm which deserves all praise. We have young blood in the management, and its keenness and efficiency give every promise that the business, so far as the staff is concerned, will be prosecuted with entire satisfaction to the shareholders.

Before I put the resolution for the adoption of the report perhaps any shareholder who has remarks to make or questions to ask will now do so.

There being no questions, the Chairman then moved, "That the



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directors' report and the statement of accounts for the year ended December 31, 1926, be and they are hereby adopted."

Mr. James Hamilton, in seconding the resolution, said:—Gentlemen, there is very little I have to add to what the chairman has said in connexion with the report of the company. I have great pleasure in seconding the proposal he has made that it be adopted, especially because I think it shows that the care necessary in the conduct of this business and its evolution and development is being given by our underwriter and his staff, to proceed, it may be slowly, but with one eye always on safety. I should like to say personally that I think it was little short of a brilliant thought of our chairman and the underwriter to call together that conference, held in London recently, of men of countries interested in credit insurance throughout the world. That conference was excellently conducted by our chairman, who devoted a great deal of attention to it, and his idea and conception of gathering together men who were likely to conduct this business of credit insurance—though non-committal as to contract—all in the way of advising each other and helping each other to develop details of it—was a most excellent idea, because each country must largely depend on wise and good advice from other countries for its own insurance of this nature. I congratulate Mr. Heath, our chairman, that not only was the idea his, but the carrying of it out was also his, and I am quite satisfied that it will be greatly to the benefit of the Trade Indemnity Company. (Hear, hear.)

The motion was then put to the meeting and carried unanimously.

The Chairman proposed, "That a dividend of 5 per cent., subject to income-tax, on the issued capital of the company as recommended by the directors in their report submitted to this meeting be and is hereby declared payable to the shareholders standing on the register at this date."

Mr. Henry Mann seconded the motion, and it was carried unanimously.

On the motion of the Chairman, seconded by Mr. Charles Hendry, the retiring directors (Sir Philip Dawson, M.P., Mr. A. P. Duhamel, and Mr. C. H. Falloon) were unanimously re-elected.

Mr. de Rougemont proposed and Mr. Rendtorff seconded the resolution reappointing the retiring auditors (Messrs. Deloitte, Plender, Griffiths, and Co.) for the ensuing year. This was carried unanimously.

Vote of Thanks to Chairman.

The Right Hon. Lord Glenconner said:—Gentlemen,—In rising to perform the pleasant office of proposing a vote of thanks to the chairman, I would like to take the opportunity of thanking him also for the interesting speech to which we have just listened. International credit insurance—though in time destined to become, as we believe, an instrument of far-reaching importance and a most valuable facility to trade—is still, comparatively speaking, in an early stage of its development, and it is most satisfactory to hear of steps that have been taken in the past year to promote those foreign relationships that are so necessary for its growth.

There is one other matter which it may not be out of place for a shareholder to mention, and that is the co-operation between this company and the banks. Greater freedom of action on their part in accepting and discounting the insurance policies of this company would, of course, not only be of the greatest advantage to us, but would also, in my view, constitute one of the most practical means within their power of helping to bring about that improvement in our trade which they, as much as all of us, desire to see. We shareholders should approve the conservative and wise policy of our chairman and directors in the allocation of our resources, and we look forward with confidence to the future. We have, I think, in view of the exceptional year through which we have just passed and its immediate effect on the business of this company, every reason to be grateful to the management for the results they have been able to show, and I would now like, therefore, to propose a vote of thanks

to the chairman, directors, underwriter, and staff for the work that has been done on our behalf during the past year.

The motion was unanimously carried, and the Chairman having briefly replied to the compliment, the proceedings terminated.

COMMERCIAL BANK OF THE NEAR EAST.

Currencies and Trade Conditions.

The fifth annual general meeting of the Commercial Bank of the Near East, Ltd., was held on April 6 at the offices of the company, 4, London Wall Buildings, E.C., Mr. C. H. D. Moberly, the Managing Director, presiding.

The Chairman said: Gentlemen, on behalf of the Board, I have to regret and apologise for the absence of our co-directors, Messrs. Empedocles, Petrocochino and Merlin, who are detained in Greece by their duties. As the report of the directors and the accounts for the year ended December 31, 1926, have been in your possession for some days, I propose, with your permission, to take them as read.

I am sorry to say that business conditions in the Near East generally have not improved, but there are signs that some of the countries are likely to take steps before long to stabilise their currencies, and this should improve trade conditions to some extent. Business in Alexandria has been affected by the crisis caused by the fall in the prices of cotton. Considering the circumstances, however, our branch there has made satisfactory progress. Our profits for the year 1926 amount to £10,728 4s. 6d., as against £9,889 11s. 8d. in 1925, and may be considered satisfactory. You will observe from the balance-sheet that our authorised capital of £200,000 has been fully subscribed during the past year, and that we have acquired a holding in our associated bank, the Commercial Bank of Greece.

Before putting the resolution, I shall be glad to hear if any shareholders desire to ask any questions.

I now beg to propose: "That the report of the directors and the statement of accounts for the year ended December 31, 1926, be received and adopted, and that a final dividend for the year 1926 at the rate of 6 per cent. per annum, less income-tax, be paid on the shares of the company on and after April 7, 1927," and I will ask Mr. Lambrinudi to second that motion.

Mr. E. L. Lambrinudi seconded the motion, which was carried without question or comment.

On the motion of the Chairman, seconded by Mr. D. J. Cassavetti, the retiring directors, Mr. G. Empedocles and Mr. D. S. Petrocochino, were re-elected.

The auditors, Messrs. Price Waterhouse and Co., having been re-appointed, on the motion of Mr. A. A. Sevastopulo, seconded by Mr. S. G. Empedocles, the proceedings terminated.

COMPANY NOTES AND REPORTS.

SINAI MINING COMPANY.

The net profit of the Sinai Mining Company for 1926, subject to depreciation, was £31,961, plus £3,477 brought in. Deducting the 7 per cent. preference dividend paid on June 30, 1926, £1,750, and the 7 per cent. preference dividend paid on December 31, 1926, £1,750, the interim dividend of 2½ per cent. (free of tax) on the ordinary shares, £6,250, and the interim dividend of 2½ per cent. (free of tax) paid on December 30, 1926, on the preference shares, £1,250, leaves £24,438. The directors recommend placing to reserve for depreciation, etc., amount transferred, £6,000, paying on June 30, 1927, a final dividend of 5 per cent., making 7½ per cent. (free of tax), carrying forward £4,438. The directors have deducted the amount of the reserve for depreciation, etc. (£150,000), plus the amount transferred from profit and loss account as at December 31, 1926 (£5,000), making £155,000, from mining property, ropeway, railway, buildings, etc., and in the opinion of the directors the value of these assets is now placed upon a more satisfactory basis. A fair amount of business has been booked for delivery over 1927, and, given reasonable rates of freight, should prove remunerative.

Cables have been received to the effect that the Roumanian Chambers have unanimously ratified the agreement of February 18 last with the Skoda Works and Messrs. Ringhoffer, under which the latter firms accept Roumanian long dated Government Bonds in lieu of cash payments spread over the next four years. The Roumanian Budget is thereby relieved, for the next four years, of very heavy payments amounting to about £500,000 per annum. At the same sitting, the Convention signed on July 9, 1926, between the Alliance of Rural Co-operatives of Bucharest (with the Roumanian Government as an intervening party) and the Wholesale Co-operative Society, Limited, of Manchester, was ratified. Under the said agreement, the Roumanian Government guarantees the due payment to the Manchester Co-operative Society of the sum of £565,000 in fifty half-yearly instalments with interest at 5½ per cent. per annum.

FOREIGN EXCHANGES.

Country.	Method of Quoting.	Parity of Exchange.	Latest Quotations.
Alexandria.....	Piastre to £	97½	97½
Athens	Drachmæ to £	25.22½	358½
Belgrade.....	Dinars to £	25.22½	276½
Berlin	Marks to £	20.43	20.49
Berne	Francs to £	25.22½	25.25
Bombay	Sterling to Rupee	18d.	17½—29/32
Brussels	Belga to £	35	34.92½
Bucharest	Lei to £	25.22½	787½
Budapest	Peu to £	27.82	27.83½
Calcutta	Sterling to Rupee	18d.	17½ 29/32—
Constantinople	Piastres to £	110	935—950
New York	Dollars to £	4.86 2-3	4.86½
Paris	Francs to £	25.22½	124
Prague	Kronen to £	24.02	164
Rome	Lire to £	25.22½	100.85
Sofia	Leva to £	25.22½	670—675
Tehran	Krans to £	50½	50½
Vienno	Sch to £	34.56½	34.52—34.57
Warsaw	Zloty to £	25.22½	43—44

Cotton and Cotton Goods.

THE LIVERPOOL COTTON MARKET.

Messrs. Reynolds and Gibson report as follows for the week ended April 6:—

Egyptian Futures.—Sakel Contract.—We have again to remark a series of somewhat dull and uninteresting sessions since our last report; fluctuations continue to be restricted to a comparatively narrow range, and, as a result of this, price movements show practically no alteration from the level ruling on the date of our last circular. The most prominent feature shown by the market at the moment, to our minds, is the stability that has been recently displayed, prices being confined to within a few points of present quotations since the early days of last month. During this period, trade has been distinctly slack, and, apart from a moderate amount of speculative purchases of new crop months, very little outside support has been manifested. No doubt the recent action of the Alexandria market, which continues to show strength, is mainly responsible for the tendency at this side, and with a further appreciation taking place there during the week, without invoking an inadequate response locally, practically all positions on our board are, without taking into account the usual shipping charges, at a discount. This, no doubt, is mainly responsible for the rather poor supply of contracts on offer here.

There is little to report on the trade situation, spinners and manufacturers reporting a dearth of fresh business; fortunately, both parties have sufficient orders on their books to enable them to view the present lack of business without becoming unduly depressed; certainly there is nothing to be pessimistic about in the recent trade takings, as during the past fortnight nearly 20,000 bales have gone forward to the mills. This cotton has to be digested, and we are rather inclined to look upon the present absence of trade support as quite a logical sequel to the activity witnessed during the first six or eight weeks of the year. There has been a slight tendency for new crop positions to close in with the nearer months, due mainly to spot houses taking advantage of the present differences to put forward their hedges. It must be borne in mind that the greatest part of the speculative "long" account is concentrated on November, and on this account it is quite probable that at a later date this position will lose some of its present premium over July. We must confess that we are still unable to discern any feature in the outlook likely to cause a material effect on values for the immediate future. As far as the local market is concerned, the present apathetic state of consumers is neutralised as a "Bear" point by the fact that we now stand at a discount with Alexandria, and on this account short commitments are hardly in favour; on the other hand, the statistical position is distinctly heavy and it is difficult to foresee any advance without decided improvement in the matter of trade support.

Upper Contract.—Rather more activity has been witnessed in this market during the past week, and with some covering operations against "on call" sales prices have hardened slightly. In addition to this, a small appreciation in American values has further strengthened the undertone. Trade reports continue to show a moderate tone and spinners' activities in both spot and forward cotton have been curtailed to very limited operations.

Egyptian Spot.—Local conditions have shown but a slight improvement during the past week. Spinners for the most part appear to be well supplied with cotton bought during the first two months of the year, and there is nothing in the condition of the foreign markets at the moment to induce them to indulge in further commitments at the moment. As a result, purchases of both spot and forward cotton have continued to be on a hand-to-mouth scale only. In Egyptian proper, as distinct from Sudan, the only bright spot has been a line of some 400 bales Good Upper cotton, which were sold for export early in the week. Apart from this, there has been nothing of interest to report. With regard to Sudan cotton, the recent steady demand for American seed variety has been maintained, but the turnover has been more restricted than has been the case during the past two or three weeks.

New Crop Sudan Sakel has been rather neglected on account of

the comparatively high prices asked. The old crop cotton moved off slowly during the first few days, but to-day, following on the firmer market in Alexandria, the demand suddenly improved and larger sales were reported. It is interesting to note that new buyers of this cotton appear almost every week. One or two early arrivals of Tokar Sakel have now appeared on the market. The staple is attractive, but the grade rather disappointing.

Forwardings to spinners for the week ending the 1st inst. were returned as 9,658 bales Egyptian and 1,972 bales Sudan. These are fairly large figures, and explain to a certain extent why the spot business has recently been so poor. C.i.f. business has been officially reported as "quiet." Estimated sales 1,100 bales Egypt and 2,000 Sudan. Quotations of Sakel have been advanced 15 points and those of Upper 5 points. F.G.F. Sakel to-day, 13.50d. F.G.F. Upper to-day, 10.55d.

TENDERS INVITED.

Tenders are invited for the following contracts, and must be made by the dates mentioned.

(Particulars of tenders marked D.O.T. are to be obtained from the Department of Overseas Trade, 55, Old Queen Street, S.W.)

EGYPT.

Weighing Machinery.—The Ministry of Public Works, Cairo, invites tenders covering the cost of delivery for the following weighing machinery required during 1927-28:—2 cattle weighbridges, capacity 1,500 kilos; 78 platform weighing machines, assorted; 143 counter scales, assorted; 120 Beranger balances, assorted. May 4. (D.O.T.)

Rails.—Tenders are invited by the Survey of Egypt, Giza, Mudiriya, for the supply of about 6,200 tons of rails. April 20. (D.O.T.)

Map Printing Paper.—The Surveyor-General of Egypt invites tenders for the supply of approximately 3,000 reams of map printing paper. May 3. (D.O.T.)

Tents, Etc.—The Surveyor-General of Egypt, Giza (Mudiriya), invites tenders for the supply of tents and shamsias for same, April 29; document and map printing paper, May 3; calico and Shash, May 9.

Liquid Asphalt.—The Tanzim Department of the Egyptian Ministry of Public Works invites tenders for the supply of 1,275 tons of liquid asphalt (Bitumen). May 14. (D.O.T.)

Plant and Material for Water Installation.—The Inspector-General of Irrigation, Sudan, Khartoum, invites tenders for the supply only of plant and material required for a pure water installation at Malakal for a daily capacity of 20,000 gallons. The contract will be in the following five sections, and any contractor may submit tenders for one or more of the sections: (a) water tower and tank; (b) pump and prime mover; (c) Paterson's Filter, etc.; (d) settling and clear water storage tank; (e) piping and fittings. May 26.

Railway Carriages.—The General Management, Egyptian State Railways, Telegraphs, and Telephones, Cairo Station, invites tenders for the supply of bogie III class steel carriages, 10 with brake compartments and 10 or 20 without brake compartments. April 28.

Weighing Machines and Balances.—The Physical Department, P. W. M., Cairo, invites tenders for the supply of heavy platform weighing machines and balances. May 4.

The production of the Dacia Romano Petroleum Company for March was 1,702 tons. Fifteen wells are in production, nine wells are in drilling and one is being fitted up.

The production of crude oil by the British Burmah Petroleum Company and the Rangoon Oil Company for March amounted to 44,995 barrels.

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SUDAN COTTON REPORT.

The report of the Central Economic Board of the Sudan Government gives the following particulars:—

Nuba Mountains Province.—The total crop will not much exceed 9,524 kantars. Work has now been commenced on the foundations of the ginneries to be erected at Talodi and Kadugli. Much of the machinery and material for the Talodi ginnery has been delivered in Talodi.

Red Sea Province, February.—A report from Tokar states that the yield up to date has been good. The quality of the first class cotton is excellent, but there is an unusually high percentage of second class cotton at present owing to much of the early picked cotton being damaged by rain and damp. There should be a great improvement in this respect when early pickings are sold off.

Dongola Province, February.—Ghaba.—Picking is now general all over the scheme and 450 kantars were brought into store during the month. Sagia cotton, which is of very good quality, has started to come into store. On the experimental farm the early sown cotton yielded 6.3 kantars per feddan and the late sown 3.4 kantars. Nuri.—The cotton yield fell off during the last half of the month, probably largely due to the very cold weather

experienced from February 11 onwards. Cotton received into store to date amounts to 1,365 kantrs. Gureir.—Pump cotton received into store up to the end of the month amounted to 1,058 kantars, representing a yield over the whole area of 2.46 kantars per feddan. In addition 196 kantars of sagia cotton have been received. The opening of bolls was somewhat retarded by a very cold spell experienced during the middle of the month, but they are now opening well and a further yield of one kantar per feddan may be expected.

The address of the Bank of Roumania is now 123, Old Broad Street, E.C.2.

The British Museum acquired on April 9 a large Dipylon vase, one of the finest specimens known. Its date is about 800 B.C.

The Egyptian Markets announces a final dividend of 5 per cent. and a bonus of 1 per cent., making 11 per cent. on the ordinary shares, subject to confirmation at the meeting to be held on May 18.

The directors of the Burma Railways Company have declared, in addition to the guaranteed interest of £1 5s. per cent., an interim dividend of £2 15s. per cent. in respect of surplus profits, payable July 1, both less tax.

The value of Roumania's imports in January was 2,686,929,929 lei, that of the exports being 2,522,406,183 lei. For February the figures were:—Imports 2,588,271,169 lei, exports 2,798,413,623 lei.

Stock and Share Markets.

LONDON EXCHANGE		Prices on Apr. 11	Railways.		Prices on Apr. 11	Coal.		Prices on Mar. 23
Government Stocks.			Rubber.			Cotton.		
Egyptian 4 p.c. Unified Debt	...	83½	Assam-Bengal	...	81½	Baraboni	...	29/16
Do. Pref. 3½ p.c. 1890	...	73½	Bengal Nagpur	...	95½	Bengal	...	46½
Do. Turk 4 p.c. 1891	...	83½	Egypt Delta Light Rly.	...	44	Burrakur	...	17
Do. 3½ p.c. Eg. Trib. Bonds '94	...	78½	Southern Punjab	...	192½	East Indian	...	22½
Greek 5 p.c. 1881	...	51	Shipping.			Equitable	...	18½
Do. 5 p.c. 1884	...	51	Anchor 5½ p.c. Prf.	...	7½	Pench Valley	...	24½
Do. 4 p.c. Rentes, 1889	...	41	Cunard	...	21/3rd	Raneengunge	...	31½
Do. 5 p.c. 1890	...	51	Furness Withy	...	35/rd	Standard	...	52½
Do. 5 p.c. Funding Loan, 1893	...	51	Khedivial Mail Ord.	...	1	Bengal Nagpur	...	25½
Do. 4 p.c. Rails, Loan, 1902	...	51	P. and O. Deferred	...	265	Bombay Dyeing, etc.	...	95½
Do. 4 p.c. Loan, 1910	...	52	Tea.			Bowreah	...	32½
Do. 5 p.c. Loan, 1914 (Lon. issue)	...	64½	Assam Co.	...	40/9	Buckingham and Carnatic	...	200
Do. 7 p.c. 1924	...	98½	Bengal United Tea Ord.	...	218/16	Cawnpore Textiles	...	3½
Persia 5 p.c. 1911	...	82	Bramapootra	...	35½	Century	...	43½
Roumania 4 p.c. Ext.	...	69	British Indian Tea Ord.	...	2½	Central India	...	52½
Do. 4 p.c. Consolidation	...	43½	Cachar and Dooars Tea Ord.	...	315/16	Elgin	...	92
Sudan 5½ p.c. Guar. Bds.	...	106½	Ceylon Tea Plantations Ord.	...	6½	Khatau Makanji	...	105
India 3½ p.c.	...	68½	Consolidated Estates	...	4½	Muir	...	292
Do. 3 p.c.	...	591/16	Darjeeling Co.	...	2½	New Ring	...	238
Do. 2½ p.c.	...	49½	Dimbula Valley (Ceylon) Ord.	...	31½	Phoenix	...	428
Do. 5½ p.c.	...	1021/16	Dooars Tea Ord.	...	323/32	Svadeshi	...	531½
Do. 4½ p.c.	...	911/16	Dooloogram Tea	...	17/16	Jute.		
Turkish 4 p.c. Unified	...	24½	Doom Dooma	...	43/16	Alliance	...	640
Banks.			East Assam	...	3½	Barnagore	...	361½
Agri. Bank of Egypt	...	711/16	Empire of Ind.	...	2½	Budge Budge	...	608½
Bank of British West Africa	...	4	Halem Tea	...	2½	Clive	...	43½
Bank of Roumania	...	80/3	Jhanzie Tea Association	...	4 5/32	Dalhousie	...	525
Barclays Dom. Col. Pf.	...	29/6	Jokai (Assam) Tea Ord.	...	4½	Delta	...	668
Lloyds	...	62/6	Lanka Plantations Ord.	...	213/32	Fort Gloster	...	1045
P. and O. Banking	...	9½	Lungla (Sylhet) Tea Ord.	...	17/32	Gourepore	...	789
Eastern	...	61½	Nuwara Eliya Tea Estates Ord.	...	57/32	Howrah	...	504
Chartered Bank of India	...	18½	Pabbojan	...	71/32	Kamarhaty	...	742½
Ottoman Bank	...	10½	Scottish Assam	...	125/32	Kankannarrah	...	669
Imperial Bank of Persia	...	9½	Upper Assam	...	24	Khardah	...	553
Land Bank of Egypt Ord.	...	12½	Insurance.			Kinnison	...	1,119
Westminster	...	185/16	General Accident Fire and Life (£5, £1½ paid)	...	81/16	National	...	35½
National Bank of Egypt	...	35½	London & Lancs (£5, £1 paid)	...	22½	Standard	...	535
National Bank of India	...	47½	Royal Exchange (£1)	...	7	Union	...	722
Land.			Sun Fire £10 (£2 paid)	...	24½	Miscellaneous		
Kassala Cotton	...	9/.	Trade Indemnity (£10)	...	13½	British India Corporation	...	4½
Sudan Plantations	...	49/16	Miscellaneous.			Bengal Paper Mills	...	311/16
Mines.			Alexandria Water Co.	...	14½	Bengal Timber Trading	...	37½
Balaghat Gold Mining	...	2/6rd	Associated Cotton Ginner	...	16½	Burn and Co.	...	159
Burma Corp.	...	14½	Egyptian Hotels	...	7½	Cawnpore Sugar	...	236½
Champion Reef Gold	...	11/3	Do. Markets Ord.	...	25 6	Champaran Sugar	...	12½
Mysore	...	15½	Do. Salt and Soda	...	22½	Howrah Oil Mills	...	12½
Nundydroog	...	11½	Mortgage Co. of Egypt 5 p.c. Pref.	...	83/16	ALEXANDRIA		
Ooregum Gold Mining Ord.	...	16/6	INDIAN EXCHANGES.			Prices on April 1, supplied by G. L. Mortera, Alexandria & Cairo.		
Oil.			Government Loans.			Agricultural Bank of Egypt	...	£711/16
Anglo-Egyptian B	...	11	3½ Government Paper	...		Alexandria Water Co. " Foud.	...	£272
Anglo-Persian Ord.	...	53/32	Imperial Bank of India	...	1,462½	Assoc. Cotton Ginner	...	£13/16
Do. 8 p.c. Cum. 1st Pf.	...	26½	Bank of India	...	75½	Béhera Ord.	...	£151½
Do. 9 p.c. Cum. 2nd Pf.	...	28½	Central Bank of India	...	30½	Ciments d'Egypte	...	Frs. 125
Do. 5 p.c. Debs.	...	95½	Government Loans.			Div.	...	163
Brk. Burmah	...	9/6	Banks			Comptoir Fin. & Com. d'Egypte	...	£5/16
Burmah Oil Co. Ord.	...	6½	Prices on Mar. 23			Credit Foncier Egyptien	...	Frs. 1,000
Do. 8% Cum. Pref.	...	26/3	Rs.			Fondateur	...	2,325
Phoenix Oil & Transport	...	23/10½	78 15/16			Crown Brewery Priv.	...	Frs. 101½
Steaua Romana	...	13/3	1,462½			Filature Nationale d'Egypte	...	£5½

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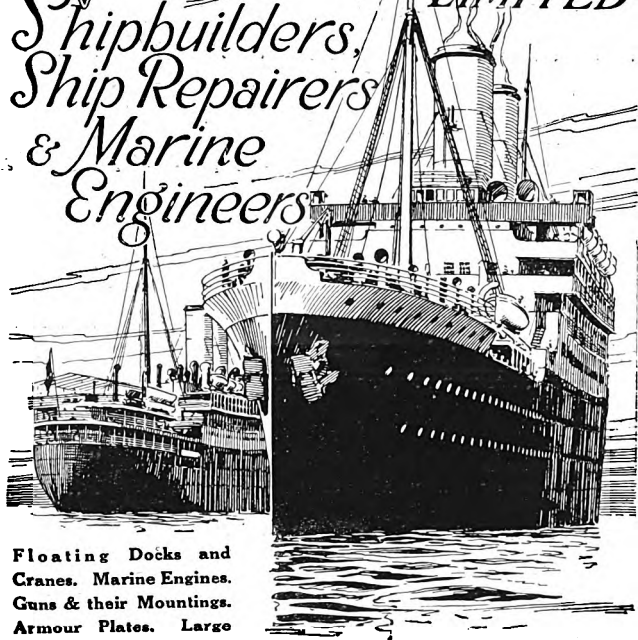
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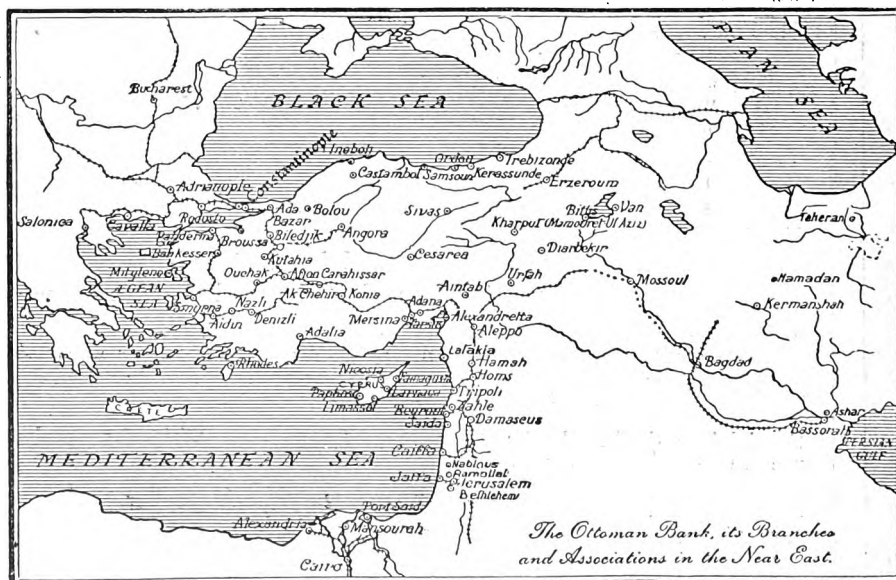
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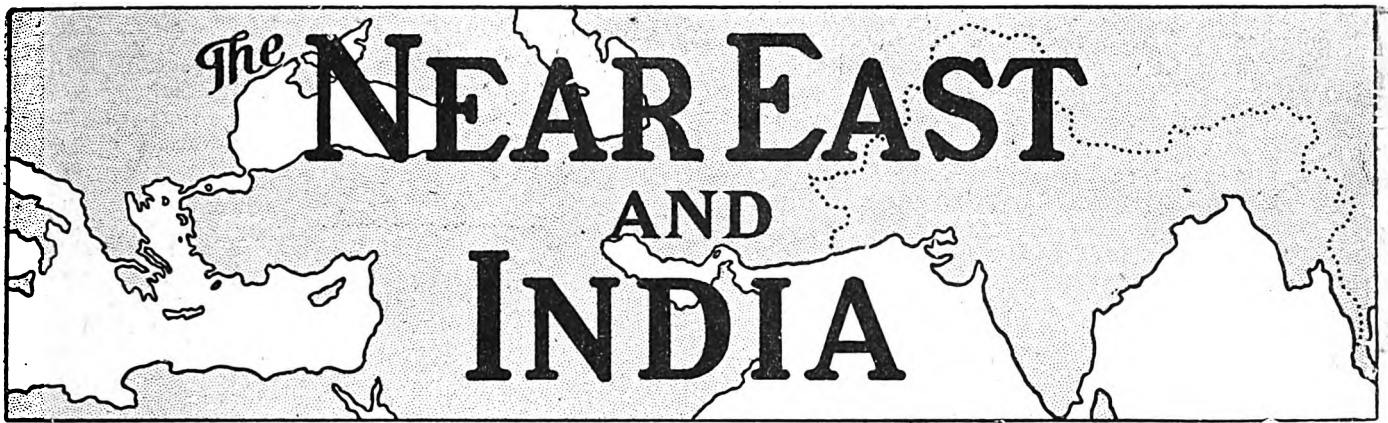
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The NEAR EAST AND INDIA

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THURSDAY, APRIL 21, 1927.

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Notes of the Week.

Yugoslav Ministerial Crisis.

After a troubled experience as Prime Minister of Yugoslavia extending over a year and one week, during which period he reformed the Government five times, M. Ouzounovitch handed in the resignation of his sixth Ministry last week, and has been succeeded in office by M. Voukitchevitch. The new Prime Minister belongs to the Dissident Group of the Radical Party, led by M. Liuba Yovanovitch; the other Radicals of the Ministry belong to the main group of the Party, and it remains to be seen whether the Pashitchist section, which had a representative in the last Cabinet, is going to maintain a separate entity or, with the withdrawal from power of M. Ouzounovitch, will be content to become merged again in a united party. It is symptomatic of the fluid condition of Yugoslav politics that the new Government, which was formed with unusual dispatch, almost within twenty-four hours of the resignation of its predecessor, should represent a coalition between Radicals and Democrats, to the exclusion of the Raditchists and Slovene Clericals. The participation of the latter in M. Ouzounovitch's last Ministry—their first appearance in the Yugoslav Government—was welcomed as an earnest of more effective co-operation among the component elements of the Triune Kingdom. As for the Croat Peasant Party, it will have been generally recognized throughout Yugoslavia that all that was possible to make co-operation with it workable had been done by M. Ouzounovitch, and that, so long as the Party allows itself to be the sport of M. Raditch's idiosyncracies, its accession to power can come about only through dire necessity, and never in response to popular conviction.

Political Respite.

As the Skupshtina has been prorogued until August, the new Ministry should have sufficient time to consolidate itself, if such a thing is possible in the present state of

Yugoslav politics. The coalition probably claims to be nothing more than an attempt to secure a working majority in the Skupshtina; for if the Radical Party were united, M. Voukitchevitch could count upon a majority of over thirty, with the fifteen Bosnian Moslems under Dr. Spaho, who becomes Minister of Commerce, and thirty-seven Davidovitch Democrats. There can have been little time to formulate a programme for the new Ministry, and it will be this task that will test the solidarity of the component elements. It is noticeable that while M. Peritch, Minister for Foreign Affairs in the last Cabinet, retains a seat in the Government, a new Minister for Foreign Affairs has been appointed in the person of M. Marinkovitch, who held the post for a few months in 1924. Public opinion in Yugoslavia has been profoundly stirred on the subject of the country's foreign relations by the recent course of events, and there is an unmistakable demand for a more active foreign policy which will free Yugoslavia from its sense of isolation. Speaking at a recent meeting in Zagreb, Dr. Trumbitch pointed out that Yugoslavia was surrounded by seven neighbouring States, all of which had aspirations on Yugoslav territory. It was clearly Yugoslavia's duty, therefore, to maintain the best possible relations with her neighbours; but the policy of Belgrade in the past, he declared, had not brought about a friendly feeling with a single one. He believed that Belgrade was now alive to the fact that the bad handling of foreign policy had prejudiced the Serbs, and he looked for an improvement in this direction.

Italy and Yugoslavia.

It is a matter for regret that Italy's withdrawal from an untenable position has not been more dignified and more worthy of a Great Power. When she launched her charges against Yugoslavia, in hardly any quarters was it believed that she would take such a step without having unchallengeable proof of the correctness of her allegations. The evidence on which the Rome Government relied, however,

was of such a nature that it hesitated to give it officially, and contented itself by issuing it by instalments in the *Giornale d'Italia*. It required only the presence of one or more unprejudiced foreign correspondents in Yugoslavia for the hollowness of the Italian case to be revealed; all the military preparations that were magnified into a mobilisation for the immediate invasion of Albania were found to have at least a reasonable explanation, whatever the misunderstandings on either side of the Albanian frontier. If the Italian Government had been equally misled, it could easily have cleared its own position by accepting the explanations. The news of the landing of Italian troops on the island of Saseno, however, coming on the top of the failure to accept the Yugoslav offer of an immediate investigation of frontier conditions, showed the Italian scare as something in the nature of a smoke-screen behind which Italy apparently hoped to read into the Tirana Treaty more definite claims to a protectorate over Albania than she had dared openly to avow. Since then the Italian Government has been at pains to avoid any impartial investigation of Italo-Yugoslav relations in their bearing on Albania.

"Censored" Negotiations.

The scope of any international mission of investigation of the Yugoslav-Albanian frontier will be restricted to future conditions and now the Italian Government announces that it will not allow the question of the Tirana Treaty to be raised in the joint negotiations with Yugoslavia. This veto renders the negotiations useless, as the interpretation of the Tirana Treaty is the crux of the whole situation. Italy has only to satisfy Yugoslavia that the Treaty is as innocuous as it appears on paper—in other words that it carries with it nothing remotely resembling any justification for Italian intervention in Albania unless and until such help is formally invited by the Albanian Government or Parliament—and the ground is at once removed from under Yugoslav fears. The Italian Government, it would seem, realizes that it could not face any cross-examination either on the Tirana Treaty or on the landing of troops on Saseno, and, therefore, declares that the subject must not be raised. Yugoslavia in the circumstances would be justified in refusing to enter upon the negotiations in the certainty that they cannot lead to any satisfactory conclusion; but the meeting may possibly be turned to good account if it causes Italy to reveal more clearly her hand in regard to the Balkan question. On this point Yugoslavia will have all Balkan States with her, as soon as she can convince them of her own reasonableness on purely Balkan matters.

Macedonian Agitation in Bulgaria.

A most unfortunate *contretemps* has arisen in Bulgaria between the Government and the Macedonian organizations. It is obvious that the spirit of the undertaking which provides for the evacuation of Greek Macedonia by Bulgarians and the liquidation of the property left behind calls for the liquidation of schools and churches, and the Bulgarian Government is loyally prepared to carry through this arrangement. To the Macedonian emigrants, however, there is, not unnaturally, a sanctity attaching to churches and schools which in their opinion should exempt them from the liquidation to which private property is being subjected, and they are up in arms against the Government's proposal to acquiesce in the proposed interpretation of the agreement. Feeling runs very high on the subject, and, according to Macedonian wont, the emigrants are ready to declare war on the whole world rather than admit that there can possibly be any other side of the question than their own. They have started by ordering demonstrations throughout Bulgaria, and the Government has dispersed these. In view of the strength of the Macedonian organisations and of their tendency to stick at nothing, the situation may well become grave. It is probably impossible to appeal to the emigrants to reflect on the position. The Refugee Loan has been granted on the condition that the recipients

undertake to sever their connexion with Macedonia and accept Bulgarian citizenship. Whatever the sentimental attachment to their old churches and schools—and no one denies that it does them credit or would withhold sympathy from them in the sacrifice which they are obliged to make—it is idle to pretend that it is better that these should remain deserted and derelict than that they should be disposed of and the proceeds used for the benefit of the emigrants. The peace of the Balkans, their own welfare and the prosperity of Bulgaria require that they should honourably make the sacrifice and turn resolutely to achieving success in their new surroundings.

Turkey's Progress.

It is impossible to read the Turkish Press without being struck by the earnestness with which the task of building up the new State is being approached. Every question, whether in the realm of foreign affairs or any other, is approached solely from the point of view of its bearing on Turkey or her problems. Owing, however, to the strict censorship on the Press there is a one-sidedness, not to say a shortsightedness, in all the comments that must impair their efficacy as a medium of education for the country as a whole. Special stress is being laid by the Angora Government on education; but one purpose of education should be to make people think for themselves, and there is no better way to encourage this than to let them have different points of view in order that they may think out for themselves which they prefer to adopt. If, for instance, there were greater liberty for the Turkish Press, in all probability views would be expressed on foreign affairs showing greater breadth of vision than those which now monotonously twist everything to support the official creed that Turkey must keep herself at arm's length from the West that she is so sedulously imitating. Now and then a writer will betray the fact that he knows the official policy to be wrong, but he is forced to endorse it. In various directions Turkey is buying experience that she could gain more economically by other means. She has had difficulty with her alcohol monopoly, she entertains doubts as to the capacity of a certain group to carry out a railway construction programme, she is discovering that something more than good intentions and a concession is required for the successful running of sugar refineries. Progress will be more consistent and more rapid, if, instead of trying to do everything by herself—which is a different thing from doing it for herself—she accepts advice and guidance from others, even in respect of her advisers and guides.

The Trans-Persian Railway.

The Teheran Correspondent of *The Times* has announced definitely that the railway from the Persian Gulf to the Caspian is to be begun simultaneously from both ends. As is known, this particular scheme is one of the projects most favoured by the American Financial Advisers of the Shah, and in 1925 the Majlis gave the Government a monopoly over sugar and tea, the revenue from which (estimated to have an annual value of about £1,000,000) is to be devoted wholly to railway construction. But there still remain a good many doubting Thomases in regard to this particular line, which, it would seem, neither can be built from what can be raised from the revenue of the Persian State, nor can be made self-supporting. It has been suggested that it would cost £15,000,000 to build; but we would not take that estimate as necessarily accurate. The problem is, therefore, how to build, out of a revenue of the annual value of one million, a railway costing several millions? Obviously the answer lies in a foreign loan, and almost equally obviously the money will be asked for in America. It will, however, be time to discuss this particular aspect when the loan has actually been announced. In the meantime it is interesting to recall the line of the projected road. Apparently, it will begin from the Khur Musa district on the Gulf, and go northwards, serving the towns of Ahwaz and Dizful, to Khorummabad. Thence it is to

proceed to Burujird, Hamadan, and, by the Nuberan route, to Teheran. From the capital it is supposed that the line will go to Bandar Gaz, on the Caspian. Now the advantages that such a line might give to Persia, in freeing the country of the necessity of using the Northern market are fairly obvious; how would it affect the entrepôt of Persia, which is Baghdad?

Persia and Baghdad.

The High Commissioner for Iraq, Sir Henry Dobbs, said last week that the air had given back to Baghdad its supremacy as a centre on the highways of the world; and his words were just. Mr. Winston Churchill, however inhospitably Englishmen may be thinking of him at the present time, was not speaking in the void when he called Baghdad "the Clapham Junction of the Air." We cannot think, therefore, that any trans-Persian Railway, if ever it be constructed, will permanently injure the unique position of the capital of Iraq. In this connexion may be mentioned the eagerness with which the report is awaited of General Hammond on the railways of Iraq, (which he recently inspected). For if Persia does eventually enjoy a railroad from North to South, which by itself alone would admittedly considerably harm Iraq's transit trade, other lines must also be built. For instance, there is the projected line which shall join Iraq with the Mediterranean—that in itself would, of course, increase the importance of Baghdad very much. Nor should one overlook the possibility of the Persian railways linking up with the Iraq railway system. It has been proposed, for example, that a line be constructed from Charbar by the mouth of the Persian Gulf, by way of Kerman, Yazd, Isfahan, Hamadan and Kermanshah to Qasrshirin, whence, naturally, it would be joined up with Khaniqin. This system, moreover, would probably be connected with Duzdap, the railhead of the Quetta to Nushki line. In that event, therefore, Baghdad would have her way open to India. But all these suggestions are not things of the immediate future—they may, indeed, be quite impracticable—and it seems hardly probable that Baghdad is justified as yet in quaking in her shoes over the future. We have no doubt that the authorities in Iraq have studied all the potentialities of the situation, and probably they are well satisfied with the ability of Baghdad to hold her own with the march of material civilisation in the Middle East.

The Mecca Pilgrimage.

Quite patently those anti-Wahhabi Indian Mussulmans who have during the last few months been spending their energies in trying to convince their brethren that the highest duty of a Muslim at the present time is to forgo the pleasure of performing a sacred obligation, that is, making the pilgrimage to Mecca, have ignominiously failed in their endeavours. As our Jidda Correspondent has been pointing out, overseas pilgrims have been arriving in the Hijaz in large and constant numbers; and the Bombay correspondent of *The Times* last week recorded an unusual increase in the number of *hajjis* sailing from Bombay and Karachi. From Bombay alone the number is expected to exceed 20,000. It would seem, therefore, as if the Indian Mussulman is really, as it is claimed for him, one of the most religious of the elements of Islam. The propaganda against swelling the numbers of this year's *hajjis*, and, incidentally, of helping the revenues of the Hijaz, has totally collapsed; in other words, religion has come before politics. All this is excellent, and it is to be hoped that the Wahhabis will show themselves worthy of the confidence that a great part of Islam has reposed in them. It is wholly to the good that politics should be barred in the Holy Land of Islam. And yet it is, perhaps, a matter for regret that the second Mecca Congress is, in all probability, not to be held. The great assembly of last year, which, by the by, was supposed to eschew politics, admittedly did not achieve all that was hoped for it; but after such elaborate preparations for holding the Congress annually it seems unfortunate that the decision has been taken not to hold it this year—if

indeed, it has been so decided—and to advertise in this fashion the internal dissensions of Islam. Article 3 of the Statutes of the Congress of the Muslim World as published last year provided that the Congress would meet annually at Mecca (or elsewhere) during the season of the pilgrimage. For the sake of Islam as a whole, and of the Wahhabi reputation in particular, it is to be hoped, therefore, that this report of the non-holding of the Congress this year is untrue.

The Palestine Government and American Jewry.

In writing last February of the wider participation of American Jewry in the affairs of Palestine, as manifested in the extended Jewish Agency, we hinted at the possibility of added difficulties for and increased criticism of the British Government. It was not a very astute prophecy, perhaps; at all events, its accuracy was quickly exemplified in the conduct of some of our own British Zionists, particularly those in the House of Commons. The people of this country, however, is less likely to be troubled by the criticisms of men such as Colonel Wedgwood or Commander Kenworthy than by the statements of such a man as Mr. Louis Lipsky, who is President of the Zionist Organisation of America. This critic of the British Government is just reported to have said: "It was obvious to every visitor that the Palestine Government was not doing all that it could for the up-building of Palestine." And he is stated to have added: "It was an intolerable position that the Zionist Executive must go on spending much of its energy and activity for the purpose of removing the obstacles in the way of Palestine's up-building, which an enlightened, far-visioned Government on its own initiative could so easily remove." We cannot help thinking that this sort of talk does the Zionist cause more harm than good; would it not, in any case, have been wiser of Mr. Lipsky to wait until the body of non-partisan Jews has reported on the whole position in Palestine? Quite conceivably the British Government will not sleep less soundly o' nights because some American Jews choose to call it, by implication, both benighted and short-sighted, and to suppose that American Jews can, either by positive or by negative action, dictate the policy of the British Government in the Holy Land, is, in our view at any rate, to manifest the possession of a curious sense of values. To blame the Palestine Administration for the prospect of difficulty in maintaining the interest of American Jewry in Palestine affairs, as Mr. Lipsky proceeded to do, may be the first thought of a certain type of mind; but those Jews who know most intimately the intricacies of the Palestine question are, we prefer to think, less inclined to belittle the efforts of the Power,

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which, in caring, in accordance with its promises, for the whole of Palestine—its majority no less than its minority—is giving protection and freedom to the hitherto persecuted Zionist.

The Palestine Crisis.

It should not be supposed that the Zionists are not deserving of sympathy in the present crisis in Palestine, but, as we wrote last autumn, when the depression was perhaps at its most gloomy period, their great need is steadiness. The permission given to non-Zionists to participate in the Palestine effort was, in one sense, an indication of the plight of the promoters and supporters of the Palestine experiment; and possibly all this criticism of the Jerusalem Administration is another. There is, indeed, nothing to be gained from shirking the fact that Palestine is, from the Jewish point of view, still a problem. In this connexion, we would quote the views of Mr. Jacob De Haas, a Jewish Nationalist who, in a letter published in the last issue of the *Jewish Chronicle*, thus summed up the results of six years of the attempt to set up in Palestine a Jewish National Home:—

1. Beginning of serious emigration from Palestine, owing to economic failure of settlement.
2. Accumulation of large indebtedness by all Zionist Palestinian organisations. Behind the euphemism used with reference to the Palestine Securities Company, the American Zion Commonwealth, etc., is not a record of success.
3. Typical recurring crises in Palestine.
4. Compromise with those who may be philo-Palestinians, but who have thrown their strength and resources into philanthropic "amelioration from within" in Eastern Europe.

Now in the main these four points cannot be gainsaid, but is it seriously supposed that the British Government is responsible for the facts contained in them? The wisest Zionist leaders, naturally, know that it is not, but there is danger in the possibility that a large body of incompletely informed American Jews should attribute to the Administration in Palestine the delayed success of the scheme in promotion of which they are spending their moneys. There are indeed wheels within wheels in this question of Palestine, and it is devoutly to be hoped that, just as the Arab side of it shows signs of solving itself, additional complexity should not ensue from the Zionist side. We make no apology for dwelling on the serious nature of this problem, for it is fraught with considerable potentialities.

A Cabinet Crisis in Egypt.

Although criticism of the Government has become a permanent article on the parliamentary bill of fare in Egypt, and it was recognised that the situation, as far as the members of the Cabinet were concerned, must be uncomfortable, if not actually bordering on the intolerable, it was not expected that at this advanced stage of the session, with the prospect of the summer vacation approaching, the limit of the Government's endurance would be passed. On April 18, however, Adly Pasha Yeghen decided to hand in the resignation of his Ministry on the strength of a vote in the Chamber which, while unimportant in itself, seemed to bring to a head a series of carping criticisms on the Government. The proposal before the Legislature was that the Government should be asked—as it has been before—to transfer money on deposit in the National Bank of Egypt to the Bank of Misr, which is conducted entirely by Egyptians, and the request was coupled with a motion of thanks to the Government. When a deputy had pointed out that there was nothing for which the Government was entitled to be thanked, the proposal was rejected. It will be surprising if the Chamber, on reflection, considers that Egyptian interests will be served by a change of Government at this stage. The solution of the crisis is linked up with the attitude of Zaghoul Pasha and the patience of the long-suffering Prime Minister, whose inclinations, it is to be feared, are ever against the holding of office.

ALBANIA AND ITALY.

Under the heading of "Albania and Her Protectress," Mr. William Miller has a trenchant article in the current issue of *Foreign Affairs*. He first of all examines the text of the Tirana Pact, observing that "peace" has not usually been "strengthened" by the intervention of a Great Power in the affairs of a Balkan State; and that no one, neither Greece nor Yugoslavia, was threatening the "juridical and territorial status quo." Having sketched the recent relations of Italy with Albania, he roundly attacks Sir Austen Chamberlain for having failed to support a British Minister in Albania, Mr. O'Reilly. This Minister, according to Mr. Miller, warned the British Government of what was coming in Albania. But, says this writer:

"The fact that he had done so leaked out and reached Rome, whereupon Sig. Mussolini is said to have complained to the British Minister for Foreign Affairs. Palmerston or Curzon would have supported his subordinate. Sir Austen Chamberlain removed him from Durazzo and transferred him to Venezuela. It is, indeed, a novel experience for an Italian, or any foreign, statesman to secure the removal of a British Minister for having done his duty to the best of his ability. . . . The British Minister has now simultaneously sacrificed British prestige alike in Albania and Yugoslavia, because of his regard for Sig. Mussolini."

The work of certain British officers in Albania, including Sir Harry Eyres, and Colonel Stirling and General Sir Jocelyn Percy (who are still there) is then praised; a warning is given that Britain herself may suffer from the Italian hegemony in Albania; the opportunity is indicated of the formation of a fresh Græco-Yugoslav alliance; and the article concludes:—

"It therefore behoves statesmen to follow carefully what is happening in Albania, and foreign Ministers to believe what their conscientious representatives on the spot communicate to them, all the more because there are usually no Press correspondents at Tirana and news from there is either sensational or official. The truth usually lies between the two."

A MISSIONARY REVIEW.

The April issue of the *International Review of Missions* contains at least two articles which are likely to interest readers of THE NEAR EAST AND INDIA. These are "New Tendencies in Islamic Religious Thought," by S. A. Morrison, and "The Persian Shi'as," by J. Davidson Frame. Mr. Morrison, who surveys his field from Cairo, begins by stating that a new type of Islam has appeared, but it has assumed "many different and often mutually contradictory forms." First, he explains the tendency visible in some parts of Islam to reject the old religion. Such a rejection is not, however, indulged in only by advocates of extreme nationalism, for "there are signs of a popular reversion to the old faiths" (e.g., in Persia). Another tendency is to restrict the sphere in which Islam works, and yet another to reform Islam. In this last tendency can be seen the endeavour to find a *rapprochement* with other religions, through the line, for example, of mysticism or of Bahaism. But, probably most important, is the tendency to revive Islam, which is manifested by conservative Islam. This last party is represented by such institutions as the Al Azhar University, by the Wahhabis, by the *Ahl al Quran* movement in India. And finally there are the eschatologicalists, hoping for the appearance of a saviour who shall arise to "re-establish the fading glory of Islam." Mr. Morrison's moral is that the Muslim world must be reviewed from time to time in order that the method of approach by Christian missionaries may be adjusted in accordance with new indications of Islamic thought, and that the same methods must not ubiquitously be employed.

NORTHERN ARABIA.

The April number of the *Geographical Review* contains an article on "Northern Arabia," by John Kirtland Wright, which is a description of the explorations of Alois Musil, now Professor of Oriental Studies at Charles University, Prague. The American Geographical Society is, through the generosity of Mr. Charles R. Crane, who has lately been in Arabia, publishing the results of Professor Musil's expeditions of 1907-1915. These works will consist of six volumes. The first, which has already been published, is entitled "The Northern Hegaz," and other volumes will be published upon "Arabia Deserta," "The Middle Euphrates," "Palmyrena," "Northern Negd," and "The Manners and Customs of the Rwala Bedouins." The article in question gives a general background to a series of works that will certainly be eagerly awaited by all students of Arabian affairs.

NEAR AND MIDDLE EAST ASSOCIATION.

Under the auspices of the Near and Middle East Association, a lecture will be given on "The Outlook in Abyssinia," by Mr. F. C. Rey, who has just returned from Abyssinia. The lecture which, by kind permission of Mrs. James Conchie, will be delivered at 27, Great Cumberland Place, W.1, is to be given on April 29, at 8.30 p.m.

THE NEAR EAST AND INDIA.

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THE MACEDONIAN PROBLEM.

For a variety of reasons the Macedonian question had recently lost much of its acuteness. A vendetta among the leaders of the Macedonian Revolutionary Organization seemed to have checked the activities of the *komitaji* bands that it controlled, and it was hoped that improved methods of administration in the disaffected regions had undermined the efficacy of revolutionary propaganda. As a reminder, however, that the problem, though dormant, has not ceased to exist, a congress of the Organization of Macedonian Emigrants in Bulgaria, which was held in Sofia in the latter part of February has now issued in pamphlet form the many resolutions which the gathering passed on that occasion. Its purview was a wide one. The resolutions address themselves to the Great Powers, to the League of Nations, to Public Opinion in Bulgaria and the Bulgarian Government, to the "oppressed peoples in Yugoslavia," to the defenders of the Macedonian cause and those who work for world peace, as well as to the people in Macedonia and the various Macedonian Organizations and Institutions. The Congress appeals to the Great Powers to obtain for Macedonia a form of self-government; it supplies the League of Nations with its own version of what is happening in the parts of Macedonia subjected respectively to Greek and Serbian sovereignty, and calls upon it "to put an end to the physical and moral terrorization" of the Minorities and to appoint an international committee to ascertain the validity of the Macedonian complaints and the justice of the Macedonian demands. The appeal to Bulgarian public opinion and to the Bulgarian Government is by no means the least interesting part of the numerous resolutions. The Emigrant Organization complains of certain persons and circles in Bulgaria, pessimistically disposed, whom it accuses of disseminating the false report that the Macedonians are a hindrance to the Bulgarian State in its efforts to get on its feet by means of a series of international agreements; it considers that the Bulgarian Government fails "to take advantage of the most favourable opportunities, from the technical point of view, to raise its voice justly and legally in defence of the oppressed Bulgarians in Macedonia; and, having recapitulated the faith that is in it regarding the rights of the Macedonians, it appeals to all in Bulgaria "not to succumb to the claims of party politics" in growing lukewarm on the subject of Macedonia.

If the resolutions had ended here, the Congress might have flattered itself that it had faithfully discharged a patriotic duty in an unexceptional academic way. It proceeds, however, to fan the flame of Macedonian unrest by a reference to the oppressive conditions, in view of which "the struggle for national self-preservation and for national liberty requires much patience, many victims

and supreme sacrifices on the part of every Macedonian, and calls upon all young Macedonians who still remain outside the ranks of their organized brothers to hasten to join their comrades in the name of the highest ideal which can inspire their life and activity to-day—namely, the liberation of Macedonia." Let it be said at once that it is common ground among those foreign observers who know the Balkans best that the soundest solution of the Balkan problem would include an autonomous Macedonia. None, however, believes to-day, or is in the least likely to be convinced, that armed violence, of the nature of which alone the Macedonians are capable, is the best, or even a possible, way of achieving that end. If the attitude of the Emigrant Organization reflects the views of the Macedonians under Serbian and Greek jurisdiction, then it has to be inferred that their present quiescence is the result of exhaustion and does not represent an accession of wisdom and changed tactics. In these circumstances is it likely that the position, if it changes at all, will do otherwise than change in favour of those in authority? If the campaign of violence at its height has availed the Macedonians nothing, according to their own statements, there can be still less chance that on an attenuated scale it will either impress the League of Nations more favourably or extract better terms from those whom the Macedonians regard as their oppressors.

Macedonians are not the only people in the Balkans who are handicapped by an inability to take a long-sighted view of their own interests. One of the reasons why their appeals fall on deaf ears to-day is that no country, still less the League of Nations, can take the responsibility of recommending autonomy for a people who have not shown the least capacity for ordered government. It is not necessary to subscribe to this view, in order to realise that the average European, on the strength of the past record of the people, would expect to find an autonomous Macedonia many degrees worse than an independent Albania and consequently still a cause of trouble in the Balkans. On the other hand, he will argue—in ignorance, no doubt, of Macedonian tenacity—that, given decent treatment, the Macedonians will ultimately find on which side their bread is buttered, and will accept the inevitable. Such, at least, is the line of argument that seems to be used to justify the attitude of Europe to the Macedonian question, an attitude that the Macedonian people find it so hard to understand. Unfortunately they make no effort to study the psychology of others, still less to understand it. The preamble to the Congress' resolutions speaks of the Macedonian population as "deprived of every opportunity of using legal means in its struggles for justice, and so compelled to resort to revolutionary practices to secure its self-preservation." Yet it would be impossible to convince any Western Government that, even if "legal means" had ever been employed, they had been given a reasonable trial. The impression abroad is that revolutionary practices were resorted to long before a thought was given to legal means. A very different state of affairs might have been recorded to-day in the Balkans, if the Macedonians, recognising their limitations, had made a whole-hearted effort to accept loyally temporary dismemberment, until such time as, having established themselves as influential factors in each State, they could work peacefully and constitutionally for an autonomous Macedonia in a Balkan federation. Their tactics have earned them the suspicion and distrust of their neighbours and they still appeal for interference that becomes less and less likely as the days pass. If now they will change their methods, set their faces resolutely against violence, and give some signs of being able to conform with ordered government, the cause of autonomy may begin to look up. There must be no more resolutions on the lines of the Sofia Congress of February.

The Near and Middle East*

From Our Own Correspondents.



Sofia, April 5.

Bulgaro-Roumanian Relations.

Examination of the present state of Bulgaro-Roumanian relations shows complete stagnation. This stagnation is all the more remarkable in that it follows upon a sincere endeavour to regulate the questions outstanding between the two countries. These questions are of two kinds. There is, first, the problem of the Bulgarian minority, more particularly the Bulgarians in the Dobruja. And, secondly, there is the problem of the sequestered property of Bulgarian subjects in Roumania. The first is a political question, the second a financial one. Both, however, are of the greatest importance from the point of view of the development of Bulgaro-Roumanian relations.

The situation of the Bulgarians in the Dobruja is conditioned by a series of measures, taken by the Roumanians, which all tend to force the Bulgarian population of the country to expatriate itself in order to make room for Roumanian colonists. The most important of these measures are, on the one hand, the verification of the rights of Roumanian nationality of those who, in conformity with the prescriptions of the Treaty of Neuilly, have opted for this nationality, and, on the other hand, the verification of the titles of landed property, the land being considered as national which under the Bulgarian régime the Bulgarians had possessed only in a usufructuary qualification. The two verifications, without speaking of churches and schools, are being made in a scandalous fashion.

All these measures being applied in virtue of a special law passed by the Roumanian Parliament, the Bulgarian Government could not intervene; but it made known to Bucharest the deplorable effect which they produced in Bulgaria. The Roumanian Government promised to introduce modifications, and the Averescu Cabinet even gave a solemn undertaking in this sense to the population of the Dobruja on the eve of the legislative elections last year. But nothing happened. A new attempt was made last October at the meeting at Strassburg of the Council of the Union of Associations for the League of Nations, where the Bulgarian and Roumanian delegations signed a declaration by which they undertook to inform their respective Governments of the urgency of the appointment of a mixed commission, to meet before the end of the year to examine all the questions concerned with the treatment of minorities. It was intended to obtain:—(1) the restitution to the Bulgarian population of the Dobruja of schools and churches; (2) the prolongation of the delay of verification of the titles of rural property, this verification having to be made in a spirit of equity and justice and in such manner that acquired rights be respected; (3) the granting of a general amnesty, political and military, as being necessary to the appeasement and return of the refugees from the Dobruja; (4) the search and punishment of those responsible for the assassination of a Roumanian sergeant and of eight Bulgarian peasants in May 1926, and of a

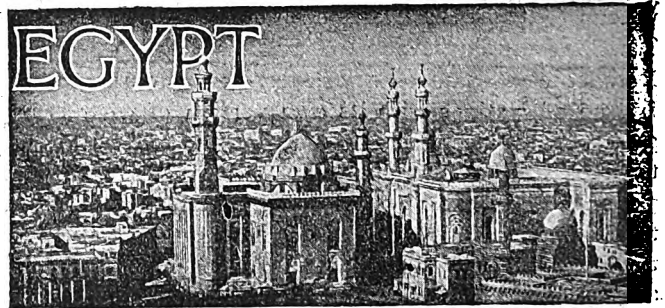
sergeant, of a Roumanian guard, and of 47 Bulgarian peasants in July of the same year.

This endeavour, having no practical result, the Bulgarians are thinking of taking the matter to Genève, next June: such at any rate, is the decision of the Bulgarian section of the Union of Associations for the League of Nations.

As regards the question of the sequestration of Bulgarian property in Roumania, it has not advanced any farther than the other question, but at least it holds out prospects of possible arrangement. It is known that the Governments came to an understanding two years ago, on the basis of the payment by Roumania to Bulgaria of a total indemnity of 250 million lei. But disagreement arose at the last moment, when it came to settling how this sum should be deducted from the Reparations debt. Roumania insisted on its inclusion in section "B" of this debt, which is only demandable in thirty years, that is to say, never; the Bulgarian Cabinet insisted, on the other hand, upon the section "A," of which the instalments are to be made now.

This disagreement has lasted two years, but there is a chance of its ending shortly owing to Italian intervention. This intervention would involve a compromise, consisting of a distribution of the indemnity in a series of annuities of section "A" of the Bulgarian reparations, so that Roumania, after having received 250 millions, will continue to receive also a large part of her annual share of Bulgarian reparations.

It is stated here that accord on such a basis is perfectly feasible.



Cairo, April 9.

Sir William Tyrrell's Visit.

The High Commissioner returned this week from his trip to Wadi Halfa, which, like the visit to this country of Sir William Tyrrell, who accompanied Lord Lloyd when he went to the Second Cataract, has aroused all manner of rumours and surmises in the clubs and the cafés. I am in a position to state that no political significance attaches to the visit of the Permanent Under-Secretary of State for Foreign Affairs to Egypt at the present juncture, and that there is no more ground for reading any special importance into Lord Lloyd's meeting with Sir John Maffey at Wadi Halfa than there has been in his predecessor's visits to the Sudan.

Most people overlook the fact that the Sudan comes within the jurisdiction of the High Commissioner—his title is in fact High Commissioner for Egypt and the Sudan—and that he ought, unless special circumstances prevent him, make at least one visit every year to that country. This spring, owing to pressure of work in Cairo, Lord Lloyd was unable to afford the time for this annual trip, and it was decided to arrange a meeting with the Governor-General half-way, so to speak, at Wadi Halfa; there to discuss the more urgent current matters which normally would be dealt with at the Palace at Khartoum.

*Under this heading appear weekly or at regular intervals, communications from correspondents in Egypt, the Sudan, Roumania, Yugoslavia, Greece, Bulgaria, Albania, Turkey, Cyprus, Palestine, Iraq, and Persia.

That is the simple explanation of this hurried visit to the Sudan frontier—which had the advantage of enabling the High Commissioner to combine the transaction of normal business with a much required respite from Cairo affairs. But no *démenti*, however, circumstantial or well-founded, will satisfy the quidnuncs out here, who persist in basing on Sir William Tyrrell's presence assertions that important political developments, most probably negotiations with regard not only to Great Britain's relations with Egypt, but also the latter's relations with the Sudan, are impending. As a matter of fact, there are indications of a development in the situation, which should conclusively prove the impossibility of negotiations for some time yet.

The special services report telegrams from here announcing the almost immediate departure for London of the High Commissioner. This is not correct, but it is expected that His Excellency will leave somewhat earlier than he did last year. Lady Lloyd, whose recovery I am glad to be able to report, will go to England in about a month's time accompanied by her son, the Hon. David Lloyd, who is spending the Easter Holidays in Cairo.

Two Presidents Ill.

For many Egyptians the Bairam holidays were somewhat spoiled by the news of the sudden illness of Zaghloul Pasha, who had to take to his bed on the eve of the feast. At one moment his condition gave rise to much anxiety, but he rallied in a wonderful manner, and is now entirely out of danger. Almost simultaneously Rushdi Pasha was taken seriously ill. His illness is undoubtedly due to the excitement of the controversy over the facts surrounding the deposition of the ex-Khedive, in which he has been engaged. But he also is now making a good recovery. It is a curious coincidence, which has brought about the simultaneous illness of the Presidents of the two Chambers, which will in all probability have to complete the session under the direction of their deputies.

The Note Issue.

The discussions between the Ministry of Finance and the National Bank of Egypt on the subject of the participation of the Government in the profits on the note issue still continue. The present arrangement in regard to the sharing of profits dates back of course to the foundation of the Bank 28 years ago. Until the War compelled the Government to relieve the Bank of the obligation to retain half the cover of the note issue in gold, and particularly as the issue up to that time had not been much more than two million pounds, the profit was very small. But since 1914 the note issue has become forced currency—it stands at present at about twenty-eight millions—and the profit consequently having become fairly considerable the Government is pressing for a larger share than is provided in the original agreement. In this connexion it is interesting to note that during the past ten years the Egyptian Exchequer has received on average one million per annum as its share of the profit.

The Department of Commerce and Industry.

It is announced that the Egyptian director of the Bureau of Commerce and Industry will retire this summer

on the conclusion of his leave, which has just been granted him. It is to be hoped that the opportunity will be seized to reorganize this Department on more up-to-date and practical lines. So far it has by no means realised the expectations reposed in it when it was founded—there are on all sides lively complaints at its failure to respond to the needs of the community—and the nomination of a new head should provide the occasion for reorganizing this Department so that it may henceforward render to both the public and the State the services which one is justified in expecting from it.

"Iolanthe."

This week the Cairo Amateur Dramatic and Musical Society held the stage at the Royal Opera House with Gilbert and Sullivan's "Iolanthe." It has proved a very successful production and all concerned are to be congratulated on the manner in which, in every respect—acting, singing, (solos and chorus) staging and orchestra—the Savoy traditions were maintained. The High Commissioner attended on two nights, and there was a remarkable proportion of foreigners in the audience each night. The English school should benefit very considerably from the efforts of this talented Company.

THE HIJAZ.

Jidda, March 20.

The Abundant Pilgrimage.

The arrival of the Armenistan a few days ago from Singapore with 1,163 pilgrims brought the total number of arrivals up to date above the 50,000 line (50,642 to be exact, and increased by subsequent arrivals to 51,530) and, judged solely by the economic standard, the pilgrimage of this year is already an established success. The final number of overseas visitors to Mecca can scarcely now fall below 100,000, and everybody is happy. Trade is brisk, and the Government coffers are full. The Islamic world has given its answer to the efforts of certain sections to create schism and disunion in its ranks. It has placed its confidence in the ruler of Arabia, and that confidence will not be abused. The pilgrimage of 1927 will be a memorable milestone on the historic path of Islam. Politics, so actively mooted at last year's Muslim Congress, are apparently to be eschewed on this occasion; for there is but little likelihood of a second Congress this year. The King, when he gets back from Riyadh about the middle of next month will, therefore, be able to devote his whole attention to the administrative consolidation of the pilgrimage on lines that will ensure full attendances in future years.

Anglo-Wahhabi Negotiations.

For this reason it would seem unlikely that the "Madina" negotiations will be renewed before next autumn or winter at the earliest. The delay may be advantageous to all parties. The new British Consul, who is expected here towards the end of April, will have time to study the Arabian situation in the light of his Moroccan experience and will thus be in a position to

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advise and assist the envoy whom the British Government will send to resume the negotiations.

A Departure.

The British flock at Jidda has been shorn of another lamb, tempted away by the (presumably) green greens of Canadian golf courses after six years of undisputed supremacy as an exponent of the royal and ancient game in the desert. Mr. Lambie is deserting the British Agency for the easier life of the professional golfer, and, when the new Consul arrives, he will find a *tabula rasa* to write upon and no one to hinder him with advice.

March 8.

The "Kanisa."

The European community here has lost one of its oldest members by the death of Mr. Pericles G. Voutziovar, a Greek subject, which occurred on March 25. He was buried the following day in the *Kanisa*, or European cemetery, outside the south wall of the town, whose most distinguished occupant is Charles Huber, the French explorer, who was murdered near Rabigh in 1884 on his way into the interior to procure the famous Taima stone.

The Id.

Ramadhan drags on slowly to its appointed end, and active preparations are already in progress for the suitable celebration of the Id, which falls on April 3. Every household is making ready festival garments for the occasion, and the piece-goods shops in the Suq present a gay and animated appearance every night.

Russia, Italy and the Hijaz.

A slight rise in the mean temperature warns us that summer is approaching with its annual leave season. The first to go this year are two members of the Soviet Legation staff booked to sail on April 2 with most of the ladies and children of the Russian community, mention of which compels in justice the admission and recognition of the fact that in the placid atmosphere of the modern Hijaz it neither has, nor pretends to have, nor acts as if it had, any grievance against the world in general. Indeed if there be any ground for suspicion of restiveness on the part of any of the foreign Powers represented here it falls not on Russia but on Italy, whose nationals here resident are somewhat ostentatious in the sporting of Fascist emblems and recently foregathered for a "black-shirt" banquet on the eve of the sudden departure of the Italian Consul at short notice for Massawa. Naturally speculation is rife here on the subject of this sudden summoning of the Consul for consultation with the authorities in Erithrea. Developments in the Yaman situation are thought to be at the bottom of it and, as the Italian Government has not yet accorded formal recognition to the Government of Ibn Saoud, speculation is inclined to be of a pessimistic nature.

Turks and Egyptians in Mecca.

The Turkish representative, Sulaiman Bey Shaukat, and the Egyptian Consul have both recently visited Mecca simultaneously with the Governor and Mayor of Jidda to perform the *Umra* or lesser pilgrimage. So far as appears no political importance attaches to the visit, and it is not improbable that the main subject under discussion was the manner in which Ibn Saoud's approaching return to the Hijaz should be celebrated. The King will be back about the middle of next month.

M. Venizelos left Nice on April 13 for Greece.

The 2nd Bn. Liverpool Regiment, which arrived at Southampton in the transport *Neuralia* on April 12, was the last British infantry unit in Iraq, leaving Baghdad on March 10.

King Alexander of Yugoslavia and his Prime Minister, M. Ouzounovitch, were present at the opening of the second International Congress on Byzantinology in Belgrade on April 11. Professor Iorga is at the head of the Roumanian delegation and M. Ivanoff of the Bulgarian, which also includes M. Gueshoff and Professor Bobtcheff.

CORRESPONDENCE

The columns of THE NEAR EAST AND INDIA are open for the discussion of subjects of general interest to its readers. The publication of such letters must not be taken, however, as indicating that the views expressed by the writers are those of THE NEAR EAST AND INDIA.

ITALY AND YUGOSLAVIA.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—With reference to your comments on my letter kindly inserted in your issue dated April 7 last, I will gladly mention a few names of members of the "White Hand" occupying prominent positions in the Yugoslav Government and Army. I can mention without any qualms whatever the names of those who, I know as a fact, do not attempt to deny in private conversation their membership of this "clique," to wit:—

[Our Correspondent here mentions the names of two Generals and two Cabinet Ministers as among those "who pass quite openly for being members of the 'White Hand' in Belgrade Society."]

In fact there is very little secrecy about this patriotic Society in so far as its more prominent members are concerned or about its aims. Its secrecy lies in the means which it employs, its tactics and its secret agents.

You say I overlook the fact that the assertions I make regarding Yugoslavia have their counterpart in the assertions made by Yugoslavia regarding Italy. This is a point which I am quite willing to recognise; but there are various ways of assessing the probability as to which set of assertions is the right one. One way is the moral reputation of each side, the relative degree of civilisation, the political atmosphere of the respective countries. My comment in this connexion is this: Whatever may be alleged against the Fascist Government, Signor Mussolini's foreign policy has been at least conspicuous for its frankness, for absence of intrigue; and Italy is a great and civilised Power, of a totally different category of civilisation from that of Serbia, however much we may admire the latter's heroic qualities. And this is all the more evident if we consider the transition from Italy to Serbia *via* Greece; for Greece, though Balkan, is European, but Serbia is already another world from ours.

Secondly we can use one of Napoleon's maxims; rule out moral motives, but credit the other side at least with brains if you want to divine their aims. What do we find? Surely that the possession of Salonika or Skutari would be to the very great advantage of Serbia and that, once acquired, these places could be easily retained. On the other hand, it is difficult to imagine what particular advantage, or balance of advantages, Italy could gain by any territorial acquisition in the Balkans. Valona would have a strategical value for Italy only did Yugoslavia embark on the building of a formidable navy. Valona was taken by Italy when Austria was still in being. Its abandonment is regretted by nobody in Italy, although the manner of its abandonment is universally deplored. Moreover territorial acquisitions in the Balkans by Italy would weaken Italy greatly as a Mediterranean Power, they would be difficult and costly to maintain and, owing to the hostility that would be aroused, the result would be a fatal blow to Italian commerce, which it is Italy's paramount interest to extend in the Balkans. If Italy pursued such a policy, every far-seeing person would have to regard her as a fool.

Thirdly, I recommend the plan of talking to well-informed persons in both countries, posing as a friend and referring sympathetically to the policy of which the country of your interlocutor is accused by its enemies. I have done this myself on many occasions and recently. Result: the Italian bites my head off for suggesting anything so foolish as even hoping to acquire territorial gains for Italy in the Balkans; the Serb on the other hand glows with pleasure that an Englishman should sympathise with what "every Serb aspires to see," namely, Skutari and Salonika one day belonging to Serbia. On one occasion I was even embraced by the Yugoslav First Secretary of a certain Legation for expressing such sentiments.

It is all very well advocating the Balkans for the Balkan peoples. But there are really only four Balkan peoples, excluding Roumania and Turkey, who are not characteristically Balkan; and there is a great danger that this formula, were it not for the interests of non-Balkan Powers, would be speedily translated into "the Balkans for Yugoslavia," (who is more than equal in strength to the other three Balkan States combined), so long as Serbia dominates Yugoslav politics. That is Serbia's dream, and it is a very natural one.

May I conclude, with reference to certain other comments of yours on the situation, that Italy accepted immediately the suggestion of an inquiry, provided it was a full inquiry (your own suggestion too), whereas Yugoslavia has, after various hesitations, refused? This is a still further reinforcement of Italy's case.—I am, etc.,

J. S. BARNES.

[We have no wish to be drawn into a general discussion of Italy's foreign policy, as the point at issue is whether the Italian Government was justified in raising a scare over Yugoslavia's alleged preparations for an invasion of Albania—and immediately landing troops at Saseno—when friendly inquiry in Belgrade (a treaty of "Friendship and Cordial Co-operation" exists between the two countries) would have explained the inwardness of the military measures admittedly being taken by Yugoslavia.

Our correspondent's "interlocutors," we note, have this in common that they are "agin the Government."

With regard to Salonika and Skutari, it may perhaps be pointed out that the first has nothing to do with Albania, and that when the question of the incorporation of Skutari in Yugoslavia came up for discussion it was refused by the then Yugoslav Government on the ground that the town was Albanian. For the rest, the conflicting reports on the subject of an inquiry, as they reach this country, do not quite bear out our correspondent's reading of the situation. There would, however, seem to be no doubt as to Italy's refusal to allow any discussion on the Tirana Treaty, which is the root of all the trouble. It is an axiom that the idea of the Balkans for the Balkan peoples is anathema in Italy.—Ed.]

POLITICS AND RELIGION IN THE ORIENT.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—Numerous writers who have studied the condition of the Orient, and of the Near East in particular, have published articles explaining why it is that the Orient lags behind in the West. Each of these, of course, has his own diagnosis. But I sincerely believe that no other rapid method exists by which the goal of civilisation and the secret Holy Rights which the Almighty Creator bestowed on every human being can be attained than by education, and by the cultivation of moral character. Above all, we should begin to educate the girls—the mothers of the future—because no hope can exist for the nation which neglects and enslaves its mothers. The suggestion of unity and religious enthusiasm may bring temporary results, as when the sun of the Arabs first rose. We ought to stop to think, to let a part of the world philosophy occupy our minds, and remember that religious fanaticism is the chief cause of our chronic troubles.

If you show me one like Jesus Christ, or like the Prophet Muhammad, I may believe in progress, and success by means of religious enthusiasm. But religious fanaticism of to-day permits the intrusion of politics, especially in poor Syria!

If the fundamental law of Nature leads us to conceive the doctrine of the Survival of the Fittest, then there are most mysterious things which I do not understand. But so long as we control three things in the Great Life, our Times, our Thoughts, and our Actions, we can finally understand religious fanaticism, moral and financial poverty, differences in nationality, language, customs, and so on—as in the Near East, where matters are complicated by the mandatory system.

I have treated this subject many times in my books on

Oppressed Women and the Superstitions of the Shaikhs and Gods in the Orient, and also in many articles, in the leading newspapers. In particular, I have favoured the idea of a universal language. Of course the English language will be the most useful and valuable language in the future. The spirit of this language, however, lies in Queen Victoria's advice to her people: to rule by means of wise administration, and not to interfere with religion. This advice provides the highest example, worthy of the utmost love and respect by those desirous of serving humanity.—I am, etc.,

SHAFIK EL KATHEY.

Member of the High Committee of the Syrian Destrute.

Amman, March 17.

[Our correspondent is a Druse, but is essentially a man of peace.—Ed.]

CYPRUS.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—The lecture given on April 5 at the Victoria Hotel by Mr. W. Bevan, Colonial Commissioner for Cyprus, was presumably intended to disseminate information regarding the island, the "new British colony." We regret, however, to remark that the lecture, although prolonged to the unusual length of nearly two and a half hours, was in many respects not only crudely unfair to the population and lacking in historical veracity, but also politically biased and misleading.

When Mr. Bevan tries to cast a mist of obscurity over the ethnological origin of the Greek population of the Island and speaks with uninformed reserve about their dialect, we are inclined to think, at least, that his data do not keep pace with historical evidence as pronounced by the most authoritative exponents of scientific history, and that he happens to overlook the fact that the Cypriot dialect is considered by those competent to judge to be as it is, one of the purest and most interesting treasures of the Greek language.

Nearly fifty years ago, when Turkey assigned Cyprus to be occupied and administered by Great Britain, the population of the Island was classified by the Turkish officials into Moslems or the privileged race, and the non-Moslems or rayahs (cattle), who paid the Kharaj, or the tax entitling them to wear their heads over their shoulders for the current year.

It was a painful revelation to us Cypriots to hear Mr. Bevan use in his lecture the same Turkish distinction in reference to the historical section of the people of Cyprus,



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constituting the four-fifths of the whole population, even after Turkey has been ousted from the Island and the latter has become the "new British colony." Shall we suppose that the ends justify the means?

The Greek Cypriots will, of course, never cease to be, and feel proud of, what they are, whether Mr. Bevan or anybody else thinks in the Turkish way or not. The case is however, indicative of the mentality which has so far frustrated any real co-operation between the Cypriot people and the authorities in the Island. We are, etc.,

London, April 9.

C. S. HOURMOUZIOS,
K. KYRIAKIDES.

MOTS FRANCAIS D'ORIGINE ARABE.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—L'Académie Française refuse de reconnaître le mot "Madinettes," et les Madinettes en sont furieuses!

Le fait est que l'Académie non sachant d'où vient cette expression, et n'étant pas satisfaite de sa dérivation populaire de "Midi" a préféré de l'ignorer entièrement!

Cependant les Arabissants français ne manquent pas, et je m'étonne qu'ils n'aient pas, après tant de siècles de l'emploi de ce terme, découvert et avisé l'Académie de son origine purement arabe, attendu que les Arabes appellent la jeune ouvrière, Madinat, ou en langue vulgaire "Médinett."

C'est donc non Madinettes, mais Médinettes, dont il s'agit, et par là le sens en devient claire!

Pareillement, l'Académie se tourment à ne pouvoir s'expliquer l'usage avili du corne, qui est dans tout autre sens le symbole de force et de gloire!

C'est cependant la chose la plus simple du monde. Le mot corne est dérivé de l'arabe "carne," qui signifie "compagnon" tout simplement, de sorte que le mari est un carne, et le corne de bœuf est un "carne" par le fait qu'il est compagnon d'un autre!

Le poète arabe nous explique la chose par le jeu de mots suivant, dont est dérivée l'expression avilissante que nous connaissons:

Elle dit à sa voisine, quelle honte, Mégère,

Tu as fait un carne à ton mari!

Mais oui, répondit-elle, que veux-tu ma chère,

De crainte, parbleu,

Que ton mari, qui en a deux,

Ne l'attaque, et le laisse meurtri!

—I am etc.,

Buckingham Gate.

A. SEFI.

THE ZAIDI STATE.

Imam Yahya and his Enemies.

By DR. WOLFGANG VON WEISL.

[The boundaries, the number of inhabitants, etc., of Arab States are to all intents and purposes unknown. Existing maps are more than inadequate, other information is unreliable. The following article attempts to fill in some of the lacunae in our knowledge of the Yaman.—*Author's Note.*]

The Yaman extends, at most, 350 kilometres from north to south, and 400 kilometres from west to east; it comprises, accordingly, between 100,000 and 140,000 sq. kilometres. Of this area at least one third is desert and entirely uninhabited; a large portion of the remainder consists of mountain ranges of an altitude reaching to 10,000 feet and for this reason is also unsuited to close settlement. In spite of these conditions the Yaman is the richest of the Arabian States; its abundant rainfall, in a peninsula otherwise almost rainless, offers at least some compensation for the complete lack of rivers or streams and renders possible in the valleys gardens of bright

flowers and the cultivation of fruit. To this circumstance may be attributed the fact that the Arabs and even a number of Europeans have formed almost fantastic estimates of the wealth and power of the Yaman. Yamanite Jews in Palestine have assured me that the population of the Yaman numbers five million, of whom a hundred thousand are Jews; the French Consul in Jidda (a Muslim), who a year ago undertook a political mission in the west of the Yaman, estimated the population at six million, and compared the Yaman with Belgium. Turkish officers put the population at between two and four million; the Egyptian scholar, Zaki Pasha, who visited Sana a few months ago, at two million; the Prime Minister of Asir, Jamal Pasha Al Ghazzali—an enemy, of course, of the Yamanites—at only one and a half million.

Between these figures everyone may choose according to his fancy.

As the result of careful comparisons, based on personal enumeration on the coast, I would estimate, under all reserve, the population of the Yaman as follows (*pace* the French Consul, Sharif Ibrahim, for whose judgment I have the highest respect):—The Yaman falls into three spheres:—

(1) The mountain ranges between the northern frontiers of Aden and the southern frontiers of the mountain rampart of Asir, including the towns of Sana (with from 40,000 to 50,000 inhabitants) and Saada (*circ.* 20,000). This fertile region comprises, at the most, 50,000 sq. kilometres and may have a million inhabitants—the real Yamanites, the *Ziyud*, who constitute the main strength of the Imam of the Yaman.

(2) The coastal plain, the Tihama, some 200 or 220 kilometres in length from fifty to sixty kilometres wide stretching from Hodaïda in the north to Maidi. This new province, of some 13,000 sq. kilometres, has at the most 250,000 inhabitants, who belong to the Sunni sect of the Shafis (or, more correctly, *Sha'afa*) and are anything but trustworthy subjects. South from Hodaïda the rule of the Imam reaches nominally as far as a point south of Mokha, almost at the junction of the Red Sea with the Indian Ocean. (The actual mouth of the Red Sea is controlled by the British through the possession of the small island of Perim, while the French occupy the tongue of land known as Shaikh Said, which makes them immediate neighbours of the Imam of the Yaman. This French colony, however, is not garrisoned and for the moment has no practical significance). This whole region from Hodaïda to Shaikh Said is also about 200 kilometres in length and fifty broad; it should have 150,000 inhabitants, of whom, however, more than half are energetically hostile to Yamanite rule. Between Hodaïda and Mokha, for instance, there is the warlike tribe of the Zaraniq, from 60,000 to 70,000 strong, who make war with some success on the Imam. In the interior they are allied to the Marauwa and Bait al Faqih, who live to the north of the rich town of Taizz and have hitherto asserted their independence. The Zaraniq jointly with these smaller allies bar the way from Hodaïda to Mokha—where their harbour Taif is to be found—and the way from Hodaïda to Taizz. When I wanted to travel there the Amir of Hodaïda refused my request, on the ground that there was war between the Imam Yahya and the Zaraniq and the land route to Mokha as well as to Taizz was impassable. I had to go by boat to Mokha.

(3) The third component part of the Yaman is the frontier zone in the north, east and south-east. In the north the tribes of the semi-pagan Yam folk, as well as

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the great oasis of Najran, are subject to the Imam. But the eighty thousand inhabitants of this region, as well as those of the neighbouring territory of Jof and of the district, still farther south, of Al Baida (a hundred thousand in all at the most), are fairly hostile to the Imam. He rules over these lands, but he cannot count on their help in a war against his enemy Ibn Saoud, nor even against the Imam of Asir.

To sum up. The Imam Yahya, according to my estimate, rules over one million Zaidis and, thanks to their loyalty, has brought under subjection another half a million adherents of another faith. That is the whole extent of the forces of which he disposes, and, although the numbers are moderate, they are a tolerable match for those of Ibn Saoud, the ruler of the Wahhabis. For King Ibn Saoud also has among his subjects approximately a million faithful—the Wahhabis (if we may regard the Shammar as already converted to Wahhabism), and half a million others, unwarlike or more than indifferent, who have been brought into subjection in the Hijaz, the Hasa, and so forth.

In view of the numerical equality of the two adversaries the attitude of the Sunni subjects of the Yaman plays a decisive part; for if the Tihama and Hadramaut, Jof, Al Baida, the Zaraniq and various other tribes were to make common cause with Ibn Saoud and his ally, Asir, the King of the Hijaz and Najd would have a decisive preponderance of strength and would, moreover, have the advantage of being able to make a simultaneous attack on the Yaman from all sides. That all these countries and tribes are waiting only for Ibn Saoud's signal in order to overthrow Imam Yahya I had adequate evidence during my Arabian tour.

It is entirely out of the question that the Imam Yahya should wage a war of offence against Ibn Saoud or any of his vassals. The Wahhabis would demolish without any effort the Yamanite army, if it ventured into the climate of the plains, even though it were led by officers of a European General Staff. In 1925 the forces of Imam Yahya remained for six whole weeks in front of Maidi before they could take the port, which, according to rumour, was defended by fifty Masariyah Bedouin of Asir under the command of Shaikh Ahmad Yahar; and there they had no Wahhabis and no Ibn Saoud against them. It is not difficult to foresee the fate of a Yamanite invasion of Ibn Saoud's territory.

On the other hand the Yamanites are extremely dangerous enemies, if they are attacked in their own land. The Turks in 1904-5 lost nearly thirty thousand killed in the Yaman, and even then had to recognize the supremacy of the Imam Yahya. The British in the Aden Protectorate during the Great War had unhappy experience of the Imam's Turkish officers. The mountainous character of the Yaman, the lack of roads, the relatively dense settlement and the really good military organisation of the country simplify its defence.

Thus it happens that the scales as between Ibn Saoud and the Imam are fairly evenly balanced; both are strong in their own country, both are weak in attack. Ibn Saoud is allied with all the neighbours of the Yaman, but the Imam has the advantage of the strategical inner line. Every single one of the Imam's neighbours is much weaker than he is, and consequently he could dispose of them one after the other, before any one of them could penetrate into the interior of his mountain ranges.

King Ibn Saoud is, of course, the ally of Great Britain; but the Imam Yahya enjoys the support of Italy, which can prove more overt and more decisive than that which the British give to Ibn Saoud, for the ruler of Mecca is afraid of being too seriously compromised by Christian help. Ibn Saoud is the commander of sixty thousand Wahhabi warriors, whose greatest joy is war, and for whom a campaign against the Shiah would be absolute rapture; but the military virtues of the Bedouin cease with the desert. Imam Yahya commands not Bedouin, but sixty battalions of regular infantry, with artillery regiments, General Staff and commissariat. He also has a

considerable amount of money; while the Bedouin are poor. Ibn Saoud is the religious head of the fanatics of a purified Islam; for his soldiers war would be a Jihad. The Imam Yahya, however, is also the religious head of his country and he is a descendant of the Prophet, scion of Ali, a holy Lawgiver. He is not far removed from Allah . . . for his own followers.

"*Allah rabbana wal imami imamana*," (God is our Lord and the Imam is our Imam) say the Yamanites as their prayer before battle. They then lay their *Imama* (turban-cloth) on their knee, and say the formula: "On my word of honour, I die here for the Imam." And they fight like tigers.

The fight for Arabia, which is now beginning, resolves itself into a struggle between Wahhabis and Sunnis in the interior of Islam, but the conqueror will not be the commander of the stronger battalions, but the better diplomatist, the greater statesman. For the decision over the future of the Yaman lies between Rome and London.

Professor Sorabji, of Allahabad University, gave an address at All Hallows Barking-by-the-Tower on April 14.

Lt.-Col. Alexander Pringle (late 2nd Bombay Lancers, Indian Staff Corps), of Pembroke Square, left £23,152.

The Viceroy of India and Lady Irwin on April 12 inspected the missionary school and hospital at Srinagar (Kashmir) in the morning, and went to Masabel Lake in the afternoon.

A research party working in the Fayyum Oasis has reported the discovery of a cave near Lake Karun containing human remains, fossilised fish, and some long sickle-shaped flint fish-scrappers.

Mr. Charles Redman, Bey (late Egyptian State Railways), of Albert Road, Ashford, who died on March 7, aged 91, left estate of the gross value of £21,013, with net personalty £20,704.

According to Reuter's Bombay correspondent it is understood that Mr. Srinivasa Sastri, the Indian statesman, has been appointed Agent of the Government of India to South Africa. Mr. Sastri has accepted the appointment.

A special courier left Belgrade on April 11 with instructions for M. Rakitch, Yugoslav Minister in Italy, in connexion with his coming negotiations with Signor Mussolini about the Albanian question.

M. Michalakopoulos, Greek Minister for Foreign Affairs, withdrew his resignation on condition that confidential diplomatic negotiations should be communicated only to party leaders and not to the entire Cabinet.

The Roumanian Parliamentary Session closed on April 15, but Parliament will meet again next month in special Session in order to celebrate the 50th anniversary of independence, and it is intended to concentrate on a single date, May 10, for the various national celebrations.

The Anglo-Hellenic sports held in the Stadium at Athens were concluded on April 17. After the end of the sports the British team, headed by the British Minister, marched through the Stadium and laid a laurel wreath on the statue of Averoff, its founder, and M. Tsaldaris, Minister of the Interior, then distributed the prizes.

An agreement between the Sudan Government and the Hijaz Government, making the cable between Port Sudan and Jidda the joint property of the two Governments named, was signed on December 18 last, and the text is now issued in the Treaty Series [Cmd. 2845]. To this agreement the British Government, "in view of their friendly relations with the Hijaz Government and their position in the Sudan," are a third and assenting party.

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Book Reviews

FLYING TO THE ANTIPODES AND BACK.

"AUSTRALIA AND BACK." By Sir Alan Cobham. (London: A. and C. Black. 2s. 6d.)

After the triumphant conclusion of his wonderful flight to Melbourne and back, Sir Alan Cobham "went to bed convinced that at last the public realised the importance of aviation to every Briton, and—what is more—felt that its imagination was aroused in support of this good cause." There can be no doubt that he was right. And this book, written so simply that it thrills the reader the more for its entire lack of "purple passages," well printed, well illustrated, and produced in good style for the remarkably low price of half-a-crown, will do much to maintain this attitude.

The journey was one of many dangers, though they are made little of. But the conclusion at which the reader arrives is that they were incidental to a pioneer trip and that they are all capable of easy elimination when a regular service is inaugurated. The landing and taking off will be properly organised for and adequate meteorological arrangements will do away with the dangers of the monsoon in regard to which the Bay of Bengal is clearly the worst part. While we cannot hope for an entirely regular service through that area in the monsoon months, at least safe flying can be ensured. And Australia itself seems to be the paradise of aviation, with flying days put down as 365 in the year, while the larger part of the area of the continent is available for safe landings.

Sir Alan has blazed the trail for human flight all over the world and will always be remembered for his services in this matter. Another of his services has been the writing of the two unassuming books recounting his great trips to the Cape and back and the one under review. They should be bought and read by every one who feels that the British Empire means more than a name.

C. S-W.

INDIAN MUNICIPALITIES.

"CONSTITUTION, FUNCTIONS AND FINANCE OF INDIAN MUNICIPALITIES." By K. T. Shah and G. J. Bhanurji. (London: P. S. King and Son. 25s.)

This monumental work is mainly addressed to the intelligentsia of India, and is not likely to command general attention in England; though, no doubt, municipal authorities in this country would find a good deal in it of interest—even if mostly academic. It is divided into three "Books," each of which deals with one of the three main heads indicated in its title: and each Book contains a number of chapters varying from ten to fifteen; so that it will readily be realised that it is comprehensive enough. The authors explain that what educated Indians want is Democracy combined with Nationalism (the former to save them from the horrors of the exploitation of the many for the sole benefit of the few: the latter as an instrument to achieve the brotherhood of man): and they believe that Municipal development is necessary for the reconciling of these two seemingly irreconcilable forces. They look to the cultivation of interest in civic matters to lead to the taking of an intelligent interest in national affairs: and to the widening of the civil franchise—which they think ought to aim at the ideal of manhood suffrage—in order to lead people along the right democratic lines. Until the latter ideal can be achieved, they recommend the system of proportional representation, and set their faces sternly against any form of communal representation: and they would altogether abolish the power, at present existing in the hands of the Provincial Governments, of nominating official members or superseding an inefficient municipal

aplicity. "Administrative efficiency," they say, "is unquestionably desirable, though opinions vary on the question whether popular responsibility should be sacrificed to administrative efficiency or vice versa": and they think that the powers of Government, just mentioned, are less used in the interests of true efficiency than in a spirit of distrust. "It is only by developing to the uttermost the local governing institutions that the truest and fullest self-government can be developed. The rôle of Provincial Governments truly lies in fostering and encouraging the growth and development of these institutions rather than in endeavouring to keep them under." These quotations give a fair sample of the views of the writers, and it is unnecessary to multiply them; though it may be suggested that, in what is intended as a serious inquiry into an important subject, six pages describing an imaginary meeting of the Bombay Municipality are rather out of place, even if they provide the authors with an easy means of presenting thinly veiled individualities in an unpleasant light. One of the most interesting suggestions made in the book is that which advocates an open competitive examination, to be held at the same time as that for India's contribution to the Indian Civil Service, for the recruitment of the municipal service, which will become a "consolidated municipal service of the whole of India," for entry into which merit shall be the only guide. The authors say that, even if the result should be that the municipal services throughout the country will be manned by members of one community only, this will not matter: "with the progress of education this disadvantage ought to diminish and eventually disappear." It would seem to follow—though this is a point that the authors do not make—that, in the meantime, the more meritorious community will get a good start on the road to control of the national government for which municipal government is to train them. The less meritorious communities in India would have a good deal to say about this, if they should read the book: a contingency that, one must confess, is not a likely one.

FAITHFUL UNTO DEATH.

"THE LADY OF THE LOTUS." By L. M. Crump (Oxford University Press, 18s.)

Mr. Crump's time spent in service in the States of Central India has, as is still happily common among Indian Civil Servants, led him into the minds and hearts of those among whom he lived. The beautiful ruins of Mandu in the Vindhya Mountains, and its romantic legends led him into researches which resulted in the discovery of an ancient copy of the manuscript, written 328 years ago, of the tale of the love of Bazid Khan, or Baz Bahadur, Viceroy of Malwa, and Rup Mati, a Hindu lady. The story tells of the love of this lady for her unworthy nobleman, of her faithfulness to him after his utter disgrace and of her escape by suicide from the attempt made by his conqueror to take his victim's place. The tale is remarkable mainly for the beautiful and curious essay on woman that ends it. It is marred by the manner its translation. Phrases, for instance, like "that dainty fair" for the heroine are out of tune with the text. It is a pity that Mr. Crump has not more stoutly resisted the temptation to use English of what used to be called the "Wardour Street" kind. Nevertheless he has certainly given us a book to be grateful for. Its interest is enhanced by the reproductions of several of the original illustrations of the manuscript and of others added at a later date, while the pictures of Mandu and its old palaces and pleasaunces are delightful.

Mr. Crump includes a collection of poems by, or ascribed to, the heroine, which have a charm of their own which they do not altogether lose in their Western guise.

The book (paper, type and illustrations) is beautifully produced.

C. S-W.

PERSONAL AND GENERAL

TO-DAY

April 21, 1927 (New Style).

April 8, 1927 (Old Style).

Shawall 18, 1345, A.H., of the Muslim Calendar.

Nisan 19, 5687, of the Jewish Calendar.

Lady Stavridi is spending a few weeks in Venice.

The Maharani of Kapurthala and Lady Birdwood left Karachi on April 10 for Europe.

The Hon. Kenneth and Mrs. Mackay left London on April 14 for Tangier.

Sir Charles and Lady Low left London on April 14 in the Ranpura for Tangier.

Lord and Lady Rathcreedan have returned to Bellehatch Park, Henley-on-Thames, from Egypt and the Nile.

Mr. Reginald and Lady Margaret Loder have returned to Maidwell Hall, Northampton, from the Sudan.

The Marquis of Linlithgow reached London from India on April 16, and proceeded immediately for Scotland.

Field-Marshal Viscount Allenby and Viscountess Allenby have returned to Wetherby Gardens from La Croix, Var.

Miss Elizabeth Gathorne-Hardy is expected to arrive at 49, Cumberland Mansions, Seymour Place, from India on April 23.

Aziz Izzet Pasha, Egyptian Minister to the Court of St. James's, is returning to London from Cairo at the end of April.

Sir William Tyrrell, Permanent Under-Secretary of State for Foreign Affairs, left Egypt for England on April 12.

Lady Sheila Jackson, who has arrived from India, is staying with her mother, the Countess of Clonmell, at 28, Gloucester Place.

The Hon. Mrs. Spencer Boyle left London on April 14 by the P. and O. special train to join the Naldera at Marseilles for Port Said.

The Turkish Ambassador and Madame Ferid and Mlle. Ferid left London last week for Brighton, where they spent the Easter holiday.

The Gaekwar of Baroda, the Maharajah of Cooch Behar, and Sir Henry Wheeler, the retiring Governor of Bihar and Orissa, left Bombay on April 9 for England.

The marriage arranged between Mr. Stoyan Petroff Tchomakoff and Miss Lily de Poorter will be celebrated on May 11 at St. Philip's, Buckingham Palace Road.

Lady Sempill has returned from Sicily and the Hon. Margaret Forbes-Sempill from India. They are spending some weeks at Fintray, Aberdeenshire, before leaving for London.

General Sir John Du Cane and Lady Du Cane, who had been spending a few days in Paris, left the Hotel Maurice on April 11 for Malta, where Sir John takes up his new appointment as Commander-in-Chief.

Major-General Lord Edward Gleichen has accepted the Presidency of the British Merchants' Morocco Association in succession to the Earl of Onslow, who resigned on his appointment as Under Secretary for War.

Princess Antoine Bibesco left London last week to join Prince Antoine Bibesco in Paris, where they made a brief stay before leaving for Madrid, where the Prince will take up his duties as Roumanian Minister.

NEWS IN BRIEF.

M. Masaryk, President of Czechoslovakia, has arrived in Athens on a short stay. He is travelling as Thomas Marsden, University professor.

The Bulgarian Chamber last week adopted the Government's Electoral Reform Bill, which institutes a system of proportional representation.

Colonel Foster Lionel Cunliffe, whose death is announced, served in the Afghan War in 1878-9, gaining the medal, and on the North-West Frontier of India in 1897-18, obtaining the medal and clasp.

Colonel Robert Charles Graeme (K.O.Y.L.I., retired), of Brackenhurst, Camberley, who saw service in the first Afghan War and on the North-West Frontier of India, and who died on January 21, aged 83, has left unsettled property of the gross value of £69,984, with net personalty £63,472.

It is expected that when King Fuad arrives in London early in July he will be accompanied by the Under-Secretary for Public Health, Mohammed Shabin Pasha, as well as Hassanein Bey, First Chamberlain, and other Court officials.

M. Mitilineu, Roumanian Foreign Minister, replying in Parliament to a question about the new Italo-Hungarian Treaty, protested against any suspicion of the loyalty of the Italian nation or Prime Minister, and stated that Roumania welcomed any new Treaty tending to maintain the *status quo* and to bring about general agreement in Central and South-Eastern Europe.

King Faisal presided at Baghdad at the formal ceremony, on April 13, of naming the new Cairo-Karachi air-liner "City of Baghdad." There was a large muster of Iraqi notables, a hundred of whom were given demonstration flights. The High Commissioner, Sir Henry Dobbs, in a speech, said that the conquest of the air gave back to Iraq "her ancient geographical primacy as the central region of the earth."

The will of Mr. Herbert Edward Nichols, Woking, and Britannic House, Finsbury Circus, E.C., a director of the Anglo-Persian Oil Co., the Turkish Petroleum Co., the British Petroleum Co., the British Tanker Co., Scottish Oils, and a number of other oil and industrial concerns, has proved at £33,030.

The death is announced from Kenya of Lieutenant-Colonel Richard Harold St. Maur, of Stower, Newton Abbot, Devon, who served in the Great War, 1914-19, first at Gallipoli, then in the campaign against the Senussi, and, lastly, as *liaison* officer between Lord Allenby and the French forces.

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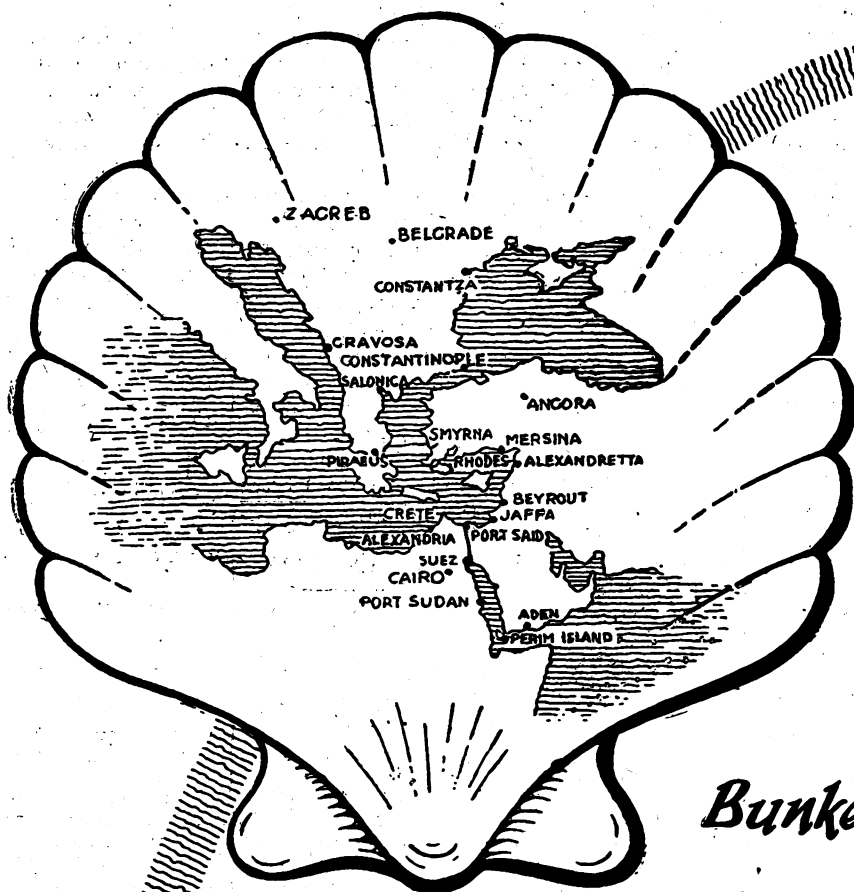
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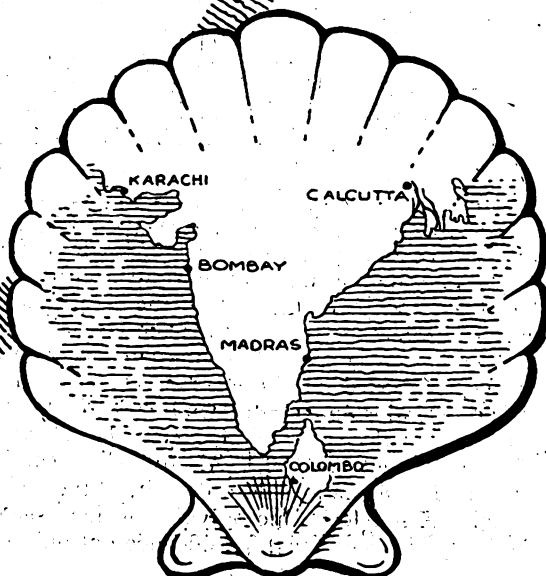
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SHELL



A DELPHIC FESTIVAL.

On May 9 and 10 Delphi is to witness a festival organised by the Greek poet, M. Angelos Sikelianos, in the hope, as he has explained, of bringing together from all parts of the world men and women who have striven in the various branches of science, art and religion for noble ends. The aim of the festival is to contribute towards a betterment of human understanding. To this end Delphi has been chosen as symbolical of a higher understanding between nations, inasmuch as it is—or was—a great religious centre, now freed from inter-racial dissensions. Whatever the associations of Delphi, there can be little doubt that the appeal which it made originally to the ancient Greeks, to cause it to be selected as the site of the famous oracle, is equally strong to-day. Here is the description which Sir James Frazer has given of it:—

The site of Delphi . . . is in the highest degree striking and impressive. The city lay at the southern foot of the tremendous cliffs of Parnassus, which form a sheer wall of rock, about eight hundred feet high. . . . Just at the angle where this vast wall of rock bends round from the south it is rent from top to bottom by a deep and gloomy gorge. Facing each other across this narrow chasm rise two stupendous cliffs, whose peaked summits tower considerably above the rest of the line of cliffs. They are nearly perpendicular in front, and perfectly so where they fall sheer down into the gorge. . . .

Thus, enclosed by a rocky ridge on the west, by tremendous precipices on the north and east, and faced on the south, across the valley of the Plistus, by the lower but still precipitous sides of Mount Cirphis, Delphi lay in a secluded mountain valley; and, rising on terraces in a semi-circular shape, it resembled an immense theatre, to which it has justly been compared by ancient and modern writers. The whole scene is one of stern and awful majesty, well fitted to be the seat of a great religious capital. In respect of natural scenery no contrast could well be more striking than that between the two great religious capitals of ancient Greece, Delphi and Olympia—Delphi clinging to the rugged side of barren mountains, with frowning precipices above and a profound glen below; Olympia stretched out on the level margin of a river that winds in stately curves among the cornfields and vineyards of a smiling valley set between soft wooded hills.

M. Sikelianos, therefore, has chosen his site well for an occasion which it is perhaps best to describe in his own words (recorded in five languages):—

"Wishing," he writes, "to place a spiritual action on a pure dynamometric level, we have followed, in order to elucidate it esoterically and historically, the integral method which the Aryan or Orphic tradition has bequeathed to us in its three forms—the retrospective, the foreseeing, and the loving. . . .

"The esoteric fulness of the Orphic method seemed to coincide intimately with the highest and keenest needs of all spirits which are sincerely and profoundly exercised by the problems of our age. As for the arena of Delphi, we chose it because, absolutely released by time from every cause of dissension and arhythm, and guarding in itself only the reflexion of a central spiritual heritage, which seems, as it were, perpendicular to the whole earth, it lent itself to the clearness and universality of our purpose.

"Certainly, a spiritual action presupposes many outlets on the surrounding reality, but precisely in consideration of the ultimate symmetrical development of its fundamental dynamics, as we originally conceived them, we chose to inaugurate it by the august teaching of a world festival, bringing together the purest elements for this sacred purpose."

There is, however, also a practical strain in the Poet, or in Madame Sikelianos, who has devoted three years to the preparation of the costumes and embroidery work to be worn by the actors and actresses, or in the various committees formed to organise and supervise the Festival. Delphi is neither notably accessible, nor in ordinary circumstances adapted to accommodating large numbers of people. To overcome these obstacles the official arrangements provide for the transport of visitors by sea from the Piræus to Itea, the port on the north side of the Gulf of Corinth, half an hour by car from Delphi. The steamers will remain at Itea, and visitors will return in the evening to sleep on board, as the Festival lasts two days.

The central event of the open-air Festival is the performance on the afternoon of May 9 in the Theatre at Delphi of "Prometheus Bound," Æschylus's great masterpiece, or, as M. Sikelianos describes it, "the universal and Titanic Æschylean hieroglyph, which seems still to dominate in its spiritual significance not only the suffering

race of Japhet, but all human races, those of the East and those of the West, which are all struggling, some blindly, some consciously, to know themselves at last on this earth in full creative effort and concord." The play will be given in Modern Greek, as translated by M. Gryparis, the Greek poet.

For the rest, the programme includes, on May 9, visits to the ruins and the Museum, lunch to the accompaniment of peasant choirs, dinner by torchlight; on May 10, an exhibition of popular art, athletic sports and national dances in the Old Stadium, and in the evening a concert of sacred music in the Theatre.

A ticket for the Festival costs 25 dollars; the charge for transport between Itea and Delphi during the two days is 10 dollars, and the cost of the passage from the Piræus to Itea and back (three nights on board) by Greek steamer will be £2 10s.

THE BALKAN COMMITTEE.

The following resolutions were passed at the meeting of the Balkan Committee held on April 7, 1927:—

1.—This Committee reaffirms its opinion that the absolute independence of Albania is a matter of international concern, and that while the other Powers may properly offer, and Albania may properly accept assistance which will promote her social and economic development, no interference in her internal affairs from any quarter can be justified which would involve any derogation from her status as a sovereign State, member of the League of Nations.

2.—This Committee is further of opinion that the recent diplomatic incident following the Treaty between Italy and Albania and the Agreement of 1921, between the British, French, Italian, and Japanese Government, makes it advisable to obtain some unqualified recognition of the unimpaired independence of Albania. In the opinion of the Committee the best assertion of such independence can only be obtained by full submission of any differences to the arbitrament of the League.

THE YUGOSLAV CABINET.

The new Yugoslav Cabinet was on April 17 re-constituted as follows:—

Premier and Minister of the Interior and Education, *ad interim*—M. Velia Voukitchevitch.
Foreign Affairs—M. Voya Marinkovitch.
Finance—M. Bogdan Markovitch.
War and Navy—General Radjitch.
Commerce and Industry—Dr. Mehmed Spaho.
Justice and Public Worship, *ad interim*—M. Rikitch.
Communications—General Milosayevitch.
Forests and Mines—M. Kosta Koumanoudi.
Agrarian Reform and Public Health, *ad interim*—M. Vlada Andritch.
Agriculture—M. Svetozar Stankovitch.
Social Welfare—M. Atza Mijevitch.
Public Works—M. Ilia Choumenkovitch.
Without Portfolio—M. Peritch.

The King of Yugoslavia has prorogued the Skupshтина until August.

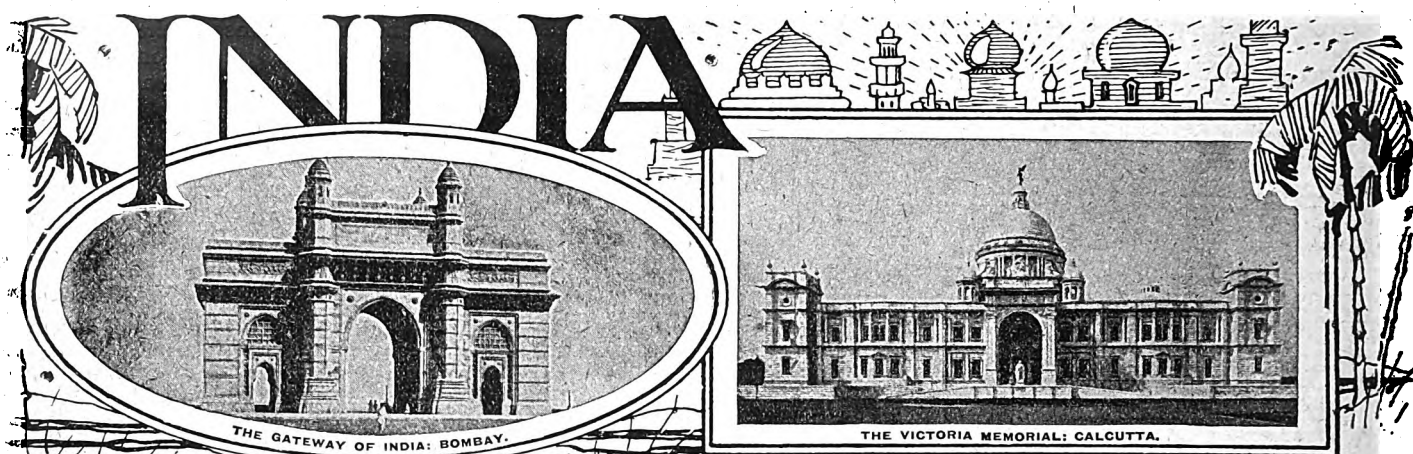
The Greek Chamber was prorogued on April 16 for the Easter vacation until May 2 without having voted the new Constitution.

King Boris closed the Bulgarian Parliamentary Session of the Sobranie on April 15.

Queen Marie of the S.H.S. Kingdom, daughter of King Ferdinand, who went to Bucharest recently in consequence of her father's ill-health, returned to Belgrade on April 17.

L'Echo de Turquie announces that on and after April 14 it ceases to exist, and will appear under the title of the *Milliet*, a French edition of the Turkish paper of that name. The *Milliet* is edited by Mahmoud Bey, deputy for Seirt.

Mr. Israel Davis (Chairman of the *Jewish Chronicle, Ltd.*), left estate of the gross value of £301,198. In bequeathing a moiety of the remainder to the English Zionist Federation he requested the Federation "to encourage as much as possible the speaking, writing, and learning of the English language among the inhabitants of Palestine, as I deem that language more suitable than Hebrew or Arabic for the advance of civilisation."



A CENTRAL ROAD BOARD.

In reply to a question by Mr. George Pilcher, Lord Winterton stated in the House of Commons on April 11, that no request for expert advice and assistance in connexion with the improvement of the Indian road system had been received from the Government of India. One of the most pressing problems of the day in India is, admittedly, the extension of cheap and efficient transport facilities, and for some time past there has been a movement on foot to bring about a more general appreciation of the increasingly important part which mechanical transport is destined to play in that connexion. This reached a concrete form at the end of January, when an Association was formed at Bombay with the declared purpose of "propagating the development and improvement of roads in India and consequently facilitating transport." The headquarters of the Indian Road and Transport Development Association will be in Bombay, and committees have also been formed at Calcutta, Karachi and Madras, while the establishment of others is proposed at Delhi, Lahore and in other large centres. The aims that the Association has set before itself are the opening up of parts of the country at present inadequately served in the matter of communications, the promotion of commercial, agricultural and industrial enterprise by means of the development of roads and of road transport, the securing of such enterprise from the consequences of injurious legislation or undue executive interference, the adjustment of taxation, customs duty and excise affecting motor vehicles and motor accessories, as well as other means of road transport, and employment of the money thus gained or saved in such a manner as would best assist the development of road transport. The association recognised the very considerable efforts now being made by Provincial Governments for the improvement of their road systems; but thought it necessary that these should be co-ordinated, so that all sums spent by local Governments on any road constructed by them should be part of a well thought out all-India scheme. For this purpose, arrangements were made to bring the matter up in the Central Legislature, with a view to persuading the Government of India to form a Central Road Board that shall supervise and co-ordinate the road-making activities of the Provincial Governments.

The state of the roads in and round many of India's most important centres has long been a crying scandal—one on which even Mr. Gandhi himself has pronounced a severe condemnation. Away from the main centres, matters are, in many cases, much worse. A correspondent of the *Statesman* recently referred to the state of affairs on an important district road in Southern India where at one point "for more than four months a wide and deep ditch, caused by heavy rain, in the centre of the road, was allowed to continue," and, at another, "a rickety bridge was suffered to remain for two years, under official instructions that loaded carts and motor buses should unload before crossing it and reload after having done so." Apart from such deplorable conditions, there are, in

many places in India, gaps in the road system which prevent continuous traffic, at any rate by motor car, between some of India's most popular places of call. To take only one instance, the port of Karachi has no road connexion whatever with the rest of India outside a limited part of the "Province" of Sind. Roads are a "provincial" subject, and a few of the Provinces have Road Boards of their own, though these at present exist only in the Punjab and Assam, while there is an Advisory Board in Madras. What is wanted is a Central co-ordinating Board: and the formation of the Bombay Association, only a month after the passing of a resolution in favour of a Central Board by the Associated Chambers of Commerce at Cawnpore, shows that the non-official European community do not intend to let the grass grow under their feet. There has as yet been no report of the moving of a resolution in the Assembly, but one was moved in the Council of State, early in February, which recommended that the proceeds of taxation on motor transport should be placed in a separate account for road development, and that, from the fund so formed, the Central Government should make yearly grants to the Provincial Governments for the upkeep and development of their road systems. This resolution was withdrawn in favour of an amendment under which a Committee of both Houses of the Central Legislature will "examine the desirability of developing a scheme, inquire whether it could be financed, and consider the formation of a Central Road Board for the purpose of advising in regard to and co-ordinating a policy in respect of road development." This somewhat cumbrously worded amendment was accepted by the Government, with some reservations. The Government spokesman explained that, as roads were a provincial "transferred" subject, it was necessary to walk warily in order to avoid any appearance of interference by the Central Government; which, moreover, being committed to the policy of abolishing the provincial contributions to the central revenues, had no money to spare for grants to further a new scheme, however beneficial. The Government view was that public opinion should be educated to realise the importance of transport in India, particularly in agriculturist India; and it would welcome a careful survey of the main lines of road communications with a view to finding where improvements and extensions were needed. On this understanding, and with the proviso that Provincial Governments also agreed to the proposal, the Government of India would accept—or, at any rate, would not oppose—the amendment; but the speaker added—perhaps unnecessarily—that the matter itself was one in which the Government of India was not prepared to rush.

The main difficulty is evidently that of finance. At the Associated Chambers meeting in December, Sir Joseph Kay, the Bombay delegate, suggested that the work of the proposed Road Board should be financed by road bonds, the interest on which might be met from the proceeds of the excise duty on petrol. The excise at present yields over 82 lakhs of rupees per annum and the receipts are likely to show a steady expansion. The

same speaker also advocated the reduction of the import duty on motor vehicles, which would allow of the levy of a special vehicle tax, the proceeds of which would be exclusively devoted to the improvement, maintenance and construction of roads and bridges. This latter suggestion has already been adopted in the new Budget: and it may certainly be hoped that, though the reduction of the import duty will not lighten the burden on the purse of the motorist, the taxation that he will pay in future will be returned to him through improved road facilities—which is emphatically not the case at present. The rampant profiteering in petrol which has been for so long in existence in India would, also, be less objectionable if motorists could feel that the Government revenue from petrol, which provides one of the profiteer's stock excuses, would also return to him in kind. This is, perhaps, too much to hope for: it is pretty obvious that the Central Government does not intend to pay out any of its own money on roads, and that the Central Government relies upon the Provincial Governments to enable him to face with equanimity the pressure of public opinion and the co-ordinated efforts of various public bodies which, as the *Statesman* puts it, are rapidly attaining a momentum too powerful to be further resisted by the Government of India. In principle, the Government certainly recognises the vital importance to India of good roads, not only as feeders to the railways from which it draws a large revenue, but also as one of the firmest bases on which to build the increased agricultural prosperity that is India's hope for the future. And it is certainly reasonable to suggest that, in the very large remission that it is making to Provincial Governments by extinguishing their contributions to its own funds, it may expect the latter to find the money for the expansion of road-transport that is as necessary to them as well as to itself. The Bombay Government has already given a lead in this direction by providing the sum of Rs. 5 lakhs in the current year's Budget for that purpose, in spite of the severe financial stringency. The demand for a Central Board, which should have control over a central fund, shows the growing realisation of the need for a central co-ordinating authority that would restrain the natural tendency of each Province to work out its own ideas independently of its neighbours. There are many aspects in which India has to be considered as a whole, and this is certainly one of them. It may be admitted that the money would have to be found by the Provinces; but authority without power is but a pretence: and if the Central Board is to exercise any real authority, it can only do so by being invested with the power of regranting their own money to the Provinces on the condition that they are prepared to spend it on properly co-ordinated schemes.

CURRENT TOPICS.

The Calcutta Mayoralty.

The reported defeat of the Swarajist candidates at the recent election of aldermen by the Calcutta Corporation will be welcomed by all, both Indians and Europeans, who have viewed with grave misgivings the progressive deterioration of municipal administration in Bengal under the influence of Congress politics. According to *The Times* correspondent, Mr. Sen Gupta, the former Mayor, was the only member of the party who secured election, the combination of the other parties capturing the remaining four seats. Although the solidarity of the Swarajist bloc was weakened by the secession of Mr. Sasmal, whose followers gained eight seats at the polls, it was generally assumed that in spite of their quarrel the two sections would work together in the Corporation and the political complexion of the new Council remained an uncertain factor until the balance of voting strength was determined by the election of the Aldermen. The result has an especial significance in that the issue depended largely upon the attitude of the 15 Muslim Councillors. The Congress organisation claimed nine Mohammedans as supporters of the Congress programme, but the estimate was generally regarded as

unduly optimistic in view of the expressed desire of the Mohammedan electors that their representatives should make the interests of the community their first consideration.

In the event it appears that the Muslim group has wisely decided to retain its own individuality, although no doubt its influence will be thrown on the side of the Congress party on the rare occasions when the latter's interests coincide with those of the Muslim community. Anyhow the immediate outcome of the aldermanic election is that the non-Swarajists—a loose combination composed of the Muslim, Independent Hindus, Europeans and nominated Councillors—now number 48, as against the 42 adherents of the Congress creed. The victory is a decisive one and according to *The Times* correspondent there is a probability that Mr. Sen Gupta will be defeated for the Mayoralty. The result of the next trial of strength will be awaited with interest, but it is clear that the rate-payers are at last rebelling against the domination of party politics in the civic affairs of the "second city of the Empire."

Separation of Sind.

The proposal of the Muslim Conference that Sind should be constituted a separate Province, as the principal condition on which the Muslims would agree to a joint electorate in place of the existing communal system, has given rise to some discussion. As any such redistribution of provincial boundaries must involve prolonged consideration of many interests, the proposal might be taken as a polite method of indefinitely delaying the advances of the Hindu politicians without subjecting them to the pain of rejection. The suggestion, however, for the separation of Sind from Bombay is not new, and could be supported on grounds other than those of electoral bargaining. Sind is markedly distinct in racial, climatic, and geographical features from the rest of India, and certainly from the Presidency Proper, as it is locally described, of Bombay. Its connexion with the latter was originally due to temporary circumstances rather than to any natural link. Sind was conquered by troops from Bombay, and when the Military Government established by Sir Charles Napier had to be replaced by a Civil system, Bombay was at the time the obvious source from which to obtain the necessary men. We believe that on two occasions the decision to offer Sind to the Punjab was actually arrived at. The decision was not carried into effect for various reasons: but this would at first sight seem the natural solution, especially as it would bring the whole of the river Indus, and the irrigation systems depending on it, under one control. Any such solution, however, would be so generally unwelcome as to be impossible. The Sindhis, as a whole, dislike the Punjabis, and would fear to be swallowed up by them: the Hindus and Sikhs of the Punjab would be alarmed at so large an accession to the Muslim majority: while the official classes of the Northern Province would probably fear that the necessity for residing at least occasionally at Karachi would serve as an excuse for curtailing their stay at Simla, if not for ejecting them altogether from that delectable spot. On the other hand, Sind cannot be properly administered from Bombay, at the ultimate discretion of a Legislative Council the majority of whom are entirely alien to the smaller Province, especially when so much of the administration is in the hands of Indian Members and Ministers with no personal knowledge of its peculiar features. The commercial bodies of Karachi constantly feel, whether with or without adequate reason, that the interests of that city are subordinated to those of Bombay and that they are not given adequate support in the redress of grievances, such as the inadequacy of railway communication. Sind, as a whole, has always believed that it does not receive a proper share of the Bombay Government's expenditure. Some years ago a very able statement was put forward by the Bombay Secretariat to show that this was entirely incorrect: but this statement was never perhaps fully tested. The Sukkur Barrage is doubtless being built on the credit of the Bombay Government. As the project, however, is

ex hypothesi financially sound and indeed remunerative, it could clearly have been undertaken by Sind itself, or by the Government of India on its behalf. If Sind could be united with Baluchistan, a Province would be formed of sufficient size, with a homogeneous population, and a charming variety of climate. There would, however, be serious political questions to be faced. Whether Sind could stand alone is a matter for consideration. There is much to be said for the division of India into smaller units, and Sind would be at least larger than Assam, while the drawbacks of a small cadre could be overcome by occasional assistance from Bombay and the Punjab. The question, however, deserves discussion on its merits, and not as an item of electoral contention between two political parties.

CALCUTTA LETTER.

(From Our Own Correspondent.)

Calcutta, March 31.

Lord Lytton's Departure.

Lord Lytton's five years tenure of office as Governor of Bengal came to a close on Monday, March 28. His Excellency's career in India could hardly be surpassed for interesting problems and unfortunate events. It has been Lord Lytton's misfortune to fail in establishing the Montagu-Chelmsford Reforms, of which he was an ardent supporter. It was not his fault to have the thankless task of crushing a revolutionary conspiracy, in which he thought his own life was threatened as well as those of his chief officers. He certainly was not wholly and solely responsible for the device of arresting, and for years detaining in prison, educated young men, to whom no fair public trial could be granted. Lord Lytton vainly endeavoured to educate the Indian leaders to understand constitutional conventions from the British point of view. What can be said is that the departing Governor did what he thought was his duty; that he has experienced dark hours, and that he leaves a clearer coast to his successor. Lady Lytton never spared her efforts when a generous cause was at stake. Her Excellency has done much for the welfare of the women and children of Bengal. May Lord and Lady Lytton leave this tumultuous country without bitterness in their hearts.

Currency Bill Debate.

Though, after a lengthy discussion, the Council of State adopted the 1s. 6d. ratio by 31 to 10 votes, many members still object to it, in spite of the Commission's assurance that it is the most reasonable exchange in the very interests of the masses (c.q.f.d.). It is supposed to better considerably the lot of the agriculturist. To watch the progress of the scheme for five years is all that has to be done to become convinced of the excellence of the currency reform. So they say. Some find the decision comical; others take it tragically. The best is perhaps to wait and see.

The Salt Duty.

The Finance Bill included the reduction of the Salt Duty. From 1s. 4d. per maund it had been reduced to 10 annas. The salt tax has often been opposed on hygienic grounds, but a reduction which meant a sacrifice of not less than three crores of revenue was not one lightly to accept, and the Council reversed the Assembly's decision, and restored the tax to 1s. 4d. The motion was carried by 25 votes against 8. The Assembly has acquiesced.

Bengal Detenus.

The Indian Press is full of infuriated, ironical or disappointed comments on the announcement made in the Assembly by Sir Alexander Muddiman regarding Government's decision on the political *détenus*. *Forward* says: "They are ready to release Subhas Bose without demanding any admission as regards his part, or any promise as regards his future conduct, but on the condition that he will be stowed away to Europe, in some air-tight con-

veyance. If he may be considered safe in Clydeside, Berlin or Moscow, what is there to think he will not be as safe in his own home? The prison doors will be flung open only to the magnetic touch of strength of the country. It is we who hold the master-key." The *Indian National Herald*, Mr. Horniman's paper, says that the Government's offer "is a challenge to the country's leaders to be up and doing," and the *Bombay Chronicle* speaks of "the presumption of the Bengal Government in asking Mr. Bose to banish himself out of India. It will be far better for Mr. Bose to give a chance to his countrymen to get the Black Ordinance abolished." The offer made to the Swarajist leader, that he would be released on condition that he should proceed immediately to Europe, and undertake not to return to India, Burma or Ceylon so long as the Bengal Ordinance is in force, may be accepted yet. That is what the other papers call "a free choice, indicating the readiness on the part of Government to respond to the public demand, as far as circumstances allow." The offer is made publicly, before it is communicated to the prisoner, so that it may not be suspected that he has been forced into acceptance. "If Mr. Bose remains in prison," says the *Statesman*, "he does so by his own will. If he remains, he ceases to have any of the attributes of the martyr. Government alone possesses the evidence upon which these men are detained." Such is the situation.

Saklatvala and Gandhi.

Mr. Saklatvala, the Communist M.P., addressed the students of the Aligarh University a few days ago. The hall and gallery were packed to their utmost capacity. The enthusiastic speaker declared, amid cheers, that the real aim of education should not be to equip young men for earning fat salaries or growing rich in business. Education meant more social service; it helped in the study of human life and, thus, to leading a new life. The new generation had to play a new part of responsibilities and true patriotism. University education was considered a luxury. The educated ones had the advantage over the illiterate of being able to use libraries, laboratories and museums. In Europe many children left school at the age of fourteen, and went to earn a living straight away. They were self-supporting at sixteen, and responsible for others at twenty. Mr. Saklatvala, in his speech at the National Congress held at Delhi, has urged the Congress leaders "to organize the peasants and the working classes, to enable them to take their proper place in the struggle for national freedom." *Forward*, while admiring Mr. Saklatvala's zeal for organization, condemns his attack on "those who, for their saintly character and services to the country, deserve to occupy a high place in popular estimation." Mr. Gandhi, who is touring, has also delivered stirring addresses, and his appeal for educational funds was heard and responded to with two lakhs of rupees. Women's ornaments were simply poured at his feet. He urged all those present to remember that the murdered Swami was a great lover of the untouchables. Professor Indra, the Swami's son, has received a telegram from Mr. Saklatvala asking him to apply for mercy, and appeal against the execution of his father's murderer. It is hoped that Professor Indra's magnanimity (he has agreed to forgive the murderer) will lead to a restoration of good feeling between the two communities. It is high time. India cannot stand any more divisions.

Here and There.

Miss Slade, the Admiral's daughter and follower of Mr. Gandhi, performed a few days ago the flag-hoisting ceremony organised by the All-India Spinners Association. Mirabai (Miss Slade's new Indian name) clad in pure *khadi* delivered an impressive speech in Hindi. She said that the Indian National Flag had a greater significance than all the flags of the world, since it represented Hinduism, Islam, Christianity and the many other religions, all of which were respectable. The flag was not only the symbol of the nation, but of our duty to it, she added.

Miss Violette Cordery, the long-distance motorist,

arrived in Calcutta last week. The western Indian Automobile Association of Bombay has made all preliminary arrangements for the Indian part of the tour. Miss Cordery proposes to make for Ceylon, whence she will sail for Australia. She is accompanied by a lady friend, the observer of the R.A.C. and a mechanic. From Australia she intends to cross Canada and the States before returning to England.

The plea for prohibition found no favour with the Bengal Legislative Council. Mr. F. E. James said that one could not expect any Government to be deeply imbued with temperance ideas (sic). Mr. James thinks it is not a matter for Government, but for social reformers. Dr. B. C. Roy then said that statistics showed that more licences had been granted for liquor shops, thus inducing the people to go for more drink. Government considers total prohibition as an unjustifiable interference with the liberty of individuals! The motion suggesting the reduction of the Ministers' salaries to make up for the loss in excise duties, if prohibition were voted, was lost, 45 voting for the motion and 61 against it.

Col. Gidney, who has for so long fought to get the Anglo-Indians enlisted in the Army, has accepted on behalf of all the provincial branches of the A.I. and D.E. Association that the pay of Anglo-Indian soldiers should be from 60 to 72 per cent. of the British soldiers' wages. Col. Gidney strongly advises the Anglo-Indians to be content with those terms.

The Members of the Central Legislature who are interested in civil aviation held a meeting recently at New Delhi, Sir B. N. Mintra presiding. It was resolved to form an Aero Club of India. The foundation committee includes Sir Victor Sassoon as President and Dr. Moonjee as Secretary. The Viceroy will be approached as its patron, and the King asked to allow the Club to be called the Royal Aero Club.

The distress of the famine-stricken areas in Orissa is getting worse day by day. The Government of Behar and Orissa are said to be "watching the situation carefully." The Indian papers suggest that watching alone will not do. Suffering is the ordinary lot of the Oriya, but when the country is flooded it is starvation, pure and simple. No reports appear in the Press, though in some areas people are living on roots and green leaves not generally used as food. Drinking water is becoming scarce.

Calcutta Amusements.

The delayed arrival of the de Forest Phonofilms has resulted in a heavy booking at the Opera House (Globe) this week. The invention is certainly worth witnessing; its results are amazing. To see dancers performing, with the Hungarian Rhapsody played by an orchestra whose performance is registered at the same time, instead of having people moving anyhow to unsuited rhythm is undoubtedly an improvement worth mentioning. Let us hope that the marvellous discovery of synchronization will not be put to the service of vulgarity.

Another great attraction has been Irving's Imperial Midgets. If the object of the company was to raise laughter, they have achieved that object. There are born comedians, clever acrobats, good singers and dancers, even musicians among them; but there is always something tragic in the exploitation of physical imperfections or peculiarities. I must hasten to say that the Calcutta public did not seem to make the slightest sacrifice of principle, and enjoyed the visit thoroughly. Sir Benjamin Fuller, the Australian theatrical magnate, is supposed to have said that "watching the Midgets on the stage was like looking through a telescope backwards." I hope it was meant as a compliment.

The "Eternal Spring" about which I wrote last week has been repeated at the Empire. The Peep Show company provided great amusement to the Calcutta audiences. One item called "Memories" is a sketch of anticipations. The scene takes place in 1980, and old soldiers speak of the Great War. Someone in the audience wittily re-

marked: "Perhaps we are going to hear how the Howrah Bridge has been reconstructed." And everybody laughed; but who knows, it was perhaps arranged that someone should say that. The "little scandal in the audience," as the French call that sort of premeditated interruption, is still fresh for Calcutta.

BOMBAY NOTES.

At the beginning of April the old man's fancy is heavily turning to two thoughts—to thoughts of retirement from India, and of the new Budget at Home. And these two thoughts are very closely connected: because there is no doubt that a great many Indian pensioners become of necessity Income Tax dodgers: or as an English judge more elegantly put it, they avoid the obligation of attracting the incidence of Income Tax upon themselves.

Some years ago I stayed in a small Swiss village, where I was informed that there were over seventy resident English families, a very large proportion of which were dependent on Indian pensions. Possibly living is cheaper in Switzerland than in England, though I should have thought that there was very little in it: but I have no doubt whatever that you can live better in Switzerland on £1,000 a year than you can in England on £800: which is £1,000 a year, less Income Tax.

A Moot Point.

So you have the natural and entirely legitimate consequence that a very large number of pensioners—probably a quite overwhelming percentage of those who are wholly dependent on their pension—are driven abroad where they can spend the whole of their income on their maintenance, instead of having to contribute 20 per cent. of it to the Income Tax collector: and the question must present itself, whether the law that leads to this sort of thing is altogether wise and advantageous.

The most advantageous thing for the country is no doubt that a man with a pension of £1,000 a year should spend £800 in England and pay £200 in Income Tax. But, if he has no intention whatever of paying Income Tax at all, it seems to me much more advantageous that he should spend his £1,000 in England than abroad: and I make a present to the Chancellor of the Exchequer of the suggestion that it is worth his while to investigate the possibility of paying pensions free of Income Tax under certain conditions. I should not be surprised to find that the Income Tax now paid on the pensions which I should propose to exempt represents a very few pence in the pound: and my own views of economics makes me believe that the most important thing in England to-day is to attract all possible spending power into the country. However, my scheme is not in the least likely ever to be adopted: but it does seem to me to be a pity that so many retired servants of India should be still left to live in exile from England. Their pension is not, nowadays, such a splendid one as to attract the attacks of jealousy.

The Cotton Mills.

The reports that are now being issued seem to emphasise the difference between the prosperity of the up-country mills, at Ahmedabad, Sholapur, and elsewhere, and the very sad plight of the industry in Bombay itself. The greatness of the difference is not very easy to understand. Up-country mills are naturally established in good cotton country, and they therefore have the protection of the difference in freights both ways—on the raw cotton down to Bombay and on the finished material back again: but this hardly seems sufficient to account for the difference between a profit of many lakhs and a loss of the same amount. Possibly the explanation is that the up-country mills manufacture for the known requirements of their own markets, while the rank and file of Bombay mills are far too much content to make standard lines, which may—or may not—be taken by the thousand bales at a

time for the China market. But in any event the difference is very remarkable, even in the case of mills which may reasonably be considered to be managed with quite equal skill and care, and the careful investigation of this phenomenon might throw light on quite a lot of things.

AGRICULTURE IN INDIA.

The recent arrival in England of Lord Linlithgow, the chairman, and the members of the Royal Commission on Agriculture and the expectation that the Commission will draft a great deal of its report before returning in the autumn, to complete their tour of India and Burma, make it opportune to recall the main reason for its appointment, which followed closely upon the heels of an announcement by the Government of India that it was intended to co-ordinate work for the development of Indian agriculture.

This announcement was capable of more than one interpretation and it is felt amongst those who have studied India's agricultural problems impartially that co-ordination should not mean central direction, but that the independence of the various provinces and their right to develop their Agricultural Departments along lines most suited to their own needs and resources should not be challenged or be a subject for discussion. Proper appreciation of the many questions involved is impossible without a survey, however brief, of the relation of agriculture in India to her general well-being and of some of the more important factors that arise.

Agriculture in India is by far the most important of her industries, and apart from the wealth it brings to the State, it provides three out of every four people in India with a means of livelihood. It is axiomatic therefore that the prosperity of India cannot be increased materially except by the development of agricultural productivity and taking the matter a step further, that unless the purchasing power of the people of India, which to an overwhelming degree means the agricultural population, is substantially increased, modern methods of manufacture in that country, with or without the artificial stimulus of tariffs, may rapidly reach their limit of expansion. Members of the community, whether their primary interest is to sell goods to India or to sell India's crops or to manufacture goods in India, must be vitally concerned with the progress and development of agriculture in that country and cannot afford to leave any stone unturned to attract brains, enterprise and capital to it.

If brains and enterprise and capital are to be attracted it follows that the State must take steps to co-ordinate the various activities of agricultural development and must realise its responsibilities for the provision of means for agricultural research, for the agriculturist cannot be expected to work out his own salvation on empirical lines. India is an illiterate country and agriculture presents a large number of highly specialised problems which can only be solved by highly trained specialists, research being the foundation of all progress in this as in other industries.

Much, of course, has already been accomplished by the small staff of research workers of the Imperial and Provincial Departments of Agriculture and India owes much to this small and loyal band of men. But the future of agriculture in the light of the Reforms must be examined and consideration must be given to the problem of obtaining under the present system the full driving and organising power of the State, which is so necessary to agriculture.

It must be remembered that agricultural problems do not coincide with administrative boundaries, many of them being common to large tracts, and their proper solution may be necessary to the welfare of the country as a whole. The need therefore for co-ordination will at once be obvious.

Co-ordination is frequently associated with centralised control but clearly this is not the form of co-ordination which is necessary. What is needed is some organisation

promoting free co-operation between those engaged on identical or allied work.

So far as cotton is concerned there is such an organisation in the Indian Central Cotton Committee on which all connected with cotton, whether from the commercial, industrial, agricultural, or scientific point of view, are represented and this Committee is in the unique position of possessing funds of its own for the promotion of research. But it is at once apparent that there are comparatively few crops to which this particular form of organisation is applicable. Cotton is unique in that there are no fewer than seven cotton growing provinces and several very important cotton growing Indian States while the cotton mill industry is of the first magnitude as is the export trade in cotton. Jute is to some extent a parallel except that it is largely the monopoly of two provinces. Sugarcane is manufactured in the country but factory methods only apply to a relatively small portion of the whole, while there is no export trade.

But, though it is probably not possible to provide parallels to the Central Cotton Committee to deal with other crops to the extent of possessing independent funds for the promotion of research, one side of that organisation might be copied with advantage in connexion with general agricultural problems, for the outstanding success of the Central Cotton Committee has been due to the sustained effort in which the commercial community, the grower and the Agricultural Departments have all taken part and to the mutual trust that has accompanied that effort. Consequently the problems which they have tackled have been properly examined from every point of view and, when a recommendation has been put forward to Government, it has included a practical and generally acceptable working scheme.

India is an important exporter of wheat, oil seeds, fibres, etc., and when the improvement of an export crop is being dealt with there would seem to be every advantage in enabling the Agricultural Department and the commercial community to discuss matters together. Whatever organisation may be decided on for the co-ordination of agricultural effort, this is a point which should be kept constantly in view.

Another very important function which such an organisation as has been foreshadowed could perform, is the spreading of agricultural knowledge amongst the educated classes as to what agricultural improvements have been introduced and what they mean to the country, and in particular the Agricultural Departments want the backing of the Legislatures. The burden of this duty cannot be placed entirely on Provincial Agricultural Departments, for when it is realised that they not only have to undertake research, experimental and development work but also act as seedsmen and occasionally as dealers in implements and manures and have moreover to organise village demonstrations and publish simple vernacular pamphlets, it will be realised that they have little time for general propaganda, and yet such propaganda is always necessary, for without it the strong public opinion which is so necessary, if adequate funds are to be provided for Agricultural Departments, is likely to be lacking.

The problem which faces the agricultural investigator is not so much how agricultural research can assist Indian agriculture as which of a number of pressing problems should be taken up first, for the amount spent in India up to date on agricultural research and experiment is quite insignificant compared with the enormous value of the interests involved, and the amount of work waiting to be done is out of all proportion to the funds provided or the number of workers, and it must be remembered that this statement applies not only to local problems but to a number of fundamental problems.

It is well to remember in this connexion that only a small percentage of the scientific agricultural work carried out in other countries is directly applicable to India, a point best illustrated by remembering that in temperate countries the bulk of the rainfall occurs during the growing period of the crop, whereas as far as the cold weather

crops of Northern India are concerned the rainfall occurs almost entirely outside the growing period, thus establishing a fundamentally different set of conditions.

It follows that with so much work waiting to be done the most rigid economy of funds and effort is called for and, as agricultural crops do not observe provincial boundaries, there is good reason to think that more rapid results might be attained if the basis of our organisation were the crop rather than the province.

If agriculture in India is to develop then as the needs of the country require, it is imperative that the Government of India should realise its responsibilities for the provision of means for agricultural research. Central research is specifically one of its responsibilities under the Government of India Act and the tendency shown till recently has been to treat such matters as agriculture and irrigation as purely provincial subjects. India is moving, in all probability, towards some form of federal government and it so happens that the country with the most highly developed form of federal government, to wit the United States of America, is also the country which has devoted most money to, and achieved the biggest results in, the improvement of agriculture by scientific means. It is most significant that despite the independence of the various States, each of which possesses its own Agricultural Department, the Federal Government in America has found it necessary to maintain the strongest Department of Agriculture in the world.

In India, there have been several marked instances of work at central stations producing results applicable to a large area, such as Mr. Howard's work on wheat at Pusa, that of the Central sugar cane station at Coimbatore and the building up of a valuable pedigree herd at Pusa, while it is satisfactory to be able to record that the Government of India has recently adopted a definite policy in connexion with cattle and dairying in connexion with the all-India Institute at Bangalore. This work shows what can be done by central effort but it must be borne in mind that much of it was done before the era of the Reforms and that the Central Government has not at present an Agricultural Department either large enough of sufficiently endowed with funds to function as it should do. Research work in connexion with fundamental problems, propaganda, educational work, the co-ordination of provincial effort and the promotion of schemes for the general advancement of agriculture in India would appear to be the special responsibility of the Central Government and it must be borne in mind that a system which makes it difficult for the various agricultural departments to keep in touch with each other's effort and to benefit from their failures and successes, and which tends to make each province follow its own policy and go its own way, is fraught with danger.

Another direction in which the help of the Government of India is required is in the initiation of measures to introduce improved and standardised designs of agricultural machinery. The development of agriculture in India must depend to a large extent on efficient machinery and the cultivators who are numerous, and poor and have no natural leaders rely on Government for guidance in this matter. Moreover, mechanical engineering and its application to agriculture, as Sir Alfred Chatterton rightly pointed out in an able article in the *Asiatic Review* in 1925, presents a field open to immediate exploitation; this is a matter which will not be without interest to the commercial world, but it should also attract the serious attention of young Indians of a mechanical turn of mind; for India is not rich in the number of her indigenous engineers and here surely is full scope for those who wish to earn a living and the gratitude of their country.

The remedy would appear to be a strong Central Organisation backed by the Central Government with funds and workers, which would supply the organisation and the driving power necessary to co-ordinate and develop the working of the industry as a whole. Such an organisation could be introduced by the Government of India without any breach of either the spirit or the letter of the Devolution Rules.

INDIAN MAIL.

Speculation by Astrology.

Certainly India is a country of curious habits. Her politicians are second to none in vigour of oratory, and their acceptance of Western methods, as well as of Western conveniences and amenities—even while they profess to hate the accursed thing—has been whole-hearted. But one feels oneself "brought up all standing" when one finds, prominently displayed in the pages of one of the leading Anglo-vernacular newspapers, with which few Indian papers can dispute the palm of up-to-date political controversy, a long "commercial" article in which its readers are given a set of serious forecasts on the movements of the markets in February, as determined by astrology. Speculators were warned that February 7 would be the day of the top-rate for cotton, after which it would drop till the 18th, and then rise again till March 7. Similar prognostications are made in the matter of steel and mill shares; while "wild fluctuations mostly showing an upward trend" are expected to occur in the silver market—in spite, be it noted, of the dispatch of troops to Shanghai—though the public are specially cautioned to watch its course from February 21 onwards. The following is an example of the calculations offered to the paper's readers:—

"Changing of Mercury on the 10th and its conjunction and transitory passing over the month's new moon and conjunction with Jupiter on the 13th—Very Good. If there are any planets in the above period producing disastrous effects, I come across only one, and that is Mars, in square with Neptune on the 13th, and when the real bad time commences. They, however, do last till 17th and again from 20th to 26th. By this period if anyone is ranged in business he must not be frightened over the next month's Mars and Saturn opposition, but he could get a relief on March 7, on which date he must beware and take note that, if he further indulges in heavy speculation, he would be done up as we find no planets coming to his rescue and producing good results."

The prophet winds up by promising a regular monthly forecast and offers his services as a private adviser "if I am satisfied first with the man's horoscope that luck favours him, as I do not like to ruin the public by false predictions published so as to draw a regular client"

According to a notification in the *Gazette of India*, Sir Ganen Roy, Director-General of Posts and Telegraphs, has been permitted to retire from the service of Government from April 10, 1927. Mr. H. A. Sams, C.I.E., I.C.S., Deputy Director-General of the Post Office, has been appointed permanently as Director-General of Posts and Telegraphs from the same date.

Mr. Hugh C. Sampson, C.I.E., formerly Director of Agriculture, Madras, has been appointed economic botanist at the Royal Botanic Gardens, Kew, in connexion with the grant of £4,000 for five years, from the Empire Marketing Board towards the promotion of closer co-operation between the Kew staff and those engaged in agricultural work in the Dominions and Colonies. Since his retirement from India Mr. Sampson has been conducting research work in Nyasaland under the Empire Cotton Growing Corporation.

In reply to a question in the House of Commons on April 11, Earl Winterton, Under-Secretary of State for India, said that the India Office had not yet received the Government of India's views on the Indian Sandhurst Committee's report. "As soon as the Secretary of State," he added, "has received and examined them, he proposes to remit them, with the report, for consideration by the Committee of Imperial Defence, who will advise His Majesty's Government as to the action to be taken with regard to the Committee's recommendations."

In reply to a question in the Council of State on March 21, the Hon. Mr. A. C. McWatters, Secretary to the Government of India, Department of Industries and Labour, said it was expected that the official tests of the beam wireless station at Poona would take place in May next, and if these were satisfactory the service would be opened to the public in June. The charges per word between India and the United Kingdom would be: ordinary rate, 13 annas, deferred, 6½ annas and daily letter telegrams 3½ annas. The minimum charge for a message would be Rs.4-6. The charges for Press telegrams were still under consideration.

Commercial and Financial Section.

NOTES AND NEWS.

170, Strand, London, W.C.2.
Tuesday Morning.

Bulgarian Refugee Settlement.

Some idea of the vast and pressing nature of the problem presented by refugee settlement in Bulgaria can be gathered from the particulars given this week by our Sofia Correspondent with regard to the work of the various relief missions among the refugees. The work these missions have accomplished has evidently been of the greatest value, and it is clear that but for the ready assistance forthcoming from abroad the plight of the refugees would have been deplorable. The latest official report with regard to the settlement of the refugees, covering the period down to February 15, shows that the number of families that then remained to be settled was 31,271. So much work has to be done with regard to drainage and clearing the land that the effect of the refugee settlement on Bulgarian agricultural production will only be felt slowly, but ultimately the country should benefit greatly through the development of large areas of hitherto uncultivated lands.

Greece's Financial Problem.

The serious nature of the financial difficulties with which Greece is confronted was emphasised by M. Kaphandaris, the Finance Minister, in a long statement on the financial situation in the Chamber last week. The burden of his discourse was that when the Government took office it was found that the economic resources of the country were exhausted, while all financial questions were in a state of chaos, including even the Budget estimates. The Budget for 1926-27 was expected to show a balance on a total of 8,821,619,843 drachmæ of 350,000,000 drachmæ, but M. Kaphandaris now estimates that there will be a deficit on the year of not less than 2,700 to 2,800 million drachmæ, even after allowing for the yield of the Swedish Match Loan. There is no doubt that the problem with which Greece is faced is partly a legacy from the ill-fated Pangalos régime, but it is also due to the fact that during the past five years there has been no possibility of a fixed financial policy owing to the fact that during that period there have been some seventeen Finance Ministers. Continuity of policy is out of the question in such circumstances. Naturally the outlook for the current Budget is most unpromising, and few in Greece will be inclined to envy M. Kaphandaris his task. His recognition that the deficit must be met by economies and not by further taxation is to be welcomed as a recognition of the principle that sound administration and retrenchment are synonymous terms. The figures given by M. Kaphandaris make it very evident the country needs a loan in order to enable it to recover, and the settlement of the War Debt to Great Britain has fortunately placed the country in a position to obtain the needed financial support.

Trade Depression in Egypt.

The figures of Egypt's trade so far available for this year show no improvement, the value of the exports being considerably below the corresponding totals for 1926, while that of the imports is also lower though not to the same extent. The country is now suffering, as it has done in the past, from being in the main dependent on one crop. It is ironical that two very good Egyptian crops should coincide with record outputs in America and

with the rapid increase in the output of Sakellarides elsewhere. It is becoming quite clear now that Lancashire has a very pronounced preference for Sudan 'Sakel' as compared with the Egyptian product, and if Egypt is to hold her own in the future there must be an improvement in the quality of the cotton. The moral of the present situation is, however, that Egypt must lose no time in taking whatever steps are possible to transpose her present economic basis into one that is more stable and one that will provide against the changes inevitable in regard to any given crop.

British Firms and Turkey.

In a report from the F. B. I. Correspondent at Constantinople in the current issue of *British Industries*, reference is made to the Turkish demand for aeroplanes, and it is pointed out that while most of the machines for the Air Force have still to be obtained, "reliable information from Angora describes an ever-growing preference for machines of British manufacture." That is excellent hearing, and it may be hoped that the outcome will be substantial orders for this country, but that is a matter which depends very largely on the enterprise shown by our firms. The writer in question emphasises the point that if orders are to be obtained by British aeroplane constructors and armament makers they must do as their competitors do, and send out products on "purchase if up to specification" conditions. The Turkish Government, it appears, insists that a sample of whatever the article required must be sent out at the maker's expense to be tested, and this is surely not a matter over which any difficulty need arise. Indeed, it is not easy to understand a firm taking any exception to this condition when compliance with it may be the means of obtaining a large contract, but British firms are very conservative in their methods and to that fact must be attributed to some extent our failure to hold our own in the Near East markets.

A Suggestion to Traders.

The interesting point is made by the correspondent in question that while it is generally understood that official purchases should be by public tender, a large amount of business is done otherwise, and in this connexion it is mentioned that recently the Director of Posts, Telegraphs, and Telephones bought a number of motor cycles by private treaty. This is a matter that our traders might well bear in mind, for a judicious suggestion on their

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part, coupled, of course, with the demonstration of the commodity in question, might well lead to good business. All that is required is a little enterprise in anticipating possible requirements. While on this subject it may not be out of place to point out that in regard to more than one Near Eastern country it is not a bad thing when competing for a tender besides quoting in accordance with the exact specifications to give terms also for similar articles of slightly inferior quality. It is always possible that the alternative offer will appeal.

The Rubber Position.

A little more than a week now will see the end of the current restriction quarter, and short of a miracle the percentage will be reduced to 60. At the present time, as a matter of fact, the average price of rubber for the quarter is not much more than 1s. 7½d., the lack of a development of American buying being one of several factors which have helped to keep the price down. Still the quarter has the unique distinction that in one week there was actually a fall in the London stocks of rubber. These stocks are now well over 63,000 tons, so that it goes without saying that it will take a good many weeks before they can be reduced to reasonable dimensions. It would be well, therefore, not to count on immediate developments because the percentage is down to 60. Naturally the price must rise, but it will not do so rapidly until for two or three weeks in succession substantial inroads have been made in the existing stocks. Unless the situation develops more favourably than at present seems likely an average price of not more than 2s. may be looked for in the coming quarter—in other words, just enough to give back the 10 per cent. which is going to be taken off. In the unthinkable event of the price not averaging 2s. we should have 60 per cent. for the succeeding quarter, and that would bring within sight the possibility of a very serious shortage.

COMMENTATOR.

TENDERS INVITED.

Tenders are invited for the following contracts, and must be made by the dates mentioned.

(Particulars of tenders marked D.O.T. are to be obtained from the Department of Overseas Trade, 55, Old Queen Street, S.W.)

EGYPT.

General Stores.—The Prisons Administration, Cairo, invites tenders for the supply of various articles required for the year 1927-28. The schedule of requirements is divided into the following sections:—(1) Cotton yarn, cloth, clothing, sacks, etc.; (2) buttons, eyelets, needles, threads, etc.; (3) tents, cordage, twines, bedsteads, enamelled articles, cardboard, etc.; (4) metal polish, blacking boot, heel balls, chalk marking, etc.; (5) paints, oils, grease, acids, etc.; (6) leathers, native and English; (7) fibres (Indian and Mexican), rattan, horse-hair, bristles, etc.; (8) electrical lamps and articles, etc.; (9) copper hardware; (10) tools (carpenters', saddlers', shoemakers', and smiths'), machines, files, etc.; (11) buckles, nails, ironmongery, fire hose, belting, mild steel, galvanised plates and steel, etc.; (12) timber, sindian wood, sanaa wood, handles shoum, etc.; (13) dyeing of clothing, cloth, etc. May 24. (D.O.T.)

Tender for Photostat Paper and Chemicals.—The Surveyor-General of Egypt invites tenders for the supply of the following:—4,030 rolls of photostat paper, 14,490 tins of developing powder, 18,090 tins of acid fixing powder. May 11. (D.O.T.)

Metal Cabinets and Safes.—The Department of the Survey of Egypt invites tenders for the supply of 120 metal filing cabinets and 12 safes. May 18. (D.O.T.)

Weighing Machinery.—The Ministry of Public Works, Cairo, invites tenders covering the cost of delivery for the following weighing machinery required during 1927-28:—2 cattle weighbridges, capacity 1,500 kilos; 78 platform weighing machines, assorted; 143 counter scales, assorted; 120 Beranger balances, assorted. May 4. (D.O.T.)

Railway Carriages.—The General Management, Egyptian State Railways, Telegraphs, and Telephones, Cairo Station, invites tenders for the supply of bogie III class steel carriages, 10 with brake compartments and 10 or 20 without brake compartments. April 28.

Map Printing Paper.—The Surveyor-General of Egypt invites tenders for the supply of approximately 3,000 reams of map printing paper. May 3. (D.O.T.)

Tents, Etc.—The Surveyor-General of Egypt, Giza (Mudiriya), invites tenders for the supply of tents and shamsias for same, April 29; document and map printing paper, May 3; calico and Shash, May 9.

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RELIEF MISSIONS FOR BULGARIAN REFUGEES.

*(From Our Own Correspondent.)**Sofia, April 5.*

The recent arrival at Sofia of M. Barthou Payne, President of the American Red Cross and of the Executive Committee of the International League of the Red Cross, has given rise to a warm demonstration—the more appealing since it was entirely spontaneous—of the deep gratitude of the Bulgarian people for the assistance given by the foreign Red Crosses to the unfortunate refugees, whose future establishment has been assured by the recently concluded loan, but who, pending their settlement have been in a deplorable plight, a prey to famine and sickness.

The winter which has just ended would have been disastrous for the poor refugees and would have killed a great number of them but for the relief missions sent by the Red Crosses in response to the appeal made last year by the League of the Red Cross Societies. These missions, furnished with the necessary resources and material, and assisted by a very intelligent and hard-working Bulgarian personnel, have accomplished miracles, and have earned the gratitude of the whole of a much tried population which will not soon forget this work. In fact, conquerors and conquered, the enemies of yesterday, have united to relieve the sufferings of the victims of the War, and especially to save the children.

Relief missions have come from Germany, Belgium, France, Hungary, Great Britain, Italy and Sweden. The German mission has been installed at Stanimaka near Philippopolis; the Belgian mission, divided into two parts, at Haskovo and Kavakli in the district of Bourgas, the British mission at Biela near Varna, the Hungarian mission at Pétritch and Névrokop on the Greek frontier, the Italian mission at Yambol in the district of Bourgas, and the Swedish mission at Messemvria, in the same district, which includes most of the refugees. America has not sent a relief mission, but has contributed large funds and considerable supplies of clothing.

The work of the relief missions has consisted in the following:—

The establishment of kitchens for feeding the poor and especially the children.

The distribution of food to the poor in the villages in the neighbourhood of the stations where it was not found possible to establish kitchens.

The opening of nursing consultation centres in conjunction with the local doctors for mothers with children. The mothers are taught there how to look after their babies, and medicine, milk and clothing are distributed. The mothers frequent these centres in great numbers.

The visiting of poor families to supervise the use of prescriptions given at the nursing centres and to discover those who are really in need of medical help or food.

The efforts of the foreign missions have been co-ordinated and directed by the Executive Committee of the Bulgarian Red Cross, presided over by the Archbishop of Sofia, M. Stéphane. The work of co-ordination has consisted in the selection of the places for the establishment of relief missions according to the state of poverty of the regions in question, and further in influencing the central authorities to establish for each of the foreign missions the best conditions of work.

A delegate of the League attached to the Bulgarian Red Cross, who was at first Captain Knudsen, of the Danish Army, and who is now Captain Petersen, of the Swedish Army, acts as liaison officer between the foreign missions and the Executive Committee and also all the Bulgarian central authorities.

At the present time the following kitchens are in operation (the figures in brackets indicating the number of persons who can be fed daily):—

Pétritch (Hungarian, 650); Névrokop (Hungarian, 450); Stanimaka (German, 400); Haskovo (Belgian, 350); Harmanli, Svilengrad Lubimetz and Ortakeuy (French, 220, 200, 100, and 100 respectively); Kavakli (German, 400); Yambol (Italian, 300 and will shortly provide for 400); Messemvria (Swedish, 450); and Varna (British, kitchen at Biela, 250). Provision is thus made for feeding 4,000 persons.

Besides the food given in the kitchens of the relief missions there is the distribution of food to the poor of the villages. The total number of families helped so far in this manner stands at 3,300, and allowing for four to five persons to each family the number of those helped totals about 14,850.

This distribution has taken place after visits made to the villages by the sisters, who have ascertained the families to be helped and have taken all the necessary care to assure a just distribution. Each family receives in fact food for a month, haricots, flour, rice, and other commodities. This distribution represents a very remarkable effort on the part of the sisters and their assistants.

It is necessary to mention here the exceptionally fruitful work accomplished by the Society of Friends, who have shown themselves to be actuated by remarkable humanitarian zeal. The Society has established kitchens in a great number of villages, the majority of them being in the region of Kavakli. The sisters of the German mission in that town visit and control these kitchens, in collaboration with the Society. It is necessary to mention also the "Near East Relief" which has given very considerable sums for relief work among the refugees.

By the decision of the Executive Committee and in conformity with the desires of the donors of the money available, the feeding of the poor and especially the children is regarded as the most important duty. The greater part of the disposable funds are allocated to this purpose.

FROM THE WEEK'S MEETINGS.

Handicaps of Tariffs.

"I travelled back the other day from Palestine overland through Constantinople and Vienna to Dover. In the old days one was always put to considerable trouble by the Custom House authorities when entering into a country, but since the War we have equal delays and annoyances from the Custom Houses when leaving a country. They wish to see your passports, to discover whether you are taking money out of the country, or whether you are exporting anything they do not wish you to export, and really there is as much delay and annoyance in leaving a country as in entering it. Passing through Palestine, Syria, on to Turkey, then into Greece, then into Bulgaria, Germany and France to Dover, I had to pass through 20 Custom Houses, and at all hours of the day and night. What hope can there be for an increase in trade in such circumstances if all these tariff difficulties are placed in one's way even for one's personal luggage?"—Sir Laurence Philipps, Bart., at the meeting of the Court Line.

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A PLEA FOR THE D.O.T.

(From a Correspondent.)

It seems probable that the main fight with regard to the three Departments that the British Government from motives of economy has sentenced to abolition will centre round the Department of Overseas Trade, and very naturally so. Economies we know there must be, and economies compared with which those now proposed will be as nothing, but they must be on the right lines, and it cannot be held to be true economy to terminate the one Department which is concerned with the development of trade. To speak plainly the proposal is nothing more nor less than Gilbertian; that is if the Department really carries out important functions and is in actual fact a valuable asset to British trade. It is on this point that the economists at any price take their stand. They say in effect that British trade managed to get on very well before the Department was created, and that it will continue to do so without its assistance. It is said further that leading British firms have their own sources of information abroad—which, of course, is very true—and that whatever happens to the Department the Consuls will still be at their posts to look after British interests. Finally, the very full service of commercial intelligence issued by one of our principal rivals is cited and the question is asked why our own reports are not of a similar character and do not cover the same ground.

There is no substance in the argument as to conditions before the Department was established. In the shadowy pre-War days overseas commerce was pursued in circumstances of a very different character from those that obtain to-day. Conditions were, broadly speaking, static; in the decades that had elapsed since stabilisation was achieved after the Napoleonic wars the even course of trade had only suffered minor interruptions. Since 1918, however, commerce has largely been carried on in an uncharted sea, and it has been a question of building up trade connexions again in vast regions where commerce is now hampered by a host of limitations and by frequent changes of tariffs. In these circumstances the need for a specialised Department for the development of trade seems obvious, and it may not be out of place to mention here that long before the Department of Overseas Trade came into existence the business community had been asking for a Ministry of Commerce.

Before the War the commercial services, and by that is meant the Consular Service, the Trade Commissioner Service and the Commercial Attachés, were on a quite inadequate scale, but they received little attention largely because trade conditions of the period were not unfavourable. An important part of the work accomplished by the Department of Overseas Trade since its foundation in 1919 has been the development of these services. There are now thirteen Trade Commissioners as compared with four, and there are in addition Imperial Trade Correspondents in the important centres and in

regions where there is no Trade Commissioner. Then the Commercial Diplomatic Service has displaced the Commercial Attachés, and in place of eight Attachés there are twenty-eight Commercial Counsellors or Commercial Secretaries. Finally, the Consular Service, which formerly was under-staffed, with the consequence that the necessary attention was not given to commercial affairs, is in process of complete reorganisation.

So much for the overseas side of the Department. At the headquarters everything that organisation can achieve is done to promote co-ordination, and co-operation with a view to speedy and useful assistance to British firms. The Department is divided into geographical and trade sections for the collection and distribution of commercial intelligence. Each geographical section is concerned with the correspondence from its particular region while the trade sections deal with the firms in this country. While the Department makes a considerable use of the Press for publicity purposes a great deal of the information which it receives from its officers abroad is of a confidential character or of a nature which makes it undesirable to give it general circulation, and this information is issued to firms on two special lists. It is the fact that there has been a rigid concentration on essentials to the detriment of matters which, however interesting, in themselves do not contribute to the advancement of trade that has probably given rise to the mistaken impression that our overseas commercial services are behind those of our rivals. After all articles on road communications in the Caucasus or the difficulties of the terrain in Abyssinia may make good reading, but their utility from the British trader's point of view is nil. He wants facts with regard to his special commodities. "Is there a market?" and "what are the special local conditions?" are the things he desires to know, and this is the service that the Department endeavours to provide, besides encouraging firms to enter markets which they have hitherto left alone.

The Department, it must be emphasised, is the one place to which the trader can come and be sure of obtaining the particulars he requires. It may be a question regarding the status of an importer, and in all probability the details will be furnished offhand. Obviously, it is an impossibility for any but the largest concerns to maintain their own intelligence service, and for those who do the official services constitute a useful addition. This is particularly the case with regard to tenders which are the object of special attention. Firms without other sources of information would be at a marked disadvantage in entering a new market without the services the Department can place at their disposal.

A not unimportant branch of the Department's activities is concerned with fairs and exhibitions. There is a special division of the Department to deal with these things and, in addition to arranging British exhibits at foreign fairs, it organises the British Industries Fairs and the exhibits of foreign samples and catalogues. It may be mentioned here that the Government is committed to participate in the Paris Exhibition of 1929 and in the Antwerp Exhibition of 1930, so that if the Department is not in existence the duty of organising the British Exhibits will have to

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be undertaken by some other Government Department. Then there is the Exports Credits Department which by Act of Parliament must run for three more years, so that it will be seen that if this ill-advised intention to terminate the Department of Overseas Trade is persisted in its abolition is not going to be the easy matter that seems to be imagined. Actually the term abolition in this connexion is a misnomer, for it simply means that the functions of the Department will again be divided between the Foreign Office and the Board of Trade—an arrangement which proved unworkable in the past and to which it might be thought no one would wish to revert. It must be hoped that even at the eleventh hour some better means of economising will be found, but if the Department does go it seems a safe prophesy that it will only be a temporary step, for it is unthinkable that this country, whose prosperity is now more than ever dependent on the development of the export trade, should long be without a Department whose sole duty it is to look after the affairs of commerce.

THE GREEK DEBT SETTLEMENT.

A White Paper has been published giving the "Agreement for the Settlement of the War Debt of Greece to Great Britain with an exchange of letters between the Chancellor of the Exchequer and the Greek Minister in London." As already stated in these columns the British Government has agreed to accept the sum of £21,441,450 in full settlement of the total debt, representing a present value of approximately £6,950,000, the payments being as follows:— For 1926, £50,000; 1927, £200,000; 1928, £200,000; 1929, £250,000; 1930, £300,000; for the years 1931 to 1935 inclusive £350,000 a year; for the years 1936 to 1987 inclusive £400,000 a year.

The payment for the year 1926 shall be regarded as having been discharged and satisfied by the payments made by Greece since January 1, 1926; the payments for subsequent years shall be made in sterling at the Bank of England, London, in equal half-yearly instalments on June 1 and December 1 of each year, so that the first payment shall be made on June 1, 1927, and the final payment on December 1, 1987.

If at any time during the making of the payments Great Britain receives aggregate payments under Allied War Debt Funding Agreements and on account of Reparations or of Liberation Bonds which exceeds the payments made to the United States on account of War debts Greece will be credited with a proportion of such excess. On the other hand, any deficit will be made good by an increase in the payments next due from Greece up to a similar proportion of such deficit within the limit of the total amount of the credits already allowed to Greece.

The following is the text of the letter sent by Mr.

Churchill to the Greek Minister in London:—"On the occasion of the signature of the Agreement for the funding of the Greek War Debts to Great Britain, I desire to emphasize to your Excellency the friendly attention with which his Majesty's Government are following the efforts of the Greek Government to restore the financial situation of Greece and to stabilize Greek currency. I am convinced that the settlement of the Greek War Debt to Great Britain will contribute to this end; and I wish to assure you that his Majesty's Government would view with the utmost sympathy any well-considered plan of financial reconstruction framed on adequate lines, and will gladly give such a plan the fullest support that may be in their power. His Majesty's Government are the more ready to give this support in view of, and in return for, the waiver by the Greek Government, as part of the debt funding agreement, of their claim to the balance of the credits arising from the agreement of February 10, 1918."

FORTHCOMING SAILINGS.

The following are the sailings for the Near East and India, the ports of departure and closing dates for cargo being given in parentheses:—

Anchor Line.—S.s. Elysia for Bombay (Birkenhead, April 26). (For passenger sailing and dates see advertisement.)

Anchor Brocklebank Line.—S.s. Masirah for Port Said, Colombo, Madras and Calcutta (Birkenhead, April 30); s.s. Mahratta for Port Said, Colombo, Madras, and Calcutta (Birkenhead, May 14).

Bibby Line.—S.s. Warwickshire for Port Said, Colombo, and Rangoon (Birkenhead, May 4).

British India Line.—S.s. Warfield for Colombo, Madras, and Calcutta (London, April 23); s.s. Hatkhola for Bombay and Karachi (London, April 27).

Cunard Line.—S.s. Brescia for Gibraltar, Malta, Patras, Piræus, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza, also Algiers and Volo if inducement offers (Liverpool, Glasgow, and Swansea, May 14); s.s. Phrygia for Gibraltar, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Venice, Trieste, and Fiume, also at Corfu, Gruz, and Ancona if inducement (Liverpool May 14, and Swansea May 17).

Johnston Line.—S.s. Aviemore for Piræus, Syra, Volo, Salonika, Smyrna, Constantinople, Bourgas, Varna, Constantza, Sulina, Galatz, and Braila (Liverpool, April 23).

P. and O. Line.—S.s. Razmak for Bombay (London, April 29); s.s. Tregenna for Colombo, Madras, and Calcutta (London, April 30).

Prince Line.—S.s. Highland Prince for Tunis, Malta, Alexandria, Syrian Coast, and Cyprus (Manchester, April 23); s.s. Italian Prince for Tunis, Malta, Alexandria, Jaffa, Haifa, Beyrout, and Cyprus (London, May 4).

Ellerman and Papayanni Lines.—S.s. Gerano for Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Gravosa, Ancona*, Venice, Trieste, and Fiume* (Liverpool April 23, Swansea April 28); s.s. Serbino for Malta, Alexandria, Jaffa*, and Haifa* (Glasgow, April 27, Liverpool April 29); A steamer for Algiers*, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza (Liverpool May 7, Swansea May 7). * Subject to sufficient inducement.

Transshipments.—Algerian ports via Algiers; Moroccan ports via Gibraltar; Tripoli (Barbary) via Malta; Syria and Cyprus via Alexandria; Greek outports via Piræus or other convenient port; Fiume via Trieste.

The tonnage of Turkish merchant vessels in 1926 was 114,346.

Merchant vessels entering Port Sudan harbour in February totalled 76 of a net tonnage of 276,122. For the same month last year the figures were 54 vessels of 209,734 tons.

The Turkish cotton crop of 1926 is estimated at 118,000 bales as compared with 153,000 bales in 1925. The figures by districts are:— Smyrna, 40,000 bales as against 27,000; Adana, 55,000 bales as against 80,000 bales; Djihan, 6,500 bales as against 26,000; and Tarsus, 12,000 bales as against 20,000.

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THE WEEK'S FINANCE.

(By Our Financial Expert.)

London, April 19.

The reception of Mr. Churchill's proposals has been definitely favourable in the City. Before the Budget Speech it was generally thought that the Chancellor was impaled on the horns of a dilemma, and that of two evils he would have to do one.

Either, it appeared, he would have to raid the Sinking Fund, or else he would have to impose new taxation of a kind burdensome to trade and industry. With amazing ingenuity he has avoided both evils. The strictest of financial purists is fully satisfied with the allocation of £65 millions to the Sinking Fund; and the champions of trade and industry cannot find in the new taxation proposals anything of a nature to hinder a nascent trade revival. This dual achievement of the Budget is generally applauded. Of the means adopted to provide the funds that made the achievement possible there are of course many criticisms. Property owners have been made the object of unfair discrimination; the Road Fund raid has its strong opponents; the new Customs proposals raise the ire of all free-traders. There is a more or less general belief that Mr. Churchill has practically exhausted the list of possible windfalls, which might have helped in a future emergency, and regret that Mr. Churchill has built no foundation for the future, but leaves 1928-29 to look after itself. But when all is said and done the Chancellor is generally considered to have rounded a dangerous corner with a remarkable agility.

The Budget and the Markets.

So far as the Stock Exchange markets are concerned the Budget is wholly and entirely a favourable influence. The gilt-edged section received a strong stimulus from the stern Sinking Fund policy followed by the Chancellor. General sections were greatly relieved at the absence of any increase in the income tax, and this relief was reflected in brisker business and, in most cases, a hardening in quotations. Dunlops in particular were naturally in

demand at higher prices on the introduction of the import duty on foreign motor tyres. Market have been under the shadow of the Budget for some time. Now that shadow has been dissipated, and optimism once more has its chance. Easter, so it happens, has broken the full force of the effect of the Budget. But the Stock Exchange may be expected to be in a cheerful frame of mind after the holidays; and unless the Chinese situation, or some unforeseen contingency, obtrudes itself unpleasantly, there would appear to be every chance of a period of active and cheerful dealing in the weeks that lie ahead.

Company Law Amendment.

The terms of the Government's Bill to amend existing Company Law have been made known this week. The Bill follows with commendable promptitude upon the recommendations of the Special Committee. It provides, *inter alia*, that the balance sheet to be filed with the Registrar of joint stock companies must be "the last balance sheet which has been audited by the Company's auditor. This will prevent such companies as have hitherto kept to the letter of the law by filing the same balance sheet year after year from evading its intentions. But to the ordinary investor perhaps the most important provisions are those relating to "Share-hawking." The latter is made unlawful and subject to a heavy fine, or on a second offence to imprisonment. As regards written offers the Bill makes it compulsory to furnish a certain minimum of information under the same penalties. Other proposals are directed against the practice of issuing abridged prospectuses. If the Bill is successful in curbing the activities of the "share-hawkers," who have been so amazingly successful in recent years in filching the savings of the small capitalist, the country at large will have much to be thankful for.

Japanese Securities.

In recent weeks there have been several unfavourable financial news items from Japan. A few days ago it was announced that a large Japanese merchanting firm was in difficulties, while a little earlier several small banks were compelled to close their doors. It will be recalled that we have previously recommended Japanese Government Securities, and we do not see any reason to qualify this recommendation. There will probably be minor troubles of various kinds, but in essentials Japan undoubtedly justifies the confidence of the investor. The Legislature has taken action with a view to strengthening the banking system, while there are expectations of an early restoration of the gold standard. These developments are calculated to increase the stability of Japan's economic organisation.

As for Japanese securities, the largest issue quoted in London is the 6 per cent. sterling loan of 1924, of which there are £25,000,000 outstanding. At the present price the stock gives a return of approximately £6 8s., the final redemption date being 1959. The 4 per cent. sterling loan of 1899, finally redeemable 1954, yields £5 10s. per cent. The 4 per cent. loan of 1910, finally redeemable 1970, gives a return of £6 5s. per cent. It will be noted that these are sterling securities, so that the investor is spared any anxiety due to exchange movements.

The death is reported of Mr. George Deuchars, C.I.E., late Government Director of Indian Railways.

It is reported that negotiations are proceeding in Czechoslovak wholesale trade circles for the erection of a new trade organisation which will devote itself to the discovery of possible markets for Czechoslovak goods in the Balkans, and on such experience gained arrangements will be made for the erection of collective sales offices and warehouses in the trade centres of the Balkans.

The exports of gum from the Sudan in February were 14 tons of bleached of the value of £823, 2,733 tons of hashab of the value of £90,572, and 173 tons of talk of the value of £3,194. For the first two months of this year the exports totalled 3,956 tons of the value of £136,423, which compares with 4,088 tons of the value of £167,330 for the corresponding period of 1926.

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AUTHORISED CAPITAL	£4,000,000	Paid-up Capital	£2,000,000
Subscribed Capital	£4,000,000	Reserve Fund	£2,900,000

HEAD OFFICE: 26, BISHOPSGATE, LONDON, E.C.2.

BRANCHES.

Aden	Calcutta	Colombo	Lahore	Rangoon	Eldoret	Kenya Colony (Brit. E. Africa)	Entebbe	Uganda
Aden, Steamer Point	Cawnpore	Delhi	Madras	Tuticorin	Kisumu		Jinja	
Amritsar	Chittagong	Kandy	Mandalay	Zanzibar	Mombasa		Kampala	
Bombay	Cochin (S. India)	Karachi	Newera Eliya		Nairobi, Nakuru			

TANGANYIKA TERRITORY—Dar-es-Salaam, Tanga.

The Bank purchases grants, advances against or collects Bills payable in India, Burma, Ceylon, Aden, Zanzibar, British East Africa, Uganda, etc., on current terms.
 The Bank issues Drafts on its Branches, as well as on its Agents in the principal towns of India and Burma, Africa and elsewhere, and also sells Telegraphic Transfers on all its Branches, at the exchange of the day.
 The Bank, on behalf of its Constituents, undertakes the collection of Furlough Pay and Pension from the India and Colonial Offices, the Custody of Government and other Securities, and the receipt of interest and Dividends thereon.
 Powers of Attorney or other forms and any information required may be had on application to the Bank in London or any of its Branches.
 The Bank receive Deposits for fixed periods not exceeding one year at rates to be obtained on application.

LLOYDS BANK LIMITED.

HEAD OFFICE:
LONDON, E.C.3.

Capital Subscribed - £73,302,076
 Capital Paid up - £15,810,252

Reserve Fund - - £10,000,000
 Deposits, &c. (31st Dec., 1926) £347,653,458

EASTERN DEPARTMENT:

14, KING WILLIAM STREET, LONDON, E.C. 4.

LLOYDS BANK now has the following Offices in INDIA and BURMAH, and can offer special facilities to merchants and others for transactions with those countries. It issues Drafts, Mail and Telegraphic Transfers and Letters of Credit, negotiates and collects Bills of Exchange, conducts Exchange operations, and transacts Banking and Agency business generally.

INDIA & BURMAH.—BOMBAY, CALCUTTA (2 Offices), KARACHI, RANGOON, DELHI, SIMLA, RAWAL PINDI, MURREE, SRINAGAR (Kashmir), GULMARG.

Cotton and Cotton Goods.

THE LIVERPOOL COTTON MARKET.

Messrs. Reynolds and Gibson report as follows for the week ended April 13:—

Egyptian Futures.—Sakel Contract.—This market continues to suffer from what might be termed an absence of outside interest, the fact being that at the present juncture there appears little in the outlook to sway values to any extent, either towards a higher or lower level. Trading, generally, throughout the week has been of a professional character, but small speculative orders, mainly for new crops and a moderate amount of covering against trade fixings, have not found contracts in a too plentiful supply, with the result that some slight hardening in values has to be reported. The recent steadiness of the market is rather inexplicable in view of the heaviness of the statistical position and the recent disappointing character of the trade demand; the latter, however, is a customary pre-holiday feature. Perhaps the explanation of the present tendency is to be found in the reluctance of the majority to enter into short commitments at a level so far below the average of previous seasons, and from which the reaction to "bullish" influences would probably be more marked than to those inclining values to a lower level. A further point that may conceivably ease to some extent pressure on the contract is the recent raising of the question by the Appeal Committee as to whether the contract implies "fair" or "average" staple; a decision of the Directors was requested, and their verdict was that tenders must have the latter qualification; as the present is a notoriously poor crop, this bars quite a fair percentage from being placed on docket; also, had it been otherwise, it is not inconceivable that cotton rejected as outside the contract in Alexandria, on account of its short staple, might have been allowed to go through here. Trade reports have not been particularly illuminative, and evidently recent activities in yarns have been confined to the placings of unimportant orders; however, as mentioned previously, the present period is generally marked by all-round quietness, and, in some quarters, an improvement is expected after the recess. Whilst the Egyptian takings are about 15,000 bales down in comparison for the same period last season, it is to be noted that Sudans have gained 41,000 bales; this emphasises the point we have raised for some time regarding the serious inroads made into the consumption of Egyptians through the strong competition of the Sudan growths. The Alexandria market continues to send steady reports, and the Liverpool/Alexandria straddle difference shows our market as far and away the cheaper proposition. To conclude, we must state that we still fail to discern any features looming up of sufficient importance to move values from the existing level.

Upper Contract.—This option has commanded little attention since we last wrote, but prices have remained at a steady level throughout the week. The trade demand still inclines to the poor side, but with supply figures moderately "bullish" the basis in Alexandria continues firm.

Egyptian Spot.—Only a moderate inquiry for Egyptian cotton has been in evidence, but, in spite of this, sales show a slight increase over last week's total and prices have hardened slightly. Sakel has met with a poor off-take, even for these days, but a fair business has again taken place in Uppers at about 10½d., and the lower qualities of Pilon have also attracted more attention, the most popular range being one of 10½d. to 10¾d. It is doubtful if there is much of a selection at this price. At anything over 11.00d. both Uppers and Pilon move off very slowly. Many competent judges consider that the current price of Upper Egyptian is reasonable, bearing in mind the comparative scarcity this season of its chief competitor, East African. Doubtless, when a resumption of trade activity occurs, this aspect of the case will not be lost sight of.

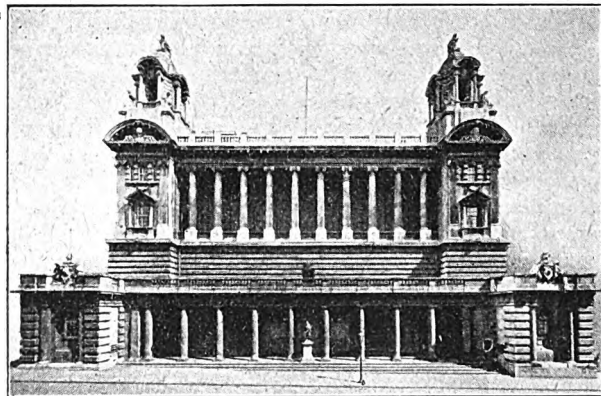
Interest in Sudan cotton of all varieties has been well maintained, and the basis for both the White and Sakel has remained firm. A steady business has been transacted, although this week the bulk of it has been in the Sakel qualities, at prices ranging from 150 to 575 on May contracts (Sakel). The Continent has recently shown signs of becoming more interested in this cotton. It is instructive to note that the consumption of Sudan cotton in Lancashire for the past nine months is already more than double the total consumption of the season of 1925-26.

Reports from Manchester show no indication of any likelihood of an immediate improvement in that quarter, and selling for forward delivery continues to be on a very moderate scale. Forwardings to spinners for the week ending April 8 were returned as 4,084 bales Egyptians and 1,109 Sudan. Estimated sales 1,400 bales Egyptians and 2,250 Sudan. Quotations of Sakel have improved by 15 points, whilst those of Upper have hardened 5 points for the better grades only. The lower qualities are unchanged. F.G.F. Sakel to-day 13.65d. F.G.F. Upper to-day 10.55d.

THE EGYPTIAN MARKET.

The Alexandria Commercial Co., in its report dated April 7, states:—

The week opened with a very dull market but the tone has since improved slightly. The week's summary of price movements is as follows:—Sakellaridis: May, 26.12 dollars, 0.28 dollars up; July, 26.27 dollars, 0.23 dollars up; November, 26.95 dollars, 0.12 dollars up; January, 26.90 dollars, 0.17 dollars up. Ashmouni: April, 18.61 dollars, 0.07 dollars up; June, 18.88 dollars, 0.10 dollars up.



THE LIVERPOOL COTTON EXCHANGE.

Liverpool Cotton Association

LIVERPOOL

The Greatest Spot Cotton Market in the World

MEMBERS OF THIS ASSOCIATION
OFFER FACILITIES FOR THE SALE,
PURCHASE AND FINANCE OF
EVERY GROWTH OF COTTON.

The World follows Liverpool Cotton Quotations daily.

GROWERS AND SHIPPERS SHOULD
SEND THEIR COTTON TO LIVERPOOL.

All information may be obtained from the Secretary.

up; August, 19.08 dollars, 0.10 dollars up; October, 19.56 dollars, 0.12 dollars up.

Sakel.—There was little business during the early part of the week and things were very dull; yesterday, however, saw some speculative buying of May and the tone of the market is accordingly slightly better.

The demand from abroad shows no sign of improvement and the position in China is such as to inspire but little hope for a revival of business in the near future. It is now more than a month since the demand fell off so badly, and the daily purchases on the spot market at Minet el Bassal are mostly in cover of old commitments.

We do not look for any great change in prices for the time being, unless, of course, American new crop reports become unsatisfactory and induce a rise in New York, in which case our market would, naturally, follow suit.

Uppers.—Fluctuations have been small, reflecting the lack of activity in the New York market. Spinners' demand has been on the poor side, although somewhat better than for Sakel.

At the first April tender, dockets for 28.50 kantars were issued.

The week's receipts amount to 116,706 kantars, against exports 175,499 kantars; the stock in Alexandria stands at 3,227,095 kantars.

The official figures of arrivals and exports for the period September 1, 1926, to March 31, 1927, are as follows:—Arrivals: Lower Egypt, 4,323,000 kantars; Upper Egypt, 2,657,000 kantars; total, 6,980,000 kantars. Exports: Sakel, 2,173,013 kantars; Ashmouni, 2,548,942 kantars; Various, 330,969 kantars; total, 5,052,824 kantars.

Spot: This has been a short week owing to the Bairam holidays and we have had very quiet markets at Minet el Bassal. Demand from abroad continues rather poor and the turnover for the four business days amounts to about 8,550 bales, of which we estimate 2,500 bales Sakellaridis, 5,600 bales Ashmouni and Zagora, 300 bales Pilon, and 150 bales other varieties. The selection of Sakel offering continues large and of poor quality generally, whilst Uppers, though the quality offered gives little cause for complaint, have not been very freely offered during the past week.

Sakellaridis: A very moderate business has been put through, covering all grades. Spot differences are without much change but are generally well maintained, particularly the higher grades.

Ashmouni and Zagora: Have met with a very fair demand and a fairly good business has been done at last week's spot differences.

Pilon: A fair business has been done without any change in spot differences.

Brown, Etc.: A retail business has been done in Brown at last week's rates. A few bales of Maarad have also changed hands.

White: Has been in moderate request. Spot differences are on the easier side.

Up-Country: Owing to the native holiday Bairam, business in the villages has been, this week, practically nil. The ginning factories have not been working and the arrivals in Alexandria during the next few days will probably show some falling off.

Crop, 1927: Weather conditions during the past week have been somewhat less favourable, especially in the Northern districts of the Delta. These less favourable conditions may necessitate some re-sowing in the recently sown areas. It is to be hoped that the weather will quickly improve and become settled; re-sowing on a large scale would be exceptionally unfavourable in view of the poor quality of the remaining planting seed. Water is in full supply everywhere.

The report of the Ministry of Agriculture for March reads: "Improved climatic conditions have encouraged the preparation and sowing of the crop, thus making a good recovery from the effects of last month's bad weather. Germination is quite satisfactory as re-sowings do not exceed 5 per cent. in most of the districts. This is due to the favourable weather and the good seeds strictly super-

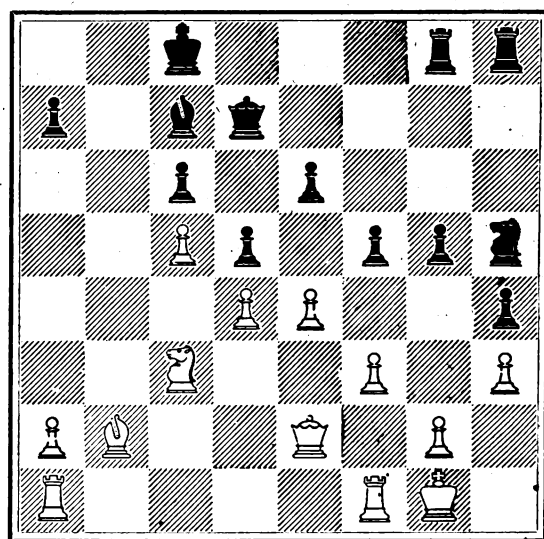
vised by the Ministry according to the law. Up to date the Ministry did not receive any complaint concerning this subject. Plants are growing satisfactorily in early-sown fields. Hoeing and watering are being carried out. Slight attacks of cutworm and aphids were reported from Girga and soreshin from Qena, but have caused practically no damage."

CHESS.

By "CARO-KANN."

This week I give another game of the irregular type from the New York Tournament, between A. Nemzowitsch (White) and M. Vidmar (Black).

1, P—K3, P—Q4; 2, Kt—KB3, Kt—KB3; 3, P—QKt3, B—Kt5; 4, B—Kt2, QKt—Q2; 5, P—KR3, B—R4; 6, B—K2, P—K3; 7, Kt—K5, BxB; 8, QxB, B—Q3; 9, KtxKt (1), QxKt; 10, P—QB4, P—QB3; 11, O—O, O—O—O (2); 12, Kt—B3, B—B2; 13, P—Q4, P—KR4; 14, P—B5, P—KKt4; 15, P—QKt4, P—R5; 16, P—Kt5, Kt—R4; 17, PxB, PxB; 18, P—B3, QR—Kt.



Position after Black's 19th move, P—B4.

19, P—K4, P—B4; 20, PxQP (3), KPxB; 21, QR—K, P—Kt5; 22, RPxB, PxB; 23, PxB, RxP; 24, KtxP, P—R6; 25, Kt—K7 (ch) K—Kt2; 26, R—B3, RxKtP (ch); 27, QxR, PxQ; 28, P—Q5, Q—Kt5; 29, R—QKt3 (ch), K—R; 30, BxR, Q—KR5; 31, P—Q6, QxR (ch); 32, KxB, B—Q; 33, B—Q4, BxKt (4); 34, PxB, QxP; 35, B—B2, Q—K5 (ch); 36, Resigns.

(1) With the Kt well posted at K5 it seems a pity to exchange it unnecessarily. P—KB4 could be played, and then if 9, . . . BxKt; 10, PxB, Kt—K5; 11, Q—Kt4, ultimately driving the Kt away by P—Q3.

(2) Now Black has the better game, for he is fully developed and his pieces are in a position to attack while White is not developed and his Bishop is aiming at nothing.

(3) In view of the general situation P—K5 was better, shutting out the hostile B for a time, followed by Q—R6 (ch) and QR—Kt.

(4) Not Q—K5 (ch) followed by QxB for then KtxP and White would save the game.

In the position given last week Black played 1, . . . P—R6 (ch), and then followed 2, K—B; P—K6; 3, PxB, KxB; 4, B—K6, K—B6; 5, K—Kt (otherwise P—R7 wins), P—R7 (ch); 6, K—R, P—Kt6; 7, B—R6, K—B7; 8, B—Kt2 (forced), K—K5; 9, B—B, K—Q7; 10, P—R4, K—B6 and wins. If 10, K—R then K—B6; 11, B—K2, K—Kt7 and wins.

Company Meeting.

AGRICULTURAL BANK OF EGYPT.

Increased Net Profits.

The report of the directors on the working of the bank for 1926-27, submitted to the shareholders at the twenty-fourth ordinary general meeting, held at the offices of the bank in Cairo, on April 13, states:

The directors have to report that the net profits of the bank for the financial year 1926-27, established in accordance with Article 40 of the Statutes, amount to £E464,284.174. From this amount there have to be deducted: (I.) Interest on debentures, £E142,471.876; (II.) provision for the reserve fund, £E9,845.605; (III.) provision for the special reserve fund, £E17,411.081—£E169,728.562; leaving £E294,555.612. And there have further to be deducted: (IV.) Dividend on £1,250,000 preferred shares, £E48,750; (V.) commission to the National Bank of Egypt, £E11,020.140—£E59,770.140; leaving £E234,785.472; which is available for distribution as dividend on ordinary and deferred shares.

The ordinary shares have to receive, in the first instance, dividend at the rate of 5 per cent. per annum, £E120,900; balance, £E113,885.472. The balance of £E113,885.472 is available for the ordinary shares to the extent of one-half, or £E56,942.736, and for the deferred shares to the extent of one-half, or £E56,942.736.

Ordinary Shares.

The amounts therefore available for dividend on these shares are as follows:—Balance from the year ending January 31, 1926, £E154,427.252; interest for the year, accrued on the above balance, £E7,721.362—£E162,148.614; dividend at the rate of 5 per cent. per annum, as stated, £E120,900; further amount available £E56,942.736; total, £E339,991.350. The directors propose to pay a dividend at the rate of 10 per cent. per annum, requiring £E241,800, and to carry forward the balance of £E98,191.350.

Deferred Shares.

The amounts available for dividend on these shares are as follows: Balance from the year ending January 31, 1926, £E81,584.529; interest for the year, accrued on the above balance, £E4,079.226; total, £E85,663.755; further amount available, £E56,942.736; total, £E142,606.491. The directors propose to pay a dividend of £55 per share, requiring £E107,250, and to carry forward the balance of £E35,356.491.

The amount of outstanding loans having considerably decreased, the annual instalment in 1926-27 was much smaller than that of the previous year and, although the actual percentage collected was less, the amount of arrears to be deducted from profits also decreased. It is partly due to this fact, and partly to a decrease of the general expenses, that the profits available for distribution are about £E28,000 more than last year.

The board recommends the payment of the same dividend as last year, but would point out to the shareholders that the amounts carried forward to the credit of the ordinary and deferred shares for the

purpose of equalising dividends are now greatly diminished, more particularly in the case of the deferred shares.

Mortgage Company of Egypt, Ltd.

A dividend on the ordinary shares of 13 per cent. with a bonus of 2 per cent., making 15 per cent. in all, was paid for the year ended March 31, 1926.

Collections in the current year have been affected by the fall in cotton prices which occurred at the beginning of the selling season and some increase in the amount of instalments in arrear is inevitable. Demands for the new loans continue to be made on a moderate scale.

It is expected that the case relating to the claim by the British Government for income tax will shortly come before the High Court of Justice for hearing.

Arrears.

Out of the instalments in arrear on January 31, 1926, amounting to £E205,006, a sum of £E177,456 has been either collected or written off during the year: the amounts collected are included as profit in the profit and loss account for £E111,654 as capital and £E63,285 as interest.

The instalments due in 1926-27 which have not been collected in the year amount to £E178,330 of which £E58,239 are for interest; no credit has been taken for this latter sum in the profit and loss account as, in accordance with the Statutes, only interest actually encashed can be included in the profits. The balance, £E120,091, representing capital due and not received in the course of the year has, as required by the Statutes, been deducted from the receipts before arriving at the net profits for the year.

Any encashments on the total outstanding arrears—£E205,880—will be included in the profits of the year in which they are effected.

Output and Collections.

We have made during the year 198 A Loans for a total of £E6,288 and 81 B Loans for a total of £E27,760.

The total of loans exceeding £E1,000 each was £E94,009 on January 31, 1927. The arrears on these loans were £E6,620.

A sum of £E278,964 was collected out of the annual instalment of £E457,294 and a sum of £E174,939 was collected from the arrears, making a total collection of £E453,903.

The percentage of the annual instalment collected is 61 per cent. as compared with 64.6 per cent. in the previous year; this is the lowest percentage ever collected except that in 1914, on the outbreak of the Great War. The percentage of arrears collected by the bank was 85.3 per cent., a diminution of about 7 per cent. as compared with either of the two previous years. The decrease in the annual collections was no doubt chiefly due to the low price at which cotton could be sold during the greater part of the collection period.

Expropriations.

The number of expropriations made by the bank during the year are as follows: Number of cases in hand on 1/2/26, 187; number of cases begun during 1926-27, 675; total, 862; cases settled, 381; balance, 481; cases brought to expropriation, 18; balance pending, 463. In 5 of these cases of expropriation 27 feddans were bought in by the bank, and in 13 remaining cases 81 feddans were bought in by third parties.

FOREIGN EXCHANGES.

Country.	Method of Quoting.	Parity of Exchange.	Latest Quotations.
Alexandria.....	Piastre to £	97½	97½
Athens	Drachmæ to £	25.22½	363½
Belgrade.....	Dinars to £	25.22½	276½
Berlin	Marks to £	20.43	20.49½
Berne	Francs to £.....	25.22½	25.24½
Bombay	Sterling to Rupee	18d.	17 55/64—57/64
Brussels	Belga to £.....	35	34.92
Bucharest	Lei to £	25.22½	795
Budapest	Peu to £	27.82	27.84½
Calcutta	Sterling to Rupee	18d.	17 55/64—57/64
Constantinople	Piastres to £	110	930—945
New York	Dollars to £	4.86 2-3	4.85½
Paris	Francs to £.....	25.22½	124
Prague	Kronen to £.....	24.02	164
Rome	Lire to £	25.22½	97½
Sofia	Leva to £	25.22½	670—675
Tehran	Krans to £	50½	50½
Vienna	Sch to £	34.56½	34.52—34.57
Warsaw	Zloty to £	25.22½	43—44

COMPANY NOTES AND REPORTS.

ROYAL EXCHANGE ASSURANCE.

The report of the Royal Exchange Assurance for the year ended December 31 last states that in the life department 3,025 proposals were completed and paid for, assuring £2,472,989 at single and full annual premiums of £152,931. Re-assurances for £475,593 were effected at single and annual premiums amounting to £43,569. The total premium income (after deducting re-assurance premiums) was £726,364, being an increase of £9,252 over 1925. The interest earned was £346,447, being £5 13s. 9d. per cent. on the life fund. The total claims paid and outstanding amounted to £355,426. Of this sum claims arising from the death of the life assured accounted for £226,489, which was below the amount expected on the basis of the mortality tables used. The sum disbursed for surrenders, including bonus, was £72,170. The expenses of management and commission were £119,901. The rate of interim bonus has been increased from 35s. per cent. to 37s. 6d. per cent. for every full year's premium paid on or after January 1, 1927. The life assurance fund amounts to £6,470,713.

One hundred immediate and deferred annuities, securing £10,908 per annum, were issued in consideration of purchase money and

premiums amounting to £105,059. Re-assurances of £1,237 per annum were effected, representing a total purchase money of £13,104. Seventy-one annuities terminated by death and four by lapse and surrender, representing a total net payment of £5,524 per annum. The annuity fund amounts to £908,005. In the fire department net premiums for the year amounted to £1,659,258; with interest the total income was £1,687,292. The losses amounted to £719,362. The commission was £332,460; and the expenses of management including colonial and foreign taxes were £374,623. The profit of £208,221 has been transferred to the profit and loss account. The fire fund amounts to £1,163,703, a further sum of £250,000 having been transferred to the additional reserve from profit and loss account.

In the marine department the net premiums amounted to £734,720; with interest the total income was £751,198. The losses paid in respect of 1926 and previous years amounted to £686,099. The expenses of management were £87,174. The marine fund now stands at £1,015,949, a sum of £250,000 having been transferred from profit and loss account. In the general accident department the net premiums for the year amounted to £940,482; with interest the total income was £962,329. The losses paid amounted to £471,075; the commission was £161,987; and the expenses of management were £220,911. The profit of £75,657 has been transferred to the profit and loss account. The general accident fund amounts to £758,789, a further sum of £100,000 having been transferred to the additional reserve from profit and loss account.

The profit and loss account (general reserve fund) shows that the profits from the fire, accident, and trustee and executor departments, together with the share for 1926 of the proprietors' allocation account of the quinquennial valuation, 1921-1925, amounting in all to £319,379, have been carried to this account. The special reserve funds have now been closed by a transfer to this account of the free

balance of £145,000, and, after transferring £250,000 to the fire fund, £250,000 to the marine fund, and £100,000 to the general accident fund, the balance of the account is £1,021,665. The assets amount to £13,932,154. The total dividend for the year is 27 per cent. against 25 per cent. for 1925.

NATIONAL BANK OF EGYPT.

Position at January 31, 1927, published in conformity with Article 8 of the Statutes. Banking Department.—Liabilities: Share capital (300,000 fully paid shares of £10 each), £2,925,000; reserve fund: statutory reserve, £1,462,500; special reserve, £1,145,625; current, deposit and other accounts, £15,614,097; Egyptian Government, £18,686,197; Sudan Government, £230,753; mixed tribunals, £1,580,151; bankers accounts, £225,012; cheques and bills payable, £271,889; sundry other accounts, £1,355,113—£43,496,337. Assets: Government securities and securities guaranteed by the Egyptian Government, £23,645,187; sundry securities, £346,978; advances on merchandise, £2,727,393; advances on securities, £3,523,033; advances otherwise secured, £1,417,315; sundry other advances, £1,185,336; bills of exchange, £3,397,100; local bills discounted, £595,319; buildings and furniture, £125,485; money at call and at short notice, £321,750; bankers accounts, £3,129,311; sundry other accounts, £271,859; cash: notes, £1,711,114; gold, £243,925; silver, nickel, etc., £408,512—£2,363,551; £43,496,337. Issue Department: Notes issued, £28,400,000—£28,400,000. Gold, £3,339,576; *British Treasury Bills, £10,860,424—£14,200,000; securities: Egyptian Government securities and securities guaranteed by Egyptian Government, £1,355,896; British Treasury Bills and National War Bonds, £12,844,104—£14,200,000; £28,400,000.

* By authority of the Egyptian Government these Treasury Bills are deposited in lieu of gold. (See *Journal Officiel* of October 30, 1916.)

Stock and Share Markets.

LONDON EXCHANGE		Prices on Apr. 14	Railways.		Prices on Apr. 14	Coal.		Prices on Mar. 30
Government Stocks.								Rs.
Egyptian 4 p.c. Unified Debt ..	...	83 1/2	Assam-Bengal	...	82 1/2	Baraboni	...	33 1/2
Do. Pref. 3 1/2 p.c. 1890 ..	...	72 1/2	Bengal Nagpur	...	95	Bengal	...	55
Do. Turk 4 p.c. 1891 ..	...	83 1/2	Egypt Delta Light Rly.	...	44	Burrakur	...	16 1/2
Do. 3 1/2 p.c. Eg. Trib. Bonds. '94	...	78 1/2	Southern Punjab	...	192 1/2	East Indian	...	22 1/2
Greek 5 p.c. 1881 ..	...	51	Rubber.			Equitable	...	18 1/2
Do. 5 p.c. 1884 ..	...	51 1/2	Ceylon Para Rubber Ord.	...	15/3	Pench Valley	...	24 1/2
Do. 4 p.c. Rentes, 1889 ..	...	41 1/2	Doolgalla (Ceylon) Rub. Est.	...	20 1/2	Raneegunge	...	31 1/2
Do. 5 p.c. 1890 ..	...	51	Grand Cent. (Ceylon) Rubber....	...	45 9	Standard	...	52 1/2
Do. 5 p.c. Funding Loan, 1893 ..	...	51	Hewagum Rubber Co.	...	26 9	Cotton.		
Do. 4 p.c. Rails, Loan, 1902 ..	...	51	Keptigalla Rubber Estates	...	3 1/2	Bengal Nagpur	...	25 1/2
Do. 4 p.c. Loan, 1910 ..	...	52	Malayalam Rub. and Produce	...	40 6	Bombay Dyeing, etc.	...	95 3/4
Do. 5 p.c. Loan, 1914 (Lon. issue) ..	...	65 1/2	Shipping.			Bowreah	...	32 1/2
Do. 7 p.c. 1924 ..	...	98 1/2	Anchor 5 1/2 p.c. Prf.	...	7 1/2	Buckingham and Carnatic	...	200
Persia 5 p.c. 1911 ..	...	82	Cunard	...	21 1/2	Cawnpore Textiles	...	4 1/2
Roumania 4 p.c. Ext.	...	69	Furness Withy	...	35 1/2	Century	...	438 1/2
Sudan 5 1/2 p.c. Guar. Bds.	...	43 1/2	Khedivial Mail Ord.	...	1	Central India	...	52 1/2
India 3 1/2 p.c.	...	68 1/2	P. and O. Deferred	...	26 1/2	Elgin	...	92
Do. 3 p.c.	...	59 3/4	Tea.			Khatatau Makaanji	...	105
Do. 2 1/2 p.c.	...	49 1/2	Assam Co.	...	39 6	Muir	...	292
Do. 5 1/2 p.c.	...	102	Bengal United Tea Ord.	...	218 1/2	New Ring	...	288
Do. 4 1/2 p.c.	...	91 1/2	Bramapootra	...	35 1/2	Phoenix	...	31 1/2
Turkish 4 p.c. Unified ..	...	24 1/2	British Indian Tea Ord.	...	211 1/2	Svadeshi	...	53 1/2
Banks.			Cachar and Dooars Tea Ord.	...	315 1/2	Jute.		
Agri. Bank of Egypt....	...	711 1/2	Ceylon Tea Plantations Ord.	...	617 3/2	Alliance	...	643 1/2
Bank of British West Africa ..	...	31	Consolidated Estates	...	4 1/2	Barnagore	...	261 1/2
Bank of Roumania	...	80 3/4	Darjeeling Co.	...	2 1/2	Budge Budge	...	604
Barclays Dom. Col. Pl.	...	29 6	Dimbula Valley (Ceylon) Ord.	...	31 1/2	Clive	...	44 5 1/2
Lloyds	...	62 1/2	Dooars Tea Ord.	...	3 1/2	Dalhousie	...	528
P. and O. Banking	...	93	Dooloogram Tea	...	17 1/2	Delta	...	676
Eastern	...	64 1/2	Doom Dooma	...	45 3/2	Fort Gloster	...	1 058
Chartered Bank of India	...	19 1/2	East Assam	...	3 1/2	Gourepore	...	789
Ottoman Bank	...	10 1/2	Empire of Ind.	...	27 1/2	Howrah	...	50 1/2
Imperial Bank of Persia	...	92	Halem Tea	...	2 1/2	Kamarhatti	...	749
Land Bank of Egypt Ord.	...	1 1/2	Jhanzie Tea Association	...	4 3 1/2	Kankararrh	...	569
Westminster	...	185 1/2	Jokai (Assam) Tea Ord.	...	4 1/2	Khardah	...	533
National Bank of Egypt	...	354 1/2	Lanka Plantations Ord.	...	213 3/2	Kinnison	...	1,119
National Bank of India	...	48 1/2	Lungla (Sylhet) Tea Ord.	...	17 3/2	National	...	364
Land.			Nuwara Eliya Tea Estates Ord.	...	55 1/2	Standard	...	530
Kassala Cotton	...	9 1/2	Pabbojan	...	7 1/2	Union	...	739
Sudan Plantations	...	4 1/2	Scottish Assam	...	125 3/2	Miscellaneous		
Mines.			Upper Assam	...	2 1/2	British India Corporation ..	...	3 1/2
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Champion Reef Gold ..	...	11 1/2	London & Lancs (£5, £1 paid) ..	...	22 1/2	Burn and Co.	...	231
Mysore	...	15 3/4	Royal Exchange (£1) ..	...	7 1/2	Cawnpore Sugar	...	281
Nundydroog	...	11 1/2	Sun Fire £10 (£2 paid) ..	...	24 1/2	Champaran Sugar	...	12 1/2
Ooregum Gold Mining Ord.	...	16 6	Trade Indemnity (£10) ..	...	13 1/2	Howrah Oil Mills	...	14 1/2
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Burmah Oil Co. Ord.	...	6 1/2	INDIAN EXCHANGES.			Ciments d'Egypte	...	Frs. 125
Do. 8 1/2 Cum. Pref.	...	26 6	Government Loans.			Comptoir Fin. & Com. d'Egypte	...	Frs. 163
Phoenix Oil and Transport ..	...	24 6	3 1/2 Government Paper ..	...	78 11 1/2	Credit Foncier Egyptien	...	Frs. 1,099
Steaua Romana	...	13 6	Banks			Do. Fondateur	...	Frs. 2,550
			Imperial Bank of India	...	1,507 1/2	Crown Brewery Priv.	...	Frs. 161
			Bank of India	...	76 1/2	Filature Nationale d'Egypte ..	...	£54
			Central Bank of India	...	20 1/2	Frigorifique d'Egypte	...	£64
						Immeubles d'Egypte Soc. An. des	...	£153
						Land Bank of Egypt Actions ..	...	£134
						Do. Parts de Fond	...	£148
						Menzaleh Canal Navigation ..	...	Ft. 340

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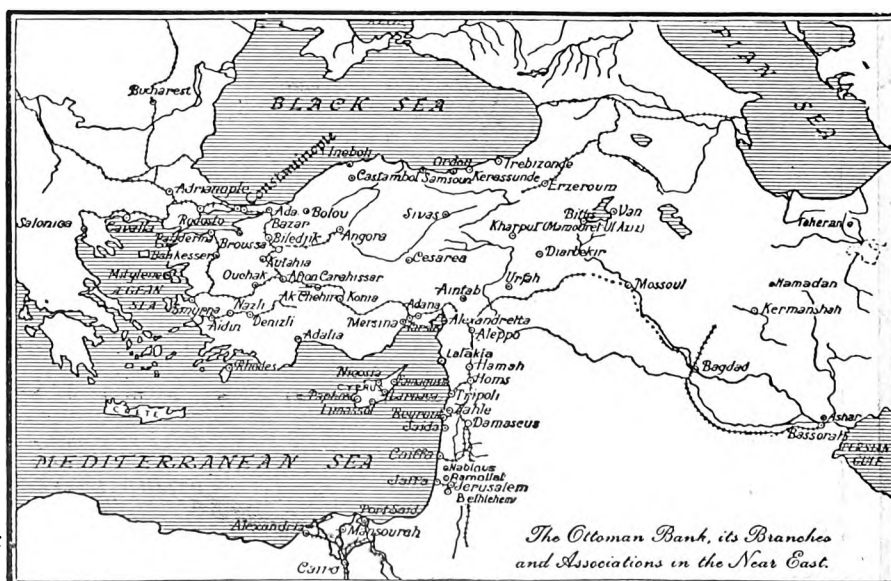
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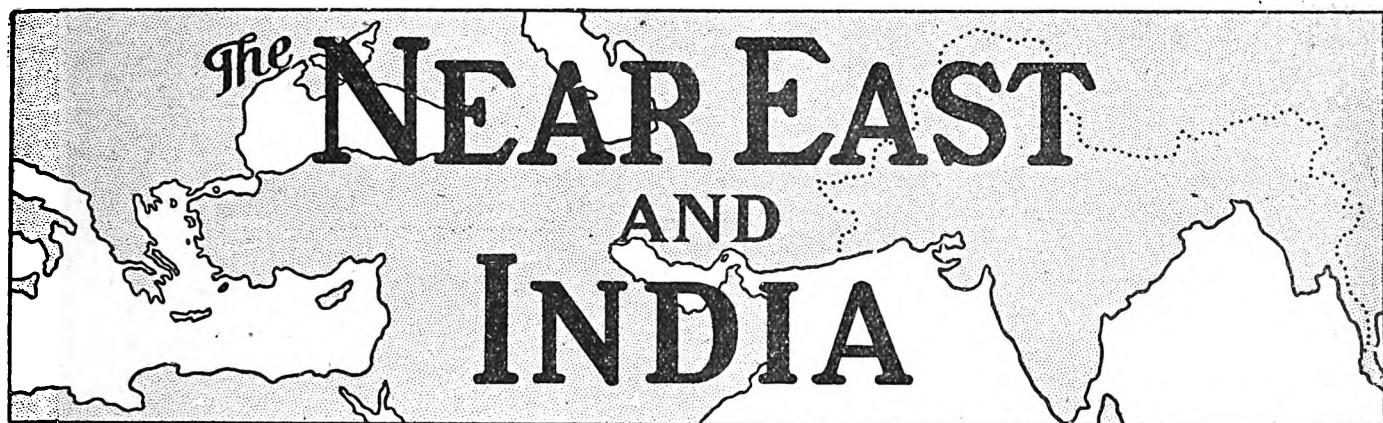
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No. 832.—VOL. XXXI.

THURSDAY, APRIL 28, 1927.

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The Albanian Scare and its Motive.

Far too much ink is being spilt over the Italian attempt to raise a scare in connexion with alleged Yugoslav preparations for an invasion of Albania. The dispatch by Italy to the British, French and German Governments of Notes making these allegations and threatening war in the event of a Yugoslav attack on Albania did create a serious situation, because it was taken for granted by the three Governments addressed that Italy was sure of her information, was acting with a sense of responsibility and meant business. It has now been definitely established that, if the Italian Government was sure of anything, it could have been sure only of the inaccuracy of its allegations regarding Yugoslavia; and, further, that its sense of the responsibility of a Great Power when dealing with a Balkan question is not the same as that of any other Great Power. What particular business the Italian Government had in view is still a matter for speculation. It seized the opportunity to land some troops again on the island of Saseno in Valona harbour—action which constitutes more of a menace to the independence of Albania than a protection of her territorial integrity against invasion from the north—but, as soon as the Italian statements regarding Yugoslavia were challenged, no attempt to substantiate them was made, and the Government's efforts have been directed to thwarting any inquiry into the dispute between itself and Yugoslavia, which a few weeks ago was held to be serious enough to warrant an excited communication to the Great Powers.

As soon as the Italian Note was received the three Governments addressed, and in particular the British Government, very rightly took steps to adjust the matter at issue between Italy and Yugoslavia. The latter was warned to discountenance all *komitaji* activity against Albania, and the former was urged to suspend action while an international commission investigated the situation on the Yugoslav-Albanian frontier. Weeks have now passed; no commission has yet started any investigation, and there

has been no examination of the Albanian question, either jointly by Italy and Yugoslavia or by any other group of States. A variety of reasons can be given for this state of affairs; but the fact remains that it was Italy's own "scare" and, if she had been in any way anxious to speed up either the inquiry or the negotiations, she could without difficulty have done so. As the only anxiety that the Italian Government has displayed is to avoid all further reference to the subject, no further action is called for on the part of the British, French and German Governments.

No inquiry, however exalted, could produce more damning evidence of the Italian Government's attitude in this matter of the Albanian question than has been supplied by Italy's own action. The inwardness of the military measures in Yugoslavia, of the counter-measures to which they gave rise in Albania and the Yugoslav reaction to these, everything has been shown to have been simple of explanation and the truth could have been easily learned by Italy, if she had wished. The only point of uncertainty to-day is the Italian motive. What very cogent reason impelled the Italian Government suddenly to launch against Yugoslavia a denunciation that must inevitably be shown to be false and to risk the consequent lowering of Italian prestige? If, as has been suggested, the hope was entertained that in the general confusion an opportunity might offer for consolidating the Italian hold on Albania, it has to be admitted that Italy set about her task in a curiously half-hearted way. A more subtle explanation is confidently given in Germany to the effect that the Italian Government took alarm at the prospect of Yugoslavia's being allowed to satisfy all her loan requirements in the United States, and risked the denunciation in the hope of scaring American capital. If such were the sinister plot, it has signally failed. Yugoslavia's prestige has come well out of the ordeal, the American loans have been arranged, and the Balkan States as a result of a fuller appreciation of the danger of a lack of cohesion, have taken one more step on the path leading to a Balkan federation.

THE NEAR EAST AND INDIA.

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THURSDAY, APRIL 28, 1927.

SUSPICION IN ARABIA.

It may have been true of any period in the history of the Arabian Peninsula to say that its future was unsettled: it is certainly true at the present time. For, despite the wide and merited sweep of King Ibn Saoud's victories, it so happens that, partly owing to European intervention, the situation in the Peninsula has become more rather than less obscure. In the mandated territories to the north of Najd and the Hijaz speculation is rife and constant upon the possibility of war between the Wahhabis and the Yamanis—a possibility which, curiously enough, is not decreased by the improbability of arriving at a final decision—and in Mecca and Jidda and Sana and Hodaida are to be heard "ancestral voices prophesying war." Now to Great Britain this prospect of "civil" war would have been of considerably less interest but for the successful intervention last year of the Italians in the affairs of the Yaman. The fact that the British Government has adopted a rigid attitude upon the problem of the Aden Protectorate, thus rendering at least temporarily impossible the agreement which Sir Gilbert Clayton a year or so ago attempted to make with the Imam Yahya, would seem to be the real season for the present general uncertainty. Admittedly an easing in the situation has been visible since the "conversations" occurred at Rome between Sir Gilbert Clayton and Commendatore Gasparini, but in Arabia itself there is still, apparently, lively apprehension upon what the future may really hold. As is usual in Arabian affairs, the difficulty of gauging the real trend of events arises from the irritating non-continuity of development therein. A crisis, an unusual happening, looms big and ominously for a few days on the horizon; and as suddenly disappears. The secrecy with which Italians are said to have been landed on the shores of the Yaman surpasses even that which more recently characterised their movements in or off Albania; the source of the Farsan Islands deal, after spouting very high in the air, in a twinkling runs underground, and is heard of no more. Naturally, therefore, perplexity succeeds perplexity. Even so close an observer as Dr. Wolfgang von Weisl, from whose pen we have just published two informative articles on the Yaman, seems really at a loss to prophesy upon the future of the Peninsula. One thing alone is certain: that the Wahhabis, with or without a fresh understanding with the British, suspect the Yamanis, with or without Italian support; and *vice versa*. Continental curiosity significantly expresses itself in the concentration of interest upon events in Massawa, which has been thought in some quarters to be the eventual usurper of Aden's position and of the Yaman's trade.

Without question it has come as a shock to some observers to discover that there are other Europeans than the British who can benefit both Arabia and themselves.

Until the last year or two British public opinion was comparatively indifferent to the future of the Arabian Peninsula: for even if things did not go well therein, there was no one standing by to profit by untoward circumstances. The French, it is true, had their Shaikh Said, but they have done little there of late, and appear to have made no attempt at all to influence affairs in the Peninsula. The place is even said now to be ungarrisoned. When Frenchmen do interest themselves at all in this matter, it is merely to counsel cynically the shaping of events in the interests, not of the Arabs, but of the French—as when a French writer recently suggested that the Yaman should receive the support of France against King Ibn Saoud, in order that the Wahhabis might have their attention distracted from the possibility of intervening in Syrian affairs! The Italians, however, have taken time very smartly by the forelock, and although all fair-minded Englishmen must wish them well for their enterprise in going to the Yaman, this new intervention undoubtedly introduces an incalculable factor into the situation. There are those (their feelings have from time to time been mirrored in the letters from our Jidda Correspondent) who believe that the Fascist Government has "imperialistic" designs in the Yaman. By such observers the recent Italian record in regard to Abyssinia, the non-recognition of King Ibn Saoud, and so on, are pointed out as being sure indications that Italy is but playing energetically the old, dishonoured game of "creating interests." There are, on the other hand, others who assert that the burst of enterprise which is now characterising the Government of Rome is but an evanescent phenomenon, and particularly, that the Imam will soon tire of his present European collaborators and be only too thankful to turn again in hope to the British who have had such long experience of the Peninsula's needs and peculiarities. And, perhaps midway between these two sets of observers, stand those who hope that successful Italian enterprise in the Yaman will be the ultimate means, not of separating still further the Wahhabi and the Zaidi, but of providing a working agreement between them. This view needs considerable optimism to support it, but it is certain that, if trade and prosperity cannot induce Arab to work with Arab, nothing else, short of conquest and submission and conversion, will ever bring about that consummation.

Continental opinion on the whole seems to regard the colonisation of "Arabia Felix" by the Fascisti as almost as good as accomplished; the possibility of the Imam's retaking of Aden is seriously put forward; and the alleged dream, on the part of Great Britain, to assume after the War the rôle which Turkey enjoyed (or endured!) before the War is now thought to have been for ever dissipated. In all this talk there is, of course, an unhealthy amount of ignorance. British policy in Arabia is not the sinister, inexorable theory which Continental critics flatteringly suppose it to be. In fact it has been changed several times—which is in itself a proof that Great Britain seeks not to mould events in the Peninsula but merely to conserve a few vital interests. In the main these interests are connected, directly or indirectly, with India. Italy, on the other hand, has no large interests East of the Red Sea, and it is possible that the dovetailing of her increasing interests in places like the Yaman and Eritrea into the greater British interests in the Red Sea area might occasionally be a matter of delicacy. But there would seem no real reason to suppose that any outburst of Fascist energy in these lands will be allowed to upset countries outside them. If the Italians make good in the Yaman none will be happier than the Imam's followers for the Fascisti to stay there: if they do not make good, none will be happier than the Fascisti to leave. The rest of Arabia may remain assured, however, that the definition of "making good" does not depend only on an Arabic or an Italian version. It might, in fine, be well for the peace of Arabia and the allaying of suspicion therein if some report of the Clayton-Gasparini conversation could be published.

Notes of the Week.

Steadiness in Egypt.

An eminently satisfactory solution of the Ministerial crisis in Egypt has been reached. If Adly Pasha Yeghen could not be persuaded to take office again, it is well that he should be succeeded by Sarwat Pasha. Without doubt, the crisis ought not to have arisen; but its incidence is instructive and may, perhaps, constitute a useful object lesson for some of the unsteadier heads in the Egyptian Legislature. The relaxation, through ill-health, of Saad Pasha Zaghoul's restraining influence on the Chamber had given the small body of extremists an opportunity to get out of hand, and they proceeded to make the most of it. No real question of principle appears to have been at issue. The extremists claim to belong to the Wafd and to be loyal followers of Zaghoul Pasha, who has accorded his cordial support to a Ministry largely of his own appointing. They seem to resent, however, the smooth working of constitutional government; Egypt, in their opinion, ought to be for ever asserting herself aggressively or kicking against the pricks. In all probability they have never reflected where this policy might lead the country, and they have been surprised to find that, when they turned their aggressiveness on to their own fellow-countrymen, in the persons of Ministers who are members of their own political party, these not only resented the injustice of the attacks, but also took steps to protect themselves. The smooth solution of the crisis and the apparent recognition by the malcontents that they had gone too far is evidence of an increasing steadiness in Egyptian politics. One of the hardest lessons to be learnt in countries where constitutional government is still a novelty is that statesmanship is constructive, not destructive. It is easy to win a bubble reputation by slashing attacks on all and sundry, and no one seems to think it worth while to serve an apprenticeship in the science of state-building, which should be the goal of every politician whether permanently of the rank and file or a candidate for Ministerial honours. Clearly there are difficult days ahead for Egypt, possibly even in the present session, but excess of zeal on the part of the first few Parliaments is no reason for despairing of the future.

Greek Coalition Difficulties.

Admiral Kondouriotis refuses to subscribe to the doctrine that it is only the provisional which lasts. He took office as Regent of Greece in December, 1923, and became Provisional President of the Republic in April, 1924. After the interlude of the Dictatorship of General Pangalos he resumed the office and title on the general understanding that one of the first acts of the Coalition Government would be to pass the Constitution and to make provision for a regular Presidency of the Greek Republic. Nearly five months have passed, however, since the Government of M. Zaimis took office, and, whatever else may have happened, comparatively little real progress has been made towards the promulgation of the new or revised Constitution. The trouble turns not so much on the Chamber's time-table as on differences of opinion in the Cabinet. Some of the Republican parties would like to see the Constitution submitted to a referendum, in order that there should be no question subsequently of its validity and of the obligation of the country as a whole to accept it as a final solution of the constitutional question. The Anti-Venizelists, on the other hand, suggest that a vote should not be taken on the Constitution as a whole, but on the "essential" points, such as the form of the régime, the question of a Senate, and so forth. As the essence of the Coalition is that the form of government should not be raised at this time, the Republicans cannot accept the proposal of the Anti-Venizelists, and some of them are opposed to a referendum on the Constitution in its entirety. In view of these differences Admiral Kondouriotis may have decided that the prospect of the Constitution's becoming

law was fading into a dim distance, and that a sharp reminder was needed to bring the Government to a sense of its responsibilities. The problem emphasises the relatively short distance that Greece has travelled towards a real spirit of co-operation among the political leaders, and one of the difficulties of the republican régime—a shortage of candidates for the Presidency. There was something pathetic in the hope raised in certain quarters by the return of M. Venizelos to Greek territory; but the political Achilles shut himself up in his cabin, refused to set foot on the mainland and will trust himself only among his Cretan compatriots. In this he has acted wisely; for his presence in Athens would cause fresh exacerbation of party passions. Admiral Kondouriotis has agreed to retain office for the time being. If, as is indicated, there is no suitable successor apart from M. Zaimis, there is good reason why the latter should remain at the head of the Government, in order to hold the uncoalescing coalition together long enough to place the Constitution on the Statute Book.

A Greek Exile.

Not the least strange of the many strange phases that have characterised recent Greek history has been the complete oblivion that seemed to have overtaken M. Sterghiadis, Greek High Commissioner in Smyrna at the time of the Asia Minor débâcle. He was the special nominee of M. Venizelos for the post, as the one man likely to repair the loss of prestige suffered by Greece owing to the regrettable incident at the time of the Greek landing, but by remaining there he became identified with the régime that expiated its unpopularity with the banishment of King Constantine and the execution of five Ministers and the Commander-in-Chief. It was generally understood, however, that he was essentially the capable administrator rather than a scheming politician, and his sincerity and ability had impressed themselves on all foreigners who had come in contact with him. M. Sterghiadis, however, quitted Smyrna and to all intents and purposes nothing more has been heard of him by the outside world until an Athens newspaper a few weeks ago reported some remarks which he was stated to have made to a friend in France, where he is a political refugee. He is held responsible for the disaster that overtook the unfortunate Greek refugees who poured into Smyrna and fell victims to Turkish revenge; but in the reported conversation he states that when the truth is known regarding those days, it will be found that he did his duty and is entitled to retain a clear conscience. He had, he points out, two duties to perform—to see the Greek army evacuated and to allay the panic that had seized the people. He succeeded in the first task, and to accomplish the second he declared that Smyrna itself ran no immediate risk of capture. He could state this, not of his own knowledge, but only on the authority of the military commanders. They were emphatic in their assurances that the Turks could not reach Smyrna for a month. M. Sterghiadis conveyed their assurances to the population of Smyrna, but at the same time he repeatedly pressed the Athens Government to send an adequate number of vessels to evacuate the inhabitants. This, as is known, was not done, and M. Sterghiadis was made the scapegoat on the spot for the Smyrna disaster. If Greece feels the lack of able administrators, it is to be hoped that it will occur to someone to examine the case of M. Sterghiadis, to see whether he has been the victim of a not unnatural mistake, but nevertheless an injustice. The policy of trying to let bygones be bygones has been accepted in theory by all parties, and, unless his experience has impaired his faculties and his judgment, we believe that in no single instance could that policy be put into practice with greater advantage to Greece than in the rehabilitation of M. Sterghiadis.

The Political Change in Yugoslavia.

With five or six portfolios still to fill (Yugoslavia indulges in the luxury of seventeen or eighteen Ministries) the new Yugoslav Cabinet is necessarily of a provisional character. The intention of M. Voukitchevitch is to enlarge the basis of his Government, if he possibly can, by the inclusion of other elements of the Triune Kingdom. For the moment he is without the support of the Slovenes, who were included in the last Cabinet, and there is no Croat Minister. Not the least of the Prime Minister's troubles is the split in his own party. The Radical Club is now divided into a Pashitch and an Ouzounovitch section; the issue between the two groups is partly personal, but also turns on the attitude to be adopted towards the Croat Peasant Party or Raditchists. The Ouzounovitch group, to which M. Voukitchevitch belongs, still aims at co-operation with the Raditchists, although it is presumably anxious to protect itself against the embarrassing vagaries of M. Raditch, who has hitherto contrived to be almost a bigger thorn in the flesh of his political allies than in that of his opponents. The Club is to hold its annual meeting this summer, and will then have to elect a successor to M. Pashitch. The candidate most favoured at present is M. Trifkovitch, President of the Skupshtina; but before the meeting takes place the leaders of the two sections will be anxious to heal the breach between them, if only because the split threatens the commanding position which the Radical Party holds in the country. In the meantime M. Voukitchevitch has given an earnest of the policy that he would like to adopt, by collecting as many experts as he can round him, even to the extent of going outside the ranks of the Skupshtina for some of his Ministers.

Persia and the "Haji."

The announcement that this year the Persian Government has again refused officially to countenance the pilgrimage to Mecca by Persian subjects will surprise no one who has followed the developments of relations between the Wahhabis and the Shiah section of Islam. Last year, it will be remembered, the Persians reported unfavourably upon the conditions prevailing in the Hijaz, and, of course, they were not represented at the Grand Muslim Conference. Whether this hostility to the present possessors, or occupiers, of the Hijaz is in the main religious or political it is probably best for Mussulmans themselves to determine and state, but it may at least be remarked that the mutual distaste of Wahhabi for Shiah and Shiah for Wahhabi is no new phenomenon in Islamic history. Hitherto the Shiahs may be said to have had the better of the argument, for Wahhabi sway in the Hijaz has been but transient. Possibly they will so score again. But if King Ibn Saoud's régime endures, most interesting developments may be looked for in the world of Islam. For instance, the Shiah Holy Cities in Iraq—Karbala, Najaf, and the rest—will even more than hitherto become the spiritual home of the Shiahs, and this tendency, not, indeed, created by the Wahhabi conquest of the Hijaz, but certainly stimulated by it, to substitute a pilgrimage to Iraq for the pilgrimage to the Hijaz, will in all probability have a political reaction. To mention but one way in which such a movement might be reflected—the Shiah sections of India and of Iraq could be more closely bound to Persia, so that Teheran might come to be regarded as their common working centre.

A Charge against Palestine.

Whatever the inhabitants of Palestine may be thinking of the way in which the British are administering the Holy Land, there is never any lack of critics outside the country who, first on one count and then on another, choose to upbraid the Mandatary. Many of these critics die a natural death, either of inanition or of inanity. The latest in the field, and quite the most original, are the Good Templars. Last month in the House of Commons a certain Labour Member elicited from the Colonial Secretary the not very surprising statement that there

had been an increase, since the occupation of Palestine by Britain, in the number of places licensed to sell alcoholic liquors in the Holy Land. For the critics whom we have referred to this admission was sufficient. The Good Templars last week at Bristol immediately linked up this statement with one to the effect that there had been a rapid increase of crime in Palestine during the last five years. Where the Good Templars, who forwarded a resolution of protest to the League of Nations, to the Prime Minister, and to the Colonial Secretary, obtained this second piece of information from, their own consciences alone know. Possibly they think, in their ignorance, that the East is so like the West that all crime therein is caused by strong drink. To anyone who knows Palestine the suggestion that crime was less under the Turkish Administration than it is under the British is, of course, just as fantastic as to suppose that the Turkish police were more efficient in the handling of crime than the present police in Palestine. But it may be helpful to the doctrinaire or fanatical mind to repeat the statistics for crime which our Jerusalem Correspondent gave in our issue of March 24: "Crimes committed during 1926 numbered 19,061 (as compared with 19,701 in 1925); the total number of arrests were 32,068 (as compared with 36,642 in 1925; roughly five per cent. of the whole population); of these 14,690 were convicted." Upon the general question of the increased consumption of drink in a thirsty land we make no comment; but we present the Good Templars with the suggestion that it is precisely that class in Palestine which is responsible for this increased consumption that is the most law-abiding. And at the same time as they investigate this problem they might inquire whether there are in fact any countries in Western Asia in which the consumption of drink has an undoubted effect on the State. For ourselves, we can at the moment think of only one.

An Affair at Henjam.

The peace which Great Britain so splendidly imposed upon the Persian Gulf has been so seldom disturbed as to make the recent affair on Henjam Island, which is just inside the Gulf (and, incidentally, is Persian territory), a notable event. On April 12 or 13 the Persian Custom-house and Post Office were attacked and looted by Arabs under the aged Shaikh of the Island, and the Customs Mudir and the Postmaster received fatal injuries in defending their charge. The Shaikh and his Arab followers are said to have escaped to the Trucial Coast. At present the origin of the dispute is obscure, but in consideration of the fact that for the last two or three generations the Arabs have lived happily one must suppose that some quite new and intolerable grievance, felt by both the Shaikh and his followers, had sprung up. Such measures as have been indulged in by the Arabs could have derived only from a spirit of despair. Whatever the reason be of this disturbance, the affair provides another item in the history of Henjam, of which we publish a fascinating account elsewhere in this issue.

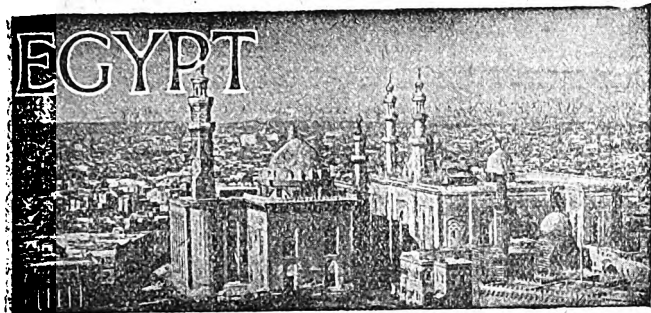
—♦♦♦— "THE MOSLEM WORLD."

The April number of the *Moslem World* contains, among other things, a notable article by Professor Arnold Toynbee on "Islam and the League of Nations," "The Moslem Mind in Turkey To-day," by W. S. Woolworth, Jr., "Islam and Moslem," by Worthington Jukes, and "Is Afghanistan Closed?" by A Danish Student. In his article Professor Toynbee leans to the view that the five important Islamic States—Turkey, Afghanistan, Najd and Hijaz, the Yaman, and Egypt—now outside the League of Nations, will, rather than gravitate towards the orbit of the U.S.S.R. or of the United States, or towards the formation of a separate group of their own, eventually turn to Geneva. He bases his opinion on the alleged desire of these Oriental States, not to exchange one Oriental civilisation for another, but to acquire the civilisation of the West.

—♦♦♦—
The Raja of Mandi arrived in Sofia from Constantinople on April 18 and left the following evening for Bucharest to rejoin his father-in-law, the Maharaja of Kapurthala, who is making a European tour. The Raja was received by King Boris.

The Near and Middle East*

From Our Own Correspondents.



Cairo, April 16.

The Brighter Alexandria Movement.

The movement to attract tourists to Alexandria, which has for some little time now been in progress, received a great impetus last Sunday, when a meeting was held at Claridge's Hotel of the provisional committee, which comprises representatives of all portions of the community. There is, of course, much interest in and around Egypt's second capital, which merits the attention of visitors, and it is to be hoped that the movement will meet with all the success it deserves. The difficulty is that most visitors on landing nowadays want to rush, as soon as possible, to Upper Egypt to see the antiquities, and, as was pointed out in this correspondence recently, Cairo is itself becoming less and less a centre for a stay of much more than a day either way. The steamship and tourist agencies, which in catering for the traffic have to take into account the requirements of their clients, have so far been compelled by this demand for quick transport to Upper Egypt, to supply special trains to convey them from the landing stage to Cairo and back, and so long as this demand lasts it will be difficult, if not impossible, to get them, as is now suggested, to withhold this extra facility. A far better plan than trying, by suppressing these special trains, to force visitors to spend some time in Alexandria would be to carry out an extensive campaign of advertisement of the attractions of Alexandria and its environs which visitors hitherto have missed. The modern rush to Upper Egypt is entirely the result of propaganda, and there is no reason why Alexandria should not try by the same means to attract attention to herself. It is indeed by persuasion rather than by compulsion that tourists will be induced to pause, either on their way into, or on their way out of, the country and enjoy the undoubted attractions which that city can offer.

The Budget.

The Chamber has now embarked on the consideration of the 1927 Budget, and for the rest of the session, until this business is completed, two days a week will be entirely devoted to it. The Budget should be promulgated not later than the 30th instant in order to be in time for the opening of the new financial year which starts now on May 1. But, if one may judge by the rate at which the discussions are going, it does not look as if Parliament will have completed its labours by then. Since the committees examine it exhaustively it should not be necessary for the Budget to be discussed in detail by the two Houses, which really need deal only with the report itself. To prevent the waste of time which every one admits takes place now owing to the non-limiting of speeches, the very practical suggestion has been made that the Chamber should first agree on the time allowed to each section, the members who wish to speak on each section should then register their names, and the order of speaking should be determined by ballot. In that event when the pre-

scribed time allotted to any particular section has been exhausted the debate thereon would be automatically closed, the Government would reply, the Chamber would vote and the next section would be taken. By these means the budget could be promulgated in time for the financial year, and incidentally members would be induced to curtail their speeches.

An Egyptian Income Tax.

The Finance Committee of the Chamber in its report on revenue points out that, whilst the recent economic crisis, due to the fall in cotton prices, has not affected the financial situation of the State, nevertheless the future gives rise to a certain amount of anxiety by reason of the great projects for social and economic development to which the country is committed. It very rightly recommends that fresh sources of revenue should be sought, and among these it suggests the imposition of an income tax. That some direct contribution to the upkeep of the State should be made by the private individual is only reasonable, but it is very doubtful whether an income tax, even if it could be introduced, would produce results justifying its imposition or covering the cost of collection and—what is more—of detection of evasions. Egypt, it must be admitted, is not temperamentally fitted for a system of income-recording, wherein personal confession plays such a great part, and it is very doubtful whether more than a small percentage of returns would approach accuracy. It is true that it has taken years to reconcile even the law-abiding, disciplined British public to this inroad on its income, but there the authorities had not to cope with the temperament and facility at evasion which exist in this country among practically all classes of the community. It is indeed to be feared that for years the receipts from an income tax would scarcely cover the cost of its collection.

IRAQ.

Baghdad, April 15.

Imperial Airways.

A very interesting ceremony took place at Baghdad West aerodrome on April 12, when King Faisal ceremoniously named the new liner of Imperial Airways, "City of Baghdad." After the rendering of the Iraq and British National Anthems by the band of the Iraq Army, the proceedings opened with a speech by the High Commissioner. Commenting on the extraordinary significance to Iraq of the day's ceremony, which "consecrated and emphasized the dependence of her modern civilisation upon the navigation of the air," he said that in ancient



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times all the caravans of the world brought wealth to Iraq, until the conquest of the sea diverted the world's trade to ocean routes. Now the conquest of the air had given back to Iraq her ancient geographical primacy as the central region of the earth. She had already become accustomed to seeing the aeroplanes of all nations pass over her on their voyages between the East and the West; but this great enterprise of the British Imperial Airways was the first to undertake a regular commercial air service for passengers and mails across the deserts of the Middle East. His Excellency was confident that the world's passenger traffic between Europe, and Persia and India would in future pour through and over Baghdad, and it was therefore fitting that one of the first of the magnificent aeroplanes built for this new service should be named City of Baghdad, and that King Faisal should preside over its naming.

Colonel Burchall (Assistant General Manager of Imperial Airways) then addressed the King, thanking him for his kindness in consenting to name the new aeroplane, and asking him to accept, as a souvenir of the occasion, a silver model of the "City of Baghdad." It was the Company's hope and belief that the Imperial Airways service would promote and facilitate that rapid development of Iraq which, as everybody knew, was His Majesty's chief preoccupation.

The King then pulled a silken tassel, which moved a panel in the side of the machine, revealing the name "City of Baghdad" inscribed in colours in English and Arabic. At the same moment the cockpit opened, and a flight of pure white pigeons rose into the air, returning to settle on the wings of the aeroplane—a pretty sight which appealed greatly to the crowds of spectators.

King Faisal then expressed his pleasure in performing the ceremony, and his thanks to the British Imperial Airways for inaugurating the first commercial air route. God had willed, he said, that science should avenge Iraq for the isolation which science had caused; after a long stupor, life had sprung up again in the wastes of Iraq, which with her clear skies and flat surface, had afforded the best attraction for those scientific novelties which he hoped would assist Iraq considerably in the recovery of her former supremacy as a central region of the East and West.

After the ceremony a series of exhibition flights were performed, the passengers on the first flight including King Faisal and his brother, ex-King Ali, the High Commissioner, the Prime Minister, and the Minister for Communications and Works. In order to demonstrate the safety of the aeroplane, the pilot shut off each of the three engines in turn, finally flying a considerable distance with only the centre engine at work. In the subsequent flights nearly a hundred passengers were taken up, a very notable feature being the extreme eagerness of the Iraqis present, and their complete confidence in the safety of aviation. Several members of the Cabinet, the chief Rabbi and other religious dignitaries, and several prominent merchants were among the passengers, all of whom were delighted with the experience.

The formation of a private aeroplane club in Baghdad has been mooted.

New Ministry.

The formation of the new Ministry of Irrigation and Agriculture was passed in the Chamber of Deputies by a large majority, though not without a heated debate and considerable opposition on the score of economy. The Prime Minister said that the new Ministry would include the existing department in charge of irrigation, and the extra cost would be only half a lakh of rupees a year, which would include the Minister's salary and that of his Secretary. The new Ministry is to incorporate the directorates of Irrigation, Agriculture, State Domains, Surveys, and the Veterinary Department.

The Turkish Petroleum Company.

On Tuesday, April 5, the drilling operations of the Turkish Petroleum Company at Palkhana were inaugurated with impressive ceremony by King Faisal. A special train had been arranged, the guests reaching Sulaiman Beg at 9.30 a.m., after a night journey from Baghdad. A guard of honour was drawn up at the station, where the King was received by Mr. Bull, General Manager in Iraq for the Turkish Petroleum Company, and members of his staff. The guests then went by the Company's newly-made road over the hilly country to Palkhana, where some time was spent in examining the buildings and plant. Two drilling rigs are already completed, with the winding machines and pumps for rotary drilling at their base.

After being shown round the various points of interest, the King mounted a staging inside one of the rigs, where a memorial was read by Mr. Bull, who handed to His Majesty a copy in a silver casket. In welcoming the King, the Company said that to his interest in and keen appreciation of the importance of the oil industry to Iraq was due in no small measure the progress that had already been made. The developing of a great oilfield was a task of the greatest complexity; much of the preliminary work had now been done, and the first well was about to begin its progress to the oil-bearing strata below, and, as they hoped, to its concealed treasure of petroleum. Other wells would be begun as soon as possible. The success of their operations would benefit Iraq not only financially, but socially, by giving employment to large numbers of Iraqis, and by providing every opportunity of advancement to young men of the educated classes. The address ended with thanks and good wishes to the King.

His Majesty, replying in Arabic, thanked the Company for their welcome; he shared their optimism as to the future of the enterprise. In view of the very close association of their mutual interests, it was incumbent on them to co-operate as closely as possible. Success could be attained only by earnest goodwill and concentrated work in the exploitation of Iraq's hidden treasures, to their mutual advantage.

The King was then asked to pull the lever which caused the great drill to begin to rotate. After the ceremony the party returned to Sulaiman Beg, reaching Baghdad the same night by train.

The influence of the new industry on Iraq will certainly be far-reaching. Not only will the burden of the taxpayers be lightened when the Government begins to

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receive royalties, but so vast an undertaking, with its many branches apart from the actual drilling for oil, must also open up a great field of employment. Moreover, the provision of cheap oil as fuel will be of the greatest benefit in furthering the irrigation and agricultural development of Iraq, and in improving her means of communication. It is fortunate that the management of the Central Cinema, by securing a film of the ceremony at Palkhana, will enable hundreds of Baghdadis to realise the significance and importance of this new industrial enterprise.

Income Tax.

The proposal to levy income tax in Iraq is causing a good deal of controversy in commercial circles. The members of the Baghdad Chamber of Commerce held a conference with the Prime Minister and the Minister of Finance, to whom they explained their objections to the Government proposals. A memorandum has since been submitted to the Government by the Vice-Chairman of the Chamber, who maintains that the proposed law is incompatible with the present state of trade in this country. In the opinion of the Chamber of Commerce, the adoption of a percentage basis is unworkable, because the great majority of Iraqi tradesmen keep no books of any kind by which their taxable capacity could be assessed. The danger of illegal exactions by corrupt officials is thought to be very great. The Chamber recommends the adoption of a system of fixed taxes, except in the case of Government officials and limited liability companies, whose incomes and profits are easily ascertained by Government.

Treaty Rumours.

The arrival in Baghdad of Sir James Shuckburgh, the Director of the Middle East Department of the Foreign Office, has convinced local opinion that negotiations are beginning for a new Anglo-Iraq Treaty. This has been so freely stated in the vernacular Press that the High Commissioner issued an official *démenti*, in which he stated that Sir John's visit had no official connexion with any treaty negotiations. Hearing that Sir John Shuckburgh was visiting Palestine for a holiday, Sir Henry Dobbs telegraphed to Mr. Amery suggesting that Sir John should take advantage of being so close to Iraq, and should be deputed to come to Baghdad for a few days on duty for the purpose of personal discussion with the High Commissioner on various outstanding matters. His conversations with the High Commissioner had naturally ranged over many subjects, including that of the Treaty relations between Great Britain and Iraq; but there has been no question of any negotiations.

General News.

The High Commissioner visited Mosul by road on April 6, returning to Baghdad after a stay of four days.

On the Muslim festival of Id al Fitr the King of Iraq went in procession to the Sarai Mosque, escorted by the Royal Bodyguard and a squadron of mounted police. He afterwards received Id congratulations at the Palace, some hundreds of officials and notables paying their respects. The Queen of Iraq and the ex-Queen of the Hijaz also received visitors.

Colonel P. C. Joyce, C.B.E., D.S.O., left Baghdad for England on April 2. Many tributes have been paid to the valuable work done by Colonel Joyce in laying the foundations of the Iraq Army, and to his earlier work in the Hijaz during the Arab revolt.

THE HIJAZ.

Jidda, April 9.

The Pilgrims.

Up to March 31 inclusive a total of 55,854 pilgrims had arrived at Jidda, of whom the following is an official analysis published in the *Umm al Qura* (the Mecca weekly newspaper) of April 1:

Java 49,893, India 2,610, Bukhara 1,667, Arabia (by sea) 1,017, Afghanistan 432, South Africa 58, Malabar 53,

Syria 46, Turkey 44, Egypt 12, Senegal 10, and Other Countries 12.

The enormous preponderance of pilgrims from the Dutch East Indies (practically 90 per cent. of the total) is very striking, but it has to be remembered that Indian and Egyptian pilgrims come in force only during the last few weeks before the actual pilgrimage ceremonies. The same applies to Turkey and Syria, whose contingents are in any case never very large. The Javanese total will probably reach 60,000, and the Egyptian and Indian between them perhaps 30,000. The total absence of Persians is as remarkable as it is regrettable, the Persian Government having apparently placed an official embargo on their pilgrims and, it is said, even issued orders to the Vice-Consul here to refuse return visas to pilgrims who do come. This is in itself an indication that Persians would not refrain from coming, if left to themselves. Islam must, of course, be left to settle its doctrinal controversies for itself; but it is scarcely probable that King Ibn Saoud, who has conquered practically the whole of Arabia in the name of an ideal without any help or encouragement from the neighbouring Islamic States, will bow to dictation in matters vitally affecting the ideal which has inspired him throughout. To do so would be to invite the disruption of the State which he has created, and an immediate return to the anarchy and insecurity of the old régimes. A few years of pilgrimages conducted under conditions of complete security of life and property and with modern amenities of travel will suffice to remove the doubts of hesitant communities about the advantages of Wahhabi rule. The total of pilgrims up to April 8 is 62,471.

The Yaman and Asir.

The recent arrival here by *sanbuk* (sailing-boat) from Jizan of Saiyid Muhammad al Marghani and the Shaikh Shauqiti once more focuses attention on the southern situation, where it is clear that something untoward is brewing. It may be stated as a fact that King Ibn Saoud has no intention whatever of adopting an aggressive attitude towards the Yaman, but he will not lightly brook acts of aggression on the frontier of his Asir protectorate. The responsibility for any outbreak of hostilities in that direction will lie on the Imam and on Italy, for it is quite obvious that the former is incapable of any serious action without the support of the Italian Government. The fate of the Hashimite dynasty in the Hijaz should be a warning to those who have eyes to see. The Italian Consul returned to Jidda from Eritrea on April 2.

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The Wahhabi Leader's Title.

Advantage was taken of the religious festival of the *Id al Fitr* to announce an event which, although it occurred more than two months earlier, had not been made public—it is astonishing how well secrets are kept in this country. The event was the formal and perfectly natural conversion of the Sultanate of Najd and its dependencies into a kingdom and the consequent assumption by Ibn Saoud of the title of "King of the Hijaz and Najd and its dependencies." At Jidda the occasion was duly celebrated by a salute of 101 guns and a reception by the Governor, which was attended by the whole Consular Corps and other European residents. The Turkish representative, Sulaiman Bey Shaukat, in a felicitous speech asked the Governor in the name of the assembled diplomatic representatives of foreign Powers to convey to the King the best wishes of those Powers together with an assurance that they had no desire but to see him completely successful in the great task to which he has put his hand. It is announced that the creation of the Kingdom of Najd and its dependencies is to be further marked by the issue of a series of stamps (the present issue) bearing the overprint: "Commemoration of the Kingdom of Najd, Rajab 25, 1345 A.H."

Najd and Transjordan.

It is announced that the Conference, which has been sitting for some time at Jericho under the presidency of a British judicial official for the settlement of raiding accounts between Najd and Transjordan, has resumed its deliberations at Jerusalem after a hitch of considerable duration. This hitch is thought here to have been due to the presentation of numerous false claims by the Transjordan representatives, who also desired to go further back into the history of the past than was contemplated by King Ibn Saoud when agreeing to send representatives. Ramadhan (March) of last year is apparently the date to be taken for the assessment of claims and counter-claims, events prior to that being written off on both sides.

General News.

Another item of frontier news of interest is that Shaikh Ahmad ibn Jabir of Kuwait, who recently sent representatives to meet King Ibn Saoud at Riyadh, intends to visit Mecca for this year's pilgrimage. Recent indications also point to an unusually large Egyptian pilgrimage this year, and the dispatch of four horses by King Ibn Saoud as a gift to the King of Egypt suggests that some progress has been made towards a complete and satisfactory understanding between the two countries. This is all to the good, and it is to be hoped that the Egyptian Government will take the obviously desirable step of communicating its formal recognition of the established régime of the Hijaz and Najd. The rumour that a diplomatic representative of Najd has proceeded to Turkey is denied by the *Umm al Qura* of April 8.

The new British Consul (Mr. Stonehewer Bird) is expected to arrive here on April 25 to succeed Mr. Mayers, who goes eventually to the Oriental Secretary's department at Cairo. The latter, at first as Vice-Consul and latterly as Acting Consul and Agent, has, in spite of constant expectation of transfer, established himself firmly in the good graces of the authorities and people of the Hijaz, and the experience he has gained here should mark him out for return to Jidda when his times come for promotion to Consul. The Jidda post is no sinecure, and requires the highest qualities of tact and common-sense. Mr. Mayers in a difficult position has shown that he has both.

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Sofia, April 18.

Parliament Prorogued.

The Sobranye, which has legislated for four years and which was elected after the *coup d'état* of 1923 and after the sanguinary Communist riots of September of that year, has just been terminated by the extinction of its mandate. This is the third, or at most the fourth, Bulgarian Sobranye that has disappeared in this way, without dissolution. This fact is worthy of notice, as the King remarked in his Speech at the close of Parliament. "At the end of its fourth ordinary session—the Bulgarian Legislature has four sessions annually"—the King said in his Speech from the Throne, "the twenty-first National Ordinary Assembly terminates its legislative mandate, and I am happy to note this rare and joyful fact in the history of our Parliaments. It is an expression of the high conscience actuating our politicians in the constitutional direction. At the same time it is a proof of the consolidation of our country and of the stabilisation of Parliamentary life among us." Then, turning to the deputies, the Head of the State gave this personal testimony to their Parliamentary endeavours:—"I note with particular satisfaction that during this last session you have made every effort to justify the confidence of the nation and to create as far as possible conditions which shall assure to Bulgaria a peaceful and happy future. The laws voted by you are a proof of the ardour and the patriotism which have guided you in the accomplishment of your high mission."

This royal appreciation is well merited. The activity of this last Parliament was of the most varied kind, and had most fertile results. First, should be mentioned the revision of the agrarian legislation, which, even in its sound parts, was vitiated by passion and party prejudice, and which, re-drafted and corrected, has been of useful application in the life of the country. A long series of reforms has been effected which resulted in the stabilisation of the national currency, in encouraging public works in the country districts, in introducing a new division of the fiscal charges to the benefit of the needy classes, in making public instruction conform to the national traditions of the people, in improving the position of officials, of invalids and of all War-victims, of building the foundations of a sound Budget, of lessening dues by extremely useful concessions, such as that of the exploitation of the great forests of Deuvlen and of Vassilikko and that of the monopolistic manufacture and the export of bacon, and in concluding the loan for the refugees.

The campaign for the new elections has begun already. The elections have been fixed for May 29. The new Sobranye has to be in extraordinary session in June to deliberate upon certain urgent questions.

Bulgaria and Greek Macedonia.

A most important dispute has suddenly sprung up which concerns the liquidation of the property of Bulgarians emigrated from Greek Macedonia and of Greeks emigrated from Bulgaria. This liquidation is made through a mixed Commission composed of one Bulgarian and one Greek, and presided over by two League of Nations delegates, of whom each in turn exercises the presidency. A special Convention was annexed to the Treaty of Neuilly for the regulation of voluntary—or so-called voluntary—emigration between the two countries. Moreover, the Bulgarians in Greece and the Greeks in

Bulgaria form communities which are religious and administrative bodies and which in this quality possess ecclesiastical and scholastic property. By an omission the aforesaid Convention contained no provision for the settlement of this property. The Commission, interpreting silence as tacit agreement, thought that it was in the order of things that the property of the communities, that is to say, the schools, the churches, the monasteries, the cemeteries, and so forth, should be liquidated at the same time as individual property. If (they argued) a community is driven to dissolution it is only natural that its property be liquidated. On this point the Commission is running strongly counter to the feelings of the Macedonian *émigrés*, who, although obliged to abandon their native hearths, have not abandoned all hope of returning. In any case, these unhappy victims of the War are still sufficiently attached to their country to wish to maintain there—even if it were only as a fiction—their schools and above all their churches and cemeteries, which symbolise for them their struggles in the past. Consequently they oppose the dissolution of their communities, of which the whole population is far from having emigrated.

That is the moral aspect. There is also the material side. A reciprocal obligation is involved, by which the liquidation would concern the property of Greek *émigrés* in Bulgaria no less than that of Bulgarian communities in Greece. An exchange might be affected. It is true that the Greek Churches in Bulgaria which might be liquidated number only some 70 or 75, while the number of Bulgarian Churches in Greece is about 300. The difference between the two might be used for the construction of new Churches for the use of Macedonian *émigrés* in Bulgaria. This circumstance has impelled the Foreign Minister, M. Bourroff, to approve the decision of the Mixed Commission concerning the liquidation, and not only to approve it, but also to do something more—and this has provoked a grave conflict between the Government and the Macedonians. The Convention stipulated that declarations had to be made, within a fixed date, by those interested in the liquidation of their individual property—after which the Commission alone could proceed to liquidation. This the Bulgarian *émigrés* refused to do, although the time limit was several times extended in their favour, and although the old Greek communities in Bulgaria had done so. M. Bourroff took it upon his own shoulders, in the name of the Bulgarian State, to make the necessary declarations. This act raised a hue and cry among the emigrants.

Questioned by the Macedonian group in the Sobranye, M. Bourroff explained his conduct by saying that he had decided on the expedient at the last moment, so as not to lose the benefits of the liquidation of the Bulgarian Churches in Greece. The Minister's words infuriated the Macedonians, who immediately protested to the President of the Council, M. Liaptcheff. Seeing that he sided with M. Bourroff, they set themselves to organise meetings, which the Government has unequivocally banned.

Thus has arisen a very serious conflict. Probably it would have been better to allow the League of Nations Commission to make the liquidation, rather than the Bulgarian Government.

The Macedonians have decided to carry the matter to the Council of the League. They are preparing a long Memorandum which they are going to present to Geneva.

Sir Muhammad Rafique has returned from his visit to India and has resumed his work on the Council of India.

Sir George Clerk, British Ambassador to Turkey, who recently returned to Constantinople from leave, went to Angora at the end of last week for a short visit.

Colonel Frank Joseph Agabeg, C.B.E., V.D. (66), of Peers Court, Aspley Guise, Beds., and of Bara-Church House, Burdwar, Bengal, an hon. A.D.C. to the Viceroy of India in 1912 and a Fellow of the Zoological Society, left (property in this country) £2,235 (net personality nil).

NEAR AND MIDDLE EAST ASSOCIATION.

On April 8, an afternoon lecture was given by Mrs. Margaret Hasluck to the members of the Near and Middle East Association at 21, Addison Road, W., by kind permission of Mrs. Menteith Ogilvie. Miss Sylvia Townsend Warner was in the Chair.

Mrs. Hasluck took for her subject the "Witchcraft and Weather Lore of the Western Balkans." She began by stating that, though the Western Balkans can be reached in three days from London, witchcraft is as rife there as in Central Africa. This she attributed to the ignorance in which the inhabitants have remained owing to the difficult nature of the country and its consequent lack of communications, to the inadequacy of schools, and to the poor education of the clergy of the three prevailing religions.

The lecturer then defined magic, or witchcraft, as the possession and exercise of unusual knowledge or power by any one, young or old, married or single, man or woman, who acquired the requisite knowledge. Magic might, therefore, be white or black, beneficent or maleficent, good or bad. Given the abysmal ignorance of the peoples of the Western Balkans, almost everything seemed beyond their own capabilities and had magical significance for them.

Black magic was hard to learn, but Mrs. Hasluck taught the audience how to bring the moon down to earth, how to kill a man by taking earth from his shoulder, and how to league oneself with the Powers of Evil for magic purposes. On the white side she recited spells that catered for almost every human need from capturing a wife to ensuring a good complexion and a bountiful harvest. She next cited incantations for curing various diseases, notably over-looking.

She also exhibited specimens, including crumbs of *manogalo* (the most potent love-charm known to the Balkans) a *monokero* (a Christian crucifix used even by Mussulmans to cure over-looking), blue beads, an amulet from the Quran, a miniature scarecrow placed on bee-hives by the Turks of Kinali near Monastir, and her own diploma as a witch which she secured by buying the goodwill of a witch's business.

She concluded by saying, though the spells rested on her authority alone, they were not likely to have been specially manufactured to deceive her, for she repeatedly found the same spell in villages too remote from each other for collusion to have been possible between the witches.



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HENJAM.

BY SIR ARNOLD WILSON, K.C.I.E.

Henjam, which has recently leapt into prominence owing to an attack on the Persian Customs House and Post Office by the local Arab Shaikh, has been not inaptly described as "the Perim of the Persian Gulf." It is an island of dismal appearance, a mass of barren, broken and almost black rocks, relieved only by the fine buildings which contain the staff of the Indo-European Telegraph Department which controls on behalf of the British Government all cables in the Persian Gulf. To British navigators of a former generation it was known as Angaum or Angar. It must always have been a port of some importance, for it has the advantage of a double anchorage, lying on both sides of a sandy spit at the northern-most point of the island, giving shelter either from the north-west or the south-east wind.

The relics of past history to be found on the island include three blocks of granite, or diorite, the largest weighing several tons, which must at some unknown date have been imported, possibly in Sumerian times. Great blocks of similar stones are to be seen near Ur and Abu Shahrain, and the importation of such stone from "Magan" in the days of Gudea, King of Lagash, B.C. 2600, is referred to in contemporary inscriptions. Vessels must have called at Henjam on their way up the Gulf from the earliest times for water, of which the island has a good supply from wells at the hamlet of Ghail, close to which the granite blocks lie, and salt, which is obtained from caves, one of which towards the centre of the island is entered by a long low narrow passage and contains a grotto of rare beauty. Sulphur, red ochre and blocks of specular iron ore are also found. Of not less interest are a series of nine reservoirs hewn out of the solid rock and lined with locally made cement, which is in as good condition to-day as when it was first laid down. Other ruins are attributed to the Portuguese.

Henjam was sighted by Nearchus, the Cretan admiral of Alexander, in his journey up the Gulf in B.C. 326. He describes it as sacred to Neptune.

During the gun-running days in the Persian Gulf Henjam was temporarily used as a coaling station by British vessels, but the Navy has no use for coal nowadays, and the local inhabitants have to look elsewhere for their surreptitious supplies of fuel in the winter. There is a wireless station on the island which, thanks to its position at the head of the Gulf, can maintain touch with ships both in the Persian Gulf and the Gulf of Oman. The Indo-European Telegraph Department was re-established in 1904 on the island after having been in abeyance for thirteen years. The cable from Karachi via Jask is here landed and messages relayed to Bushire, whilst communication is maintained with Bundar Abbas by a cable from Henjam to the adjacent island of Qishm, and thence by another cable to the mainland.

The inhabitants are practically exclusively Arabs, who are said to have emigrated about three generations ago from the Arabian coast, with whom they maintain close relations. They depend upon the pearling industry for their livelihood, and the island is almost deserted from June to October, the male population betaking themselves to the foul banks of the Gulf, whilst the women seek employment at Minab and other places as date pickers. In winter the men devote themselves to shark fishing and are noted for their dexterity with the harpoon. In the hills are some wild goats, probably domestic goats which have escaped from the village and their descendants, and the island is now over-run by hares which were introduced here, and on Tanb Island, in 1882 by a former Telegraph official. It is a bleak, desolate spot, but it has its compensations, and when its sleepless nights are forgotten the vision of Qishm Island with its rainbow-hued cliffs at dawn, and at sunset of Musandam Peninsula, looming as black and mysterious as it did to Alexander's admiral, lingers in the memory.

All honour to the Telegraph officials, British and Indian, worthy representatives of England, who labour there keeping Persia and the Persian Gulf in touch with the great world, and ships in touch with their ports. When the history of the Persian Gulf comes to be written their labours, and those of their colleagues for the past seventy years, will not be forgotten.

"REVOLT IN THE DESERT."

An Arabic Version.

An Arabic version of Colonel T. E. Lawrence's book, "The Revolt in the Desert," has been prepared by Abdul Masih Wazir, an Iraq Government Civil Servant working in the Ministry of Defence, Baghdad. This translator was, we understand, educated at the American University at Beyrout. The volume has been printed at the Al Hilal Press, Cairo, and is shortly to be published. For this version, which is likely to be read with very considerable interest in all Arab countries, Nouri Pasha al Said, C.M.G., D.S.O., who is now Commander-in-Chief of the Iraq Army and Minister of Defence, has written a most interesting Introduction. The immense part which Nouri Pasha played both during the Arabs' revolt in the War and in the subsequent building up of an Arab polity will be remembered by all our readers. Owing to the courtesy of the Iraq Diplomatic Agency in London, we are enabled to reproduce an English version of Nouri Pasha's Introduction:—

I have been requested by my friend, Abdul Masih Wazir, to introduce Lawrence's remarkable book to Arab readers. It is, indeed, a difficult task for me to say a word about Lawrence without first marshalling in my memory the whole chain of events of the Arab Revolt with all its secrets. Some of those events and secrets are unknown even to Lawrence himself, and they are still jealously guarded in the inner recesses of the hearts of those who had unique opportunities of knowing them. Some may be inclined to believe that Lawrence's ignorance of these happenings may tend to lessen the importance of his book. On the contrary, this lack of knowledge will, in my opinion, rather enhance the value of the book, especially in the present period of transition in Iraq, where we feel the greatest need for a man like Lawrence, who would help us to solve the problems with which our country is desperately grappling and which are due mainly to lack of full confidence in the Arab.

In order to make myself clear, I have to refer to some of the events and memories of those days. In doing so, I may be able to make the reader understand this remarkable, even unique, personality and the mysteries of his achievements, which were crowned with success during the last stages of the World War. This success might well have been a valuable lesson and an opportune warning to all who were actually interested in the affairs of the Arab Countries.

In this introduction I have restricted my appreciation to Lawrence's achievements. Yet I must, on this occasion, just cast a glance at the marvellous deeds which were achieved by the rest of the British Officers, such as Joyce, Newcombe, Maynard, Young, Earl Winterton, Lord Lloyd, and others. Their brilliant achievements have indeed written for them immortal chapters in the history of the Arab Revolt.

Some have tried to stigmatise the Arab Movement and Lawrence's achievements as deeds which were simply prompted by gold. I would be very glad if anyone could point out to me any enterprise, with no matter how sublime an ideal involved, which has ever been carried out in this wide world without the dynamic force of that precious metal.

Did not the Powers which fought together in the Great War lend one another enormous sums of money? Some of them have been so generous as to cancel their pecuniary claims against their Allies after the War, while others are still endeavouring to shake off the burden of the war debts on the ground that such money was spent for attaining a common end. Certain of the smaller nations, such as Yugoslavia and Czechoslovakia, were granted subsidies many times the grant received by the Hijaz.

War is an expensive pastime and the money given to the Hijaz was spent on war. There is not one of the leaders of the Arab Revolt, from King Husain's four sons to the military leaders, who is not far poorer now than before the War.

Now let us go back to the events.

In the autumn of 1915 I was transferred from my place of internment in India to Egypt, where I used to frequent the Arab Bureau at the Savoy Hotel for the purpose of paying visits to my friend Cornwallis, who then was only a new acquaintance. There, at the Arab Bureau, I met Lieutenant Lawrence for the first time. I only met Lawrence there on one other occasion, yet I was neither interested in the young man, nor did I notice in him any distinguishing trait which might have enabled me to foresee the important part he was destined to play in the future.

Days passed, and in 1916 I sailed for the Hijaz with some officers, the late Saiyid Hilmi, Said al Madfai, Saiyid Ibrahim ar-Rawi, and Dr. Amin Maluf and about 100 Iraqi soldiers. Our mission was to organise the Arab Army. We were the first officers who went to the Hijaz for that purpose.

Our task was by no means an easy one. But the most difficult problem that I met on my arrival there was the suspicion with which we were regarded by the Allies, on the one hand, and by the Head of the Country, on the other hand. Such suspicion was natural owing to the delicacy of the situation and on account of the lack of previous mutual understanding. It was this suspicion itself which curtailed the activities of the Arab Revolt and limited its results. In other Arab countries it made the revolt fruitless; while in some other places it curtailed, and is still curtailing, the activities of the Arabs. Aziz Ali was, afterwards, the first victim of this suspicion.

These pioneer officers had no end in view other than promoting the prestige of the Arabs and restoring their independence. They went to the Hijaz with burning enthusiasm and undaunted spirit. They had sufficient cause for complaint in the difficulties they encountered then in carrying out their mission in a country like the Hijaz. Those difficulties were due to the local climate and environment, as well as to the chaotic conditions of the country and its obscure future. Their hardships were augmented by that suspicion and the endless difficulties behind it.

I need not, therefore, describe the difficulties which I encountered in encouraging the officers, on the one hand, and fighting that suspicion, on the other hand.

In the last days of September we were at Rabigh in the service of my lord Prince Ali, who, I was told, was the Commander-in-Chief of all the Arab Forces. At this juncture we received from India another draft composed of about thirty officers and eight hundred men, all Arab Volunteers.

Prince Faisal was now fighting the Turks midway between Yanbu and Madina, when I received an order to dispatch to His Highness a detachment from the force which I had already organised during that short period in order to co-operate with his force. Whereupon I detailed a Machine Gun Company under Abdullah ad-Dulami and two guns under Rasim Sardast. I also detailed Maulud Mukhlis as an Aide-de-camp to His Highness, and Rashid Angurli as Officer Commanding for the Battalion, which I was told was under Prince Faisal's command, with a Syrian doctor whose name I do not remember now. At the head of this detachment I placed Hasan Fahmi, one of our Syrian comrades.

In October, Lieutenant Lawrence visited us with an *Iqal* and *Kufiyah* as his head-dress. He was granted the honour of an audience with the Prince, and I understood from him that he was coming to study the situation of our Army, as well as that of Prince Faisal, and subsequently to report the case to the authorities concerned on his return. Therefore I seized that opportunity and explained to him the difficulties which I mentioned above with all the other problems and obstacles which were obstructing our way. I also explained to him how little we were helped by the British, especially as regards guns.

I never hoped that my words would have the effect which they had afterwards. I quite remember now Lawrence's words when we parted: "I shall do my best to help you, and, *inshallah*, it will be all right. Don't worry."

These words gave me a faint ray of hope and dissipated my doubts as to the successful end of the Arab Revolt and the future of the Arab Countries. My view of Lawrence was now quite different from that I had formed when he was introduced to me in Egypt, although I still did not think that he had either sufficiently high rank or enough influence to enable him to fulfil his promise.

Lawrence departed and I saw no more of him until we met again at Aqaba in 1917.

During this interval our difficulties and hopes were as strong as they were at the start. We were visited by Admiral Weymss with a staff of Senior British Officers, among whom was Storrs—the present Governor of Cyprus. I seized this opportunity and repeated to the Admiral and his Staff what I had said to Lawrence a few months before, going into the details of the difficulties which we were encountering on account of lack of British help in the way of guns and facility for bringing Arab prisoners from their places of internment to join the Arab Army. The only reply I had to my pleading was a proverb, uttered in correct Arabic by Storrs, which means "Slow and sure wins the race."

The importance of the book which is being translated by Abdul Masih Wazir is due mainly to the fact that it makes the reader think of the dogged struggle and great effort on the part of Lawrence to help the Arabs in their Cause. I do not hesitate for a moment in stating that had Lawrence had at that time enough power and influence both the Arabs and their Allies would have obtained from the Arab Revolt results far greater than what they did attain despite the costly sacrifices and efforts which were made.

It was possible for Lawrence to understand at the first instance the Arabs better than any other Briton who worked for the Arab Cause; and perhaps even now he surpasses all others in this knowledge. Without exception, I remember Lawrence whenever we now encounter any difficulty and ask myself whether we shall be again so fortunate as to have another friend of Lawrence's type.

In this book Lawrence mentions the mobile force which operated from Abul-Lasan to Daraa and demolished the Turkish lines of communications in September, 1918. The originator of the idea of this force was Aziz Ali, who suggested it in 1916. How often we discussed the formation of a force to be detailed for that purpose. Who can

tell what great results the activity of such force would have had? Damn suspicion—even when the suspicious are in the right.

Lawrence is thoroughly candid in his book, which is throughout accurate. If the book is lacking in any way, it is in information to which the Author had had no opportunity of access. The facts which are unknown to Lawrence are many and very important from the view point of the Arab History. The lack of this information by no means lessens the value of the book, as I have already said, but it will rather enhance it, when the Arab princes and military leaders, such as His Majesty King Faisal and Jaafar Pasha al Askari write their memoirs for the public.

With Lawrence's book and achievements in the mind, there is nothing to be said that can add to one's appreciation. If I were to refer to any of his remarkable qualities—and many as they are—I would mention his foresight, his quick grasping of the truth and his steadiness throughout all his work whether in tent or under fire.

The other sides of Lawrence's character will, I hope, be elucidated when opportunity enables me to publish my own reminiscences.

NOURI AL SAID.

Baghdad, March 17, 1927.

A YUGOSLAV FLIGHT TO INDIA.

The flight of two Yugoslav airmen, Captain Tadija Sondermayer and Lieutenant Leonidas Baydak, to India and back is a testimony not only to the enterprise of the two officers, but also to the progress of aviation in Yugoslavia. Quietly, but none the less effectively, Yugoslavia is building up a useful Air Force, and it is an earnest of its capacities that it can detach two of its pilots for this long-distance flight. They left Paris on April 20, flew in eight-and-a-half hours to Novi Sad, the chief aerodrome and headquarters of the First Air Command, and proceeded the next day to Constantinople, thence to Aleppo, and were last reported on the stage from Aleppo to Basrah. Bombay is their destination. The machine in which they are flying is described as a Potez 25, with a Lorraine-Dietrich engine of 450 h.p.

Pending the settlement of the question the Persian Government has agreed to permit eight flights over its airways.

The Maharaja of Gaekwar of Baroda and the members of the Royal Commission on Indian Agriculture were among the passengers by the P. and O. special which arrived in London on Saturday afternoon.

The Angora Government have decided to transfer their Minister at Sofia, Ridvanbezoglu Husrev Bey, who is a close friend of the President of the Republic and General Ismet Pasha, the Turkish Prime Minister, to Washington.

The first consignment of the discoveries made at Ur by the joint expedition, under the leadership of Professor Leonard Woolley, of the British Museum, and the Museum of the University of Pennsylvania, arrived at Southampton on April 24 in the Strick Line steamer *Avristan*.

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Book Reviews

BURTON'S "KASIDAH."

"THE KASIDAH OF HAJI ABDU EL-YEZDI." (London: Elkin Matthews and Marrot. 7s. 6d.)

The world apparently never grows tired of saying that the "Kasidah," which, according to Lady Burton, was written in 1883-4, is not a great poem; and yet it continues to read it. It is true that the philosophy adumbrated in these Eastern verses or distichs is not encouched in such beauty, as, say, that which makes Fitzgerald's "Omar Khayyam" for ever, and for its outward sake alone, a delight to read. But curiously enough, it seems to be rather the rhythm and the drive of Burton's verse than its content or inner sake which have rendered it, since its publication in 1880, one of the poems prized by connoisseurs. On the present, or recently passed generation of English poets, the "Kasidah" has had a notable influence: one could, for instance, trace reflections of it in poets so far removed as are Housman and Belloc. But in the more popular imagination it has now become permanently linked up with Flecker's "Hassan," whose lines:—

Sweet to ride forth at evening from the wells,
When shadows pass gigantic on the sand,
And softly through the silence beat the bells
Along the Golden Road to Samarkand.

and the whole picture that is contained in that context, inevitably remind one of Burton's:—

The Golden Gates swing right and left;
Up springs the Sun with flamy brow;
The dew-cloud melts in gush of light;
Brown earth is bathed in morning-glow.

Slowly they wind athwart the wild,
And while young Day his anthem swells,
Sad falls upon my yearning ear
The tinkling of the Camel-bells.

One would imagine, indeed, that Flecker performed a considerable service in bringing public attention, which, to judge by the reprinting of the "Kasidah," was generally thin, if always enthusiastic, back to Burton. Possibly America has been more appreciative than England in this matter of Burton's verse. In any case, we have nothing but gratitude for the publishers of this edition, which is included in Messrs. Elkin Matthews' "Bodoni Series." It is both well bound and well printed, and will certainly be cherished by all lovers of Burton, whether they think the religion of the great explorer was that of a Catholic, or of an agnostic, or of an impostor, or of the curious individualism outlined in this "Kasidah."

TEACHING THE YOUNG MALAYAN IDEA.

"IN BRITISH MALAYA TO-DAY." By R. J. M. Sidney. (London: Hutchinson, 21s. net.)

We gather that Mr. Sidney has written this book after three years' of hard and enthusiastic work as Head Master of the Victoria Institute at Kuala Lumpur, one of the leading schools in Malay. The book is somewhat wronged by its title, and it takes a little time to get over this and to realise what it really is about. It is a successful effort to portray the work done in the school to adapt the youth of Malaya to the work awaiting them of developing the fine country they have. The chapters on "Malaya to-day" are really a sketchy background indicating the purpose of the education given. The whole

is a little egocentric, a schoolmaster's view from his classroom, but none the worse for that. If the various chapters are a little out of scale in relation to one another, this really arises from the purpose of the book and from the fact that observations on happenings beyond the school grounds are based on "outings" taken with the boys for the purpose of instruction, on what was seen on brief holiday trips and on conclusions arrived at from reading. There are numerous illustrations, many of which are of interest.

If one cannot help feeling that considerable compression would have produced a book of more interest, it cannot be denied that the narrative is instructive and interesting, specially in its indication of the enthusiasm and zeal with which Mr. Sidney and his colleagues in the Civil administration are working for the good of the country. But when shall we English learn more sense in our educational methods in the East? The English Public School and the English University are eminently fitted to our English civilisation. But the civilisations of these islands and of the East are totally different, and it is heart-breaking to read of the laborious imitation of Western educational methods in the East and of the dreary "mugging up" of the hopelessly unsuitable subjects set for the Cambridge Local Examinations. It reminds us of a nightmare experience we once had in our younger days when, on a visit to Ceylon, we were asked to correct and name the "classical" papers of an examination held in the principal school there. On expressing our total ignorance of either Sanskrit or Pali, we were horrified to hear that for the word "classical" we were expected to substitute Latin and Greek. And the unfortunate pupils were mostly Cingalese and Tamils, with centuries of civilisation behind them and libraries of classical literature! All of this was to go by the board in order to make a vain attempt to fit them for the procrustean bed on which lies the English manhood of the better classes. It is only fair to add that the author appears to have at least some glimmering of the folly of this attempt. And, in spite of all, much really permanently valuable work has been achieved, and that mainly in the all-important direction of creating and building up of moral fibre.

C. S-W.

THE BRITISH INDIAN UNION.

The British Indian Union, which is non-political and aims at promoting friendship and understanding between the peoples of Great Britain and India, announces a long programme of social functions for the summer season, when the usual large influx of Indian visitors is expected. The earlier fixtures include:—

April 29: Luncheon at the Hotel Cecil to Sir Samuel and Lady Maud Hoare (Lord Reading presiding).

May 11: Mrs. Wardlaw Milne at Home to meet Lord and Lady Winterton.

May 23: Exhibition of Pictures of Indian subjects by Mr. Bagdatopoulos, at 10, Grosvenor Gardens.

Lord Lloyd on April 19 presented his son, the Hon. David Lloyd, to King Fuad. The King gave Mr. Lloyd a handsome gold watch bearing the King's initial and a Royal Crown.

The death of Captain Edward Victor Francis Seymour, late 9th Hodson's Horse, occurred at Rawal Pindi, India, on April 16. Captain Seymour was the youngest son of the late Colonel Lord Albert Seymour.

The War Memorial Cemeteries at Ramleh and Jerusalem will be inaugurated on May 6 and May 7. Field-Marshal Lord Plumer, High Commissioner in Palestine, Field-Marshal Lord Allenby, and Sir James Parr, High Commissioner for New Zealand in London, will be present at both ceremonies. The Commonwealth of Australia will be represented by Brigadier-General T. H. Dodds.

The King's Indian Orderly Officers for this year are Subadar-Major and Honorary Lieutenant Chandra Singh, 1st/12th Frontier Force Regiment (Prince of Wales's Own) (Sikhs); Subadar-Major and Honorary Lieutenant Kishen Singh, Royal Artillery, Survey Section (India); Risaldar-Major Udham Singh, 7th Light Cavalry; Subadar-Major Sant Singh, 2/3rd Sikh Pioneers. They arrived at 40, St. George's Road, Piccadilly, S.W.1, on April 22. The British Officer-in-Charge is Major C. A. L. Howard, 13th Duke of Connaught's Own Bombay Lancers.

THE PERSIA SOCIETY.

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PERSONAL AND GENERAL

TO-DAY

April 28, 1927 (New Style).

April 15, 1927 (Old Style).

Shawall 25, 1345, A.H., of the Muslim Calendar.

Nisan 26, 5687, of the Jewish Calendar.

Lady Broughton has returned to London from India.

The Maharanee of Cooch Behar last week arrived at the Savoy Hotel.

The Bishop of Bradford sailed on April 19 for Palestine, and will be away about a month.

The Turkish Ambassador and Mme. Ferid last week returned to London from Brighton.

Mr. and Mrs. Jacomb-Hood have returned to 26, Tite Street, Chelsea, from Calcutta.

Sir Mancherjee Bhownagree returned to London on April 22 from his stay at Mentone.

The Earl and Countess of Lytton, with their daughters, arrived in London on April 25 from India.

The Marquis and Marchioness of Reading returned to London on April 25 from Kingsgate-on-Sea.

Lord Treowen has left 9, Great Stanhope Street for Palestine, and will be away till the end of May.

Sir Muhammad Rafique has returned to London from his visit to India and has resumed his work on the Council of India.

Lady Lloyd, the wife of the High Commissioner for Egypt and the Sudan, and her son, the Hon. David Lloyd, left Cairo at the end of last week for England.

Mr. Henry Lamb, who served during the War as a Battalion Medical officer in Macedonia and Palestine, is now exhibiting paintings and drawings at the Leicester Gallery, Leicester Square.

General Sir Philip and Lady Chetwode left London on April 24 *en route* for Jerusalem. They intend to visit Palestine, and afterwards Yugoslavia, and it is improbable that they will be back until August.

It is announced in the *London Gazette* that the King has conferred the dignity of Knighthood on Mr. Joseph Augustus Maung Gyi, Member of the Executive Council of the Governor of Burma, whose name appear in the New Year Honours List.

Field-Marshal Viscount Allenby left on April 27 for Palestine. He will be the guest of Field-Marshal Lord Plumer, High Commissioner for Palestine. The evening before his departure he presided at the E.E.F. dinner at the Trocadero Restaurant.

Sir Alexander James Anderson, C.S.I., has been elected a director of the Rio Tinto Company.

Sir William Barton has temporarily postponed his leave to England and remains at his post as Resident at Hyderabad.

The Greek Legation and the Greek Consulate in London were closed on April 24 and 25 for the Orthodox Easter holiday.

Switzerland has concluded a Treaty of Commerce with Turkey based on the most-favoured-nation principle.

M. Venizelos arrived at Crete on April 20. During the steamer's stop at the Piræus he remained in his cabin, seeing no one.

On the occasion of the Orthodox Easter, the King of Bulgaria has pardoned 300 prisoners, most of whom were serving sentences for political offences.

The funeral took place on April 20 of Dr. Caroline Matthews, at the village of Downe, near Farnborough, Kent. Dr. Matthews performed notable service during the retreat of the Serbians in the Great War. For some time she was imprisoned by the Austrians in Belgrade.

Australians in London commemorated the landing of the Australian troops on Gallipoli on Anzac Day, April 25. Sir Joseph Cook, the High Commissioner, and Dame Mary Cook, accompanied by the Official Secretary, and attended by the Australian Naval, Military, and Air Force representatives, placed a memorial wreath on the Cenotaph. Sir Joseph then addressed ex-members of the A.I.F. assembled in the hall at Australia House, and afterwards proceeded with them to St. Clement Danes Church, where a Memorial Service, conducted by the rector, was held.

The flag appointment is announced by the Admiralty of Rear-Admiral William A. H. Kelly, C.B., C.M.G., M.V.O., to President, additional, as Admiralty representative on the League of Nations Commission, in succession to Vice-Admiral (retired) Aubrey C. H. Smith, C.B., M.V.O., to date September 30.

In 1917-18 Admiral Kelly was Commodore of the Allied Naval Forces in the Adriatic. Promoted to flag rank in May, 1922, while serving as head of the British Naval Mission to Greece, he was Rear-Admiral in the First Battle Squadron in 1923-24, and took command of the Second Cruiser Squadron in May, 1925. Rear-Admiral Kelly is an interpreter in French and was Naval Attaché at Paris in 1911-14.

The following promotions and transfers in the Colonial Service have been made by the Secretary of State for the Colonies:—

Sir S. C. K. F. Nettleton, Chief Justice of Cyprus, to be Chief Justice of Gibraltar.

Mr. C. F. Belcher, O.B.E., Judge of the High Court, Nyasaland, to be Chief Justice, Cyprus.

Mr. F. Pudsey, Director of Public Works, British Guiana, to be Director of Public Works, Palestine.

Mr. G. E. Hooper, Deputy Engineer, Ways and Works, Ceylon, to be Engineer, Ways and Works, Ceylon.

Mr. A. G. Cooper, Assistant Engineer, Ways and Works, Ceylon, to be Deputy Engineer, Ways and Works, Ceylon.

Mr. H. T. Cartwright, District Engineer, Ways and Works, Ceylon, to be Assistant Engineer, Ways and Works, Ceylon.

Mr. J. L. Sanders, Assistant District Engineer, Ways and Works, Ceylon, to be District Engineer, Ways and Works, Ceylon.

The War Office announces that the under-mentioned promotions have been approved, and will be carried out during the next few months:—

Lieut.-General Sir William E. Peyton, K.C.B., K.C.V.O., D.S.O., to be General.

Lieut.-General Sir George M. Kirkpatrick, K.C.B., K.C.S.I., to be General.

Lieut.-General Sir William Eliot Peyton served in the Dongola Expeditionary Force in 1896; was wounded in the Sudan in 1897; and was awarded the D.S.O. for his Sudan services in 1898. He also served in the South African War and again in the Great War with great distinction. He commanded the 2nd Mounted Division at Gallipoli, and took part in the evacuation. He was in command of the Western Frontier Force in Egypt and in the expedition against the Senussi, and received the special thanks of the Admiralty for rescuing the shipwrecked British prisoners of H.M.S. Tara. From 1920 to 1922 he was in command of the United Provinces District and the 3rd Indian Division, Meerut. He acted as Military Secretary to the Commander-in-Chief in India, and was Delhi Herald of Arms Extraordinary for the Coronation Durbar in 1911.

Lieut.-General Sir George Macaulay Kirkpatrick was promoted Major-General in the European War, and has been Chief of General Staff in India for four years, G.O.C. in China for two years, and G.O.C.-in-C. the Western Command since 1923.

THE CENTRAL ASIAN SOCIETY.

The *Journal* of the Central Asian Society (Vol. XIV., Part II.) contains, in addition to the reports of lectures given to the Society, two very informative articles upon "Persian Affairs" and "The Motor Route to India." There are, further, a few instructive "Reviews" and "Notes."

Where to stay in the East

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JERUSALEM—

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KYRENIA, Cyprus—

Sea-View Hotel.

NICOSIA, Cyprus—

George Hotel.

PORT SAID—

Casino Palace Hotel.

Grand Hotel de la Poste.

Marina Palace and Savoy Hotels.

NEAR EASTERN PRESS.

The Iron Circle.

The expansion of Italian influence in the Balkans, of which the Pact of Tirana was a sequel, has created a growing uneasiness in the relations of the Balkan States. A better understanding with Germany started the encroaching circle, which led to negotiations with Albania and the Yugoslav trouble; and ultimately to the signature of the treaty between Italy and Hungary. Yugoslavia, the centre of the circle, must look round for further support, and indeed, there has already been talk of *rapprochement* between here and Bulgaria. Since, however, Italy has also aimed at a similar agreement, it is doubtful which line Bulgaria will take. Roumania, bound by all her interests to France and the maintenance of the *status quo*, nevertheless has no desire to quarrel at this moment with Italy. *L'Indépendance Roumaine* explains away her advances to Italy as follows:—

"In certain diplomatic circles in Bucharest the token of friendship to Italy, on the occasion of certain recent events, was interpreted as the proof of a change of policy. Roumanian interests, it was said, were drifting from those of the Little Entente and of France, and were following other routes. In connexion with the Italo-Yugoslav tension, this opinion was certainly disturbing to those who judge affairs from the surface. But the truth is otherwise. Roumania cannot change her foreign policy, for the latter cannot be swayed by passing events, frequently contradictory, but on the contrary, follows a straight line, drawn by national interests, such as are permanent and well defined.

"These interests coincide with those of a general peace and this peace is to no one more necessary than to our country. Having attained her ethnical boundaries and having realised the reunion of her sons, Roumania must be dependent on the actual *status quo* in Europe, which assures her normal development and allows her to maintain the position of great power in the Near East.

"With this idea in view, she is naturally allied to France, who promises the same course of defence of the *status quo*. Nothing can separate these two countries, not even international vicissitudes, and intrigues still less. This fundamental theme we consider as unshakable. . . ."

The Little Entente.

And yet doubt and uncertainty have shaken the Roumanian policy and the strength which she would wish to see is yet to fade under pressure. The Italy-Yugoslav trouble tested the power of the Roumanian treaty, and *L'Indépendance Roumaine* calls attention to the weakness.

"From a Roumanian point of view, there is a lesson to be drawn from this affair: it has shown how insufficiently consolidated are still on one side the ties, so strong elsewhere, of the countries composing the Little Entente. During the whole development of the trouble there has been no serious deviation from good official relations, between Government and Government, in Bucharest and Belgrade and indeed there could be none.

"But public opinion is, as one has seen, less well informed of the fundamental truth, that the Little Entente will remain unshakable as long as it carries out the purpose for which it was created: to safeguard the *status quo* established by the treaties of Central and Eastern Europe. The fact that the people of Yugoslavia could believe that Roumania was capable of taking part against Yugoslavia, either actively or passively, shows how much there remains to be done to enlighten public opinion in the countries of the Little Entente on the subject of their common interests. . . . It was even seen how the Belgrade Press, even the official Press, lost its head and saw a hostile spirit there where Roumania stood faithful to her alliance and her friendship.

"The excitement in Yugoslav circles was such that they managed to communicate it to the East amongst those where one least expected to find it. These sudden surprises must be made impossible in the future. Serbia, Roumania, Czechoslovakia and Poland must have absolute confidence in each other; they must be convinced of the impossibility of any hostility between each other, for in certain serious events it can degenerate to a national suicide. As long as this work of propaganda is left unrealised, the Little Entente will remain an unfinished production, and therefore vulnerable. . . ."

Italy and Hungary.

Yet Italian penetration continues. Unaffected by the events since the Pact of Tirana, the encircling process has been continued and strengthened by the conclusion of a treaty between Italy and Hungary. Unfortunately the eternal question of Transylvania and minorities has prevented the complete and better understanding between Hungary and Roumania and the latter shows her uneasiness

once more. *L'Indépendance Roumaine* sets forth the situation as follows:—

"The toasts exchanged the day before yesterday between M. Mussolini and Count Bethlen assume, at this hour when the Italian policy has entered resolutely on a phase of expansion, an exceedingly significant character. The language overflowing with enthusiasm of both Presidents of the Council is not that in ordinary use in official speeches. If such language has been used it is because it corresponds with the state of facts created by the signature of the Treaty of friendship between Italy and Hungary. . . .

"Concerning Hungary the situation is clear. Fatally discontented with the liquidation of the War, the Budapest Government looks with anxiety for support, preferably from one or other of the Great Powers, so as to realise their policy, the aim of which is none other than the revision of the Treaties. The whole activity of Hungarian diplomacy has been directed to attempts in various large capitals to obtain this result. . . .

"The policy of Budapest is, therefore, quite clear, but that of Italy is certainly not.

"The leader of the Italian Government had indeed started a policy of ententes, treaties and alliances with several members of the Little Entente, a policy which has unquestionably had a good effect in consolidating the peace. Suddenly the introduction of the Treaty of Tirana seems to render useless all the fruits of the constructive policy of Italy in Eastern Europe. We are now listening to sentimental effusions as unexpected as superfluous between the Hungarian and Italian Presidents of the Council."

The Turkish Budget.

L'Echo de Turquie calls attention to the need for greater Turkish economic expansion and facilities of customs in the sea ports. The financial situation has improved and the Turkish Budget is pointed out as being the first one in this country to have been balanced. *L'Echo* continues:—

"The Budget Commission underlines in its report that the Budget which they have examined is the first, among all those hitherto—before and during the republican régime—to be on firm ground. The new Budget offers this peculiarity that all entries on the sides of revenue or expenditure are based on truth. This is evidence of very great merit and deserves to be observed with joy.

"The report of the Commission contains this phrase: Our Commission has undertaken not to enter as expenditure any sum which is not entirely necessary and has been equally scrupulous in valuing the revenue with much care, so as not to show a deficit. . . ."

La République gives a fuller account and remarks upon the currency:—

"The Budget Commission of the Grand National Assembly has accomplished its work for 1927. From detailed information furnished by our special correspondent in Angora it appears that the State Budget for 1927 shows, actually balancing revenue and expenditure, 194 millions 444 thousand 400 pounds Turkish. Valuable past experience, chiefly that of 1926, has helped much in establishing this balance. According to the statement, the Government was wise enough to economise 20 million pounds on the expenditure of the Budget of 1926, and has thus been able to restore order to her debts which at one time had assumed an embarrassing appearance. . . .

"We know well that the Budget is above all a matter of finance. Nevertheless, every financial system which loses sight of the general state of economics in the country is far from being a perfect financial success.

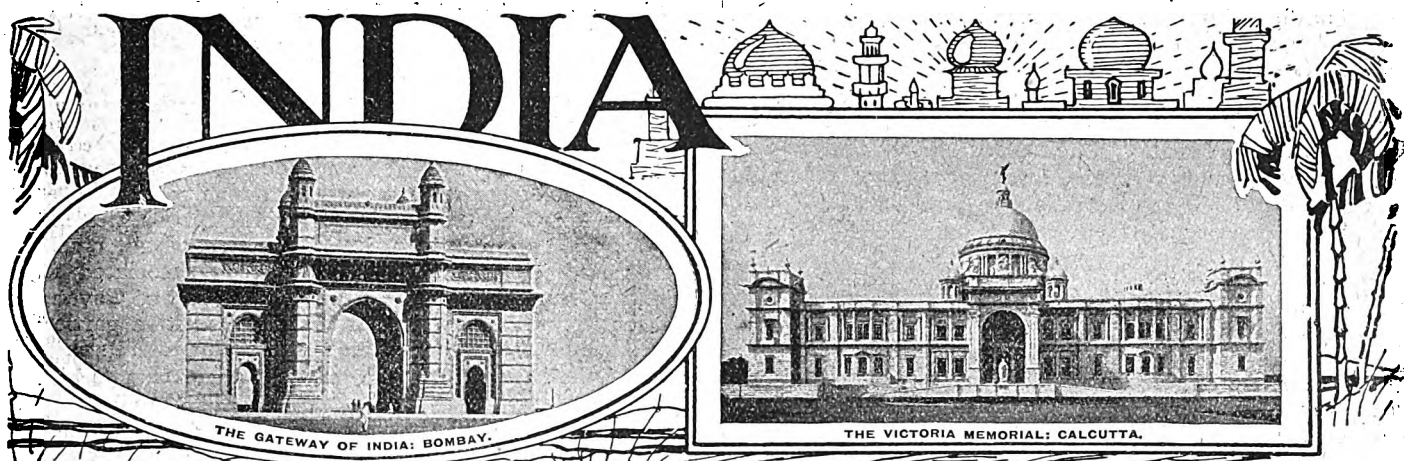
"The only lack which we see in the Budget of 1927 consists, as we have said elsewhere about preceding Budgets, in the absence of all study of the state of our currency, which moreover touches the country's Budget. It would seem that this important point should have been foreseen in the Budget or should have been treated at least, in interpreting the scheme."

The Maharaja of Kapurthala arrived at Budapest on April 12 on a two days' visit.

Sir William Tyrrell, Permanent Under-Secretary for Foreign Affairs, with his daughter, arrived at Naples on April 20 from Egypt and proceeded to Rome the following day.

Admiral Koundouritis has withdrawn his resignation of the Presidency of the Greek Republic, as the Government has undertaken to expedite the ratification of the new Constitution by the Chamber.

The King has approved of the award of the Military Cross to Lieutenant Hugh Maxwell Curteis, The Highland Light Infantry (City of Glasgow Regiment), attached Iraq Levies, in recognition of valuable and distinguished services rendered in connexion with operations in the Penjwin area, Iraq, during the period between June 10 and July 11, 1926. His Majesty has also approved of the award of the Military Medal to No. 55494 Lance-Corporal Mishu Miru, 3rd Battalion Iraq Levies, for bravery in the field in connexion with the same operations.



THE MESTON SETTLEMENT.

In his farewell speech at Calcutta last month Lord Lytton gave as one of the principal reasons for the failure of the Reforms to attain the success which he, at least, had anticipated for them, the contributions of the Provinces to the Central Government. These, he affirmed, had hung like a millstone round the neck of the Provincial Governments, or, at least, round the neck of Bengal. Nor had the remission of the cash contribution, whether such remission was partial or complete, temporary or permanent, removed the grievance, since the inequity complained of was the inadequacy of the resources left to the Provinces.

There can be no doubt that this is the view generally held in Bengal and Bombay, the leading industrial Provinces of India, in which the two great centres of commerce and external trade are situated. It seems worth while to consider whether a re-examination of the problem involved is not desirable, if only to remove, if possible, the unsettling results of the existing sense of grievance.

The authors of the Montagu-Chelmsford Reforms had rightly urged the necessity of complete separation between the finances of the Central and Provincial Governments; they had recommended that no head of revenue should be divided between the Governments, and had suggested that land revenue, excise, and certain minor items should remain with the Provincial Governments, while Income Tax, Customs duties, and the receipts from railways should go wholly to the Central Government. The Committee which proposed what is known, and generally execrated, as the Meston Settlement, bears the odium of these proposals: but, speaking generally, all that Committee did was to accept the proposals of the Reforms Report and to allocate between the Provinces the shares of the cash contribution necessary to restore equilibrium to the finances of the Central Government, over and above the taxation and revenues reserved to it. It can be readily understood that any such general arrangement was bound to take more from certain Provinces, while leaving them less. Obviously the chief contributors to the Income Tax and the other items of Central Revenue were Bengal and Bombay, while these were the very two Provinces whose Land Revenue was proportionately small and incapable of much expansion. Bengal is, indeed, a large and fertile Province; but it lies under the burden of the Permanent Settlement, whereby the increased value of the land is divided among absentee landlords, and is not shared either by the tenant or by Government. Bombay, on the other hand, has much the smallest area of state-owned land of any of the Major Provinces, and a great portion of that land is so poor in quality that neither the cultivated area nor the productivity of the soil is capable of much expansion. On the other hand, for the reasons already indicated, these Provinces are the largest contributors to the Central Revenue. Perhaps some idea of the situation might be gathered if we could imagine a United States of Europe, which collected Income Tax from all the component States, and

left them only their receipts from land and minor local taxes. It is obvious that in such a case England would be much worse off, for local expenditure, than, for example, France. The analogy would not, of course, be complete, since Calcutta and Bombay draw much of their income from other parts of India: but it would bear at least a general resemblance to the Indian situation.

The Meston Settlement did, indeed, involve the payment of larger cash contributions from the other Provinces, and this did not fail to arouse protests, among which those of Madras were especially vociferous. But it can hardly be doubted that more was left to these Provinces, while their contribution in the form of taxation was less than that of Bengal and Bombay. It is, however, right to point out that Bengal has had little to complain of as regards cash contributions. Its payments for the first three years were wholly remitted, and this was admittedly due in part to political considerations. The Provinces which were better politically behaved obtained no such favour.

It naturally followed that when, in March, 1926, Sir Basil Blackett suggested a reduction of 125 lakhs in the amount of the Provincial cash contributions, no part of the reduction to go to Bengal and Bombay, the proposal failed to rouse any enthusiasm in these Provinces. Bombay, indeed, expressed its disappointment, and again demanded a reopening of the whole question of the Meston Settlement. In the present year Sir Basil Blackett has remitted, at least temporarily, the whole of the cash contributions. The contention of Bengal and Bombay is, however, that these contributions had been graduated in amount so as at least to reduce the inequity of the larger amounts indirectly taken from them, and the smaller resources left to them. When the whole of the graduated contributions were swept away, the inequity was obviously enhanced.

When we suggest that a further consideration of the question is desirable, we are far from holding that the position of either Bengal or Bombay is not open to attack. In the case of the former, the greatest obstacle to a legitimate share of the receipts from land reaching the Public Treasury is the Permanent Settlement. Other Provinces in India may well complain that, while elsewhere a fair percentage of such receipts yields an increasing number of rupees to public funds, in Bengal alone all increments over an originally low fixed cash assessment go to those who do little or nothing either for the land or for the public weal. In Bombay, although large enhancements of the assessment are in many parts not possible, the Legislative Council has postponed the introduction of the revision of existing settlements. The result is that in many sub-divisions the landholder pays an assessment fixed thirty or forty years before, though the cash value of the produce has enormously increased. Nor is the Legislative Council of either Province willing to utilise its powers of imposing fresh taxation.

Even if, however, we make full allowance for local deficiencies, it cannot be doubted that the existing financial unrest and discontent are harmful. They afford an excuse

for bad financial work by the Provincial Governments and Legislatures. While the Councils decline to pass additional taxation, the Governments live on their fast disappearing balances, and refuse to face the situation. It may well be doubted whether the recommendation of the authors of the Montagu-Chelmsford Report that no head of revenue should be divided must necessarily be accepted as an axiom. The question in any case seems ripe for re-examination.

CURRENT TOPICS.

The Bengal *Detenus*.

Neither the debate in the Bengal Legislative Council nor Sir Alexander Muddiman's clear exposition of the Government's position in the Central Legislature appear to have brought the very difficult question of the continued internment of the *détenus* any nearer a solution. As we anticipated, Mr. Subhas Chandra Bose, the former chief executive officer of the Calcutta Corporation and undoubtedly the "brains" of the anarchical conspiracy of 1924, has rejected the local Government's offer of conditional release. The terms on which the Government, in view of the unfavourable reports which had been received regarding his health, were prepared to release Mr. Bose were, it will be recalled, that he should proceed direct to Switzerland and remain there until the expiry of the Criminal Law Amendment Act in 1930. No admission was required from Mr. Bose as regards the past and no promise was sought regarding his future conduct. Moreover the offer was made publicly before it was communicated to the prisoner, in order that there might be no suspicion that Mr. Bose had been forced by the Government to go to Europe.

The nature of Mr. Bose's objections to a proposal that in the circumstances was generally regarded as particularly generous is not readily apparent. In a letter to his brother announcing his decision he is reported to have observed that there would have been "something human" about the offer, if the Government had agreed to meet all his expenses in Europe and permitted him to return without let or hindrance on his recovery. It is a little difficult to understand precisely wherein the charge of "inhumanity" lies, but even if the Government were disposed to consider the possibilities of reaching a reasonable compromise on the first point, the second stipulation is such a deliberate evasion of the real issue that it effectually closes the door upon further negotiations. Meanwhile, in his recent statement on Indian affairs in the House of Lords, which the extremist Press in India describes as characteristically hypocritical, insolent and patronising, Lord Birkenhead has made it clear that the Government's policy, which has his considered and unequivocal support, remains one of discriminating release or internment. So long as important members of the revolutionary movement are still at large, and recent events suggest that their number is not inconsiderable, a general amnesty is out of the question. Of the time and manner of the release the Government must be the judge, for it alone possesses the evidence upon which the men are detained and it holds, rightly or wrongly, that that evidence cannot be made public without grave danger to individuals. Whether the prisoners are rightly detained must, of course, be a matter of opinion, but it can be safely said that even in quarters which have made the most political capital out of an unfortunate situation the inevitability of the decision is recognised.

Two Popular Appointments.

When Sir Charles Innes relinquished, only a few weeks ago, the onerous office which he had discharged with such distinction and conspicuous success in the Executive Council of two Governors-General, an Indian contemporary observed: "It is generally assured that he goes on leave preparatory to retirement, but there are many who hope that, re-invigorated by the air of his native country, he may yet be able to return to serve India in the higher administration. A man of his gifts and experience cannot

easily be spared until the last possible moment." It was therefore with particular pleasure, which will be shared by a wide circle of friends in both countries, that we learn of Sir Charles' appointment, announced only a few days after his arrival in England, as Governor of Burma, in succession to Sir Harcourt Butler. To succeed so popular an individual as the present incumbent of that office will be a task of more than ordinary difficulty, but throughout his long and distinguished service Sir Charles Innes has enjoyed the confidence and affection of all, civilians and non-officials alike, who have been associated with him, and Burma is indeed fortunate in its second Governor. Although no doubt regarded by the opposition parties in the Assembly as a pleasing but uncompromising representative of the bureaucracy the greatest achievements of the late Commerce Member's career—the nationalisation of the railways, and the initiation of the policy of discriminating protection—showed that, underlying a somewhat dour and forceful personality, was a generous recognition of, and practical sympathy with, legitimate Indian aspirations.

If Sir Charles Innes' debating skill lay mainly in the ease with which he marshalled facts, figures and arguments relating to a multiplicity of different and very often highly technical subjects, Sir Alexander Muddiman was, by common consent, the best speaker in either House of the Indian Legislature, judged by more Parliamentary standards. Like the distinguished scholar whom he now succeeds as Governor of the United Provinces, Sir Alexander played a prominent part in the framing and early operation of the reforms and as the first President of the Council of State and, afterwards, Home Member, and Leader of the Lower House, has probably been more closely identified with the subsequent working of the reformed Constitution than any other individual member of the Government. In his task of coping with the obstructive tactics of the Swarajist opposition in the Central Legislature he has been helped no doubt by his manifest sympathy with the policy underlying the reforms, but the personal regard with which he is held by all parties and his dialectic skill have undoubtedly contributed materially to the success which has brought such well-merited promotion in its train. Sir Alexander's debating power will in particular be sorely missed by a Front Bench, already weakened by the retirement of Sir Charles Innes, but the Assembly's loss is the United Provinces' gain.

Indians in South Africa.

It is understood, according to a Reuter message from Bombay, that Mr. Srinivasa Sastri has been appointed the first Agent-General of the Government of India to South Africa. The report, which still lacks official confirmation but has, on the other hand, not been contradicted, adds that Mr. Sastri has accepted the appointment. The decision will be welcomed by all section of responsible public opinion in both countries, regardless of their political colours. From the administrative standpoint, as *The Times'* Durban Correspondent recently pointed out, both parties to the recent agreement on the position of Indians in the Union have made great concessions; from the popular point of view, as the course of subsequent events has shown, concessions count for little. India has secured the withdrawal of the Class Areas Reservation Bill and all that it implied; South Africa, on the other hand, has secured the co-operation of the Indian Government in an improved scheme of assisted emigration to India or other countries where Western standards are not required. The agreement, in the words of Dr. Malan, who is so largely responsible for bringing about the improved relations, is "more in the nature of an honourable and friendly understanding than that of a rigid binding treaty."

The real gain, in other words, is that in future the Union of the Indian Government will endeavour to work in unison and eliminate so far as possible causes of friction with a view to the ultimate solution, in the same spirit, of the many other problems which must sooner or later be faced in connexion with the position of Indians overseas. The appointment by the Government of India of an agent in the Union "in order to secure continuous co-operation

between the two Governments" is an essential step in the right direction, but what is far more important is that the individual entrusted with the by no means easy task of representing Indian interests, should possess in a marked degree the confidence of both parties to the agreement. As soon as the terms of the pact were made known, the responsible section of the Indian Press of all shades of political opinion impressed upon the Government the desirability of ensuring that the appointment was only given to an Indian statesman of undoubted eminence. Mr Sastri's name, although the choice was an obvious one, was, the writer believes, first mentioned by Mr. Gandhi, and the choice was enthusiastically endorsed by the South African Indian Congress. As Mr. Sastri, who has been not inaptly described as "India's greatest ambassador," was one of the members of the Habibullah deputation and by his powerful advocacy has done much to influence Indian opinion on both sides in favour of the acceptance of the agreement, he will thus have a further opportunity to bring about the fruition of an agreement in the framing of which he played such an important part.

CALCUTTA LETTER.

(From Our Own Correspondent.)

Calcutta, April 7.

The New Governor of Bengal.

Lord Lytton has left to his successor a testament of absorbing interest, says the *Englishman*. *Forward* invites Sir Stanley Jackson's attention to that testament, in which the late Governor put his finger on the sorest of India's grievances. It points out that it is the Constitution itself which stands in the way of the people's hearty and loyal co-operation with Government. It is because the people are firmly convinced that Government of the people by the people is the chief and sufficient remedy for all evils, that they resent the infliction of a fraudulent Constitution which stands in the way of their self-expression, adds *Forward*. Sir Stanley Jackson, when performing his first public engagements, replied to several addresses in a most hopeful and cordial manner, saying among other things that he hoped his administration might be so conducted as to create that feeling of good fellowship between India and all the partners of the Empire, which was of vital necessity, if the best interests of all were to be served. But *Forward* thinks that the first essential conditions for success in Bengal are to repeal the Bengal Criminal Amendment Act, and to release the *détenus* imprisoned under it, as well as under Regulation III. These measures would alone indicate that the angle of vision of the rulers had changed. It has also been suggested that Sir Stanley's first executive act should be to pardon Kharag Singh, the young Nepali student, who deliberately attempted to kill a man who was the head of a gang of people trafficking in minor girls. Memorials and deputations are being sent to H.E. the Viceroy, and to the Hon. Mr. Moberly in the hope that he will advise the Governor of Bengal to make use of his prerogative of pardon in favour of the young "hero." He is a graduate of the Calcutta University, a law student, and the Secretary of the Gurkha League. He heard the sad story of Rajkumari, a girl of 15, from her own lips, and took the law into his own hands. The infamous man having ultimately died of the wounds inflicted by Kharag Bahadur Singh, it will be legally difficult to get a release, but there may be a substantial remission of the sentence of eight years imprisonment. An Indian contributor to the *Statesman* says it is a pity that the new Governor has to leave the centre of opinion very soon to go to Darjeeling. The heat makes it imperative no doubt, but it will take another two or three months for His Excellency to acquaint himself with men and things of Bengal. He reminds him that the present undesirable relationship between the rulers and the ruled is not due only to the unwillingness of the authorities to know the real opinion of the people but to their way of dealing

with the affairs of Government without taking notice of that opinion. Will Sir Stanley Jackson contrive to please everyone? That is the question. It seems an arduous task. He said he would play the game with the people in his charge, if they would.

The Maharajahdiraja of Burdwan.

The Maharaja of Burdwan has announced his decision to retire from political life. In a speech to the members of the British-Indian Association held a few days ago, he said he had to thank them for electing him as their President, and for sending him to represent India at the Imperial Conference, but that he had definitely decided to give up political life in India, mostly on account of the condition of his health, and for domestic reasons, but also because he had no sympathy with present-day politicians. His loyalty is shocked to see how British rule is distrusted, and how the Government's honesty of purpose has been misunderstood. This is the foremost reason that has made him step aside from Indian politics. The Maharaja's health demands a prolonged stay in Europe. He will not be found wanting, he adds, if Government should at any time want his services temporarily, his health permitting. In less parliamentary language, the Maharaja is absolutely disgusted with Indian affairs, and washes his hands of the whole business.

The Political Detenus.

Lord Birkenhead, in his reply in the debate on Indian affairs, touched the subject of the Bengal *détenus*. While "not contemplating a policy of indefinite detention," the Secretary of State thinks that the release of the political prisoners at the present moment would involve the risk of outrages "for which he would not assume responsibility." After all, the Bengal Ordinance hold good for only five years, and two and a half years have already elapsed, and, wisely, Lord Birkenhead prefers to be on the safe side. The Swarajist leader, Subhas Bose, is not pulling well with the Superintendent of the Rangoon jail, and has requested the Inspector-General of Prisons to transfer him to Insein or Mandalay, pending final orders. His health is worse. He does not say, or is not allowed to write, anything about the offer made by Government to release him on condition that he should go straight to England, not attempting to return to India as long as the Ordinance is in force.

The Y.M.C.A. Controversy.

The European Association, says *Forward*, has found a veritable Tartar in the Y.M.C.A. The controversy that sprung out of the resolution passed at the last annual meeting of the European Association is growing steadily in volume. As a result of Dr. S. K. Datta's spirited reply refuting all the charges levelled against the Y.M.C.A. by Mr. Hobbs, the mover of the now famous resolution, European as well as Indian responsible opinion has been expressed in favour of the Y.M.C.A., whose latest supporter is the Governor of Bombay. What is asked of the Association is that its activities should be confined to physical, religious, educational and recreational work. But up to the present there has been no reason to declare that the allegations and invective were justified. *Qui vivra verra*.

Here and There.

The Afghan Government, without commissions or committees, is getting men trained in aviation at Moscow, and in artillery by a German expert at Kabul. Afghanistan is progressing at a rate that will make it pass into the front rank of modern nations. "An Indian may become a Finance Minister at Kabul, but not in Simla or Delhi," remarks *Forward*, "and it is against Afghanistan that Indians are asked to maintain a huge army at an exorbitant annual expenditure."

Mr. Gandhi recently fell ill and narrowly escaped apoplexy. He had left Bombay *en route* to Kolhapur. As he and his party were approaching Poona, he felt he was losing all power of locomotion. A night of rest, however, seems to have done him much good. He has

been advised to give up his heavy touring programme, and to take complete rest. He is now slightly better. In spite of high blood pressure, he has insisted on doing his daily spinning.

The Eastern Bengal Railway Traffic Manager has conceived the idea of inviting the Public Health, Agricultural, Industrial, Co-operative and Veterinary Departments of Bengal, also the Indian Tea Cess Committee, to join in fitting up an educational train as a moving exhibition, with lecturers and demonstrators. The Railway undertook the organization and the advance publicity. The plan has been a success. Hundreds of thousands go to the stations to see the train and hear the lectures. It is the first educational effort of the kind in India. Train exhibitions are an old and current feature in America. A month's tour has done a lot of good, especially as regards the care of cattle.

Calcutta has a new Radio Chief, Mr. Wallich. He has been appointed Director of the Calcutta Station of the Indian Broadcasting Company. Mr. Wallich thinks wireless ought to become very popular in India; it ought to link the villages with the cities. He advocates the use of vernaculars for news and lectures. It is the perfect educational medium, he thinks.

Twelve hundred square miles of hilly ranges near Chittagong were topographically surveyed from an aeroplane by the Air Survey Company. The pilot then went to Penang in the Malay Archipelago to start on other survey work secured by the same company. The party will halt at Akyab and Rangoon.

The *Cape Times* strongly urges that Mr. Sastri may be chosen as India's representative in South Africa. Not only is Mr. Sastri a *protégé* of Mr. Gandhi, but he made a most favourable impression on the South African public, when he was sent there as a member of the Indian Delegation. The paper also states that the South African Indians do not want a European to represent them. That should settle the matter, it argues.

Calcutta Amusements.

I believe I said in last week's letter that I feared the wonderful discovery of perfect synchronization would be put to the service of vulgar programmes. My fears were justified. One of the most extraordinary inventions of the century has been utilised to reproduce most unworthy "turns." While the De Forest Phonofilms could help in the dissemination of otherwise costly and imperfect performances, they have been used for the reproduction of low comics and inferior music. Dances with the original music show what the new invention can do. Gwen Farrar and her cello is decidedly an improvement on the best gramophone record. A second week is announced, and a third is probable.

The Midgets Company with its "twenty smallest men and women" are on the programme of "the Premier theatre in Asia" (the Empire), and the thin cinema audiences are once more being treated to "The Last Days of Pompei," and some old Harold Lloyd comedy. The Grand Café already boasts of two orchestras. They give morning concerts, afternoon concerts, and evening concerts. There is a dance orchestra playing till 1 a.m., yet with all these attractions, they have thought it necessary to engage another hit. It is a dwarf, Bill Rolle, supposed to be the smallest man in the world. His height is 24 inches, and he will direct a few numbers of the programme played in the evening before dinner.

Calcutta Rotary Club.

In order to avoid any misleading view regarding the objects of the Club, the President and Directors desire the public to know that, while welcoming speakers of every nationality and of every school of thought, the Rotary Club is not responsible for the views expressed by the visitors who may be asked to address its members. It is a fundamental principle of the Club that no politics are to be introduced into its movement. Another of the Rotary International Principles is to endeavour to maintain as

its ideal a world-fellowship of business and professional men united in the ideal of service. No matter how far short the institution falls of this ideal, the Calcutta Rotary Club will ever strive to maintain its principles without any consideration whatever of political or other interests.

A BOMBAY LETTER.

Bombay, April 8.

Our Parliament !

An interesting suggestion has received publicity in the Press, but its author, who is evidently an optimist of optimists, is concealed behind the safe designation of "a correspondent." Anyhow, he suggests that the Bombay Presidency is politically more advanced than any other part of India, and that therefore it should leave no stone unturned to stress its case before the forthcoming Royal Commission on Reforms for a larger amount of autonomy than other districts that are more backward. The communal feeling, he says, is virtually absent in Bombay, and the people of the Presidency have a considerable political genius as is indicated by the predominance of responsive co-operation. The British Parliament granted autonomy to Victoria and the Free State, so there is thus ample constitutional precedent for this step. Unfortunately, "a correspondent" has lost sight of the arguments that can be brought forward against this wonderful suggestion—and they are many. To mention only one, which will suffice, such a scheme is unworkable in India, where there is far too much likelihood of an incident in one part having very great repercussions in another.

Separation of Sind.

That periodic question, the separation of Sind from Bombay, has been brought forward once again as a result of the joint electorates idea, and the result has been a series of pronouncements from all sides. Generally, the suggestion is none too well received, but now and then we find a considered statement made in favour of it. Such a statement is the one made by Mr. Jamshed W. R. Mehta, President of the Karachi Municipal Corporation, who advances nine very strong reasons in favour, which summarised amount to the contention that Sind is really absolutely distinct from Bombay in every respect, that Bombay as it stands is far too large an administrative area to be efficiently administered, and that the Sindhis should be given an opportunity to fight out their own salvation in their own way. The onus of settling the fears of the minorities he places on the Reforms Commission, to whom the difficulty should present no terrors.

National Week.

We are now in the very midst of the "National Week," and the manner of its celebration now and when the national movement was set going in 1920 provide an instructive comparison. Then "Remember Amritsar" found expression in every exhortation of every leader, and the programme was the securing of justice to the Khilafat, reparation for Jalionwalla Bag and the attainment of Swaraj. The present celebrations have lost all that martial tone, and the only aim left is the then apparently insignificant one of attaining Swaraj. Mild, honeyed words have replaced the raucous "war cry," the Khilafat and reparations have given way to the needs of removing untouchability, cementing national unity and introducing prohibition. Generally, it seems that Indians are beginning to see the light, and are striving in directions that cannot but be to the advantage of their country as a whole.

University Scholarships.

The Senate of the Bombay University came to a very wise decision on Saturday last in rejecting a resolution affirming that in future no offers of endowments for scholarships, etc., with sectarian or territorial limitations should be accepted by the University. Unfortunately for

them, the critics of the present policy put forward fundamentally irrelevant objections and totally ignored some vital facts of Indian social and communal life—such as the effects of such a policy on the backward classes, to help whom would be nationalism and not sectarianism. So long as the respective communities do not have their own institutions to look after their interests, it is not undesirable that the University should come to their rescue in the manner that it has been doing hitherto. And so long as it is good money that is forthcoming, it is immaterial with what limitations and restrictions as to its use it is poured out. In the distant future, perhaps, the idea may be practical politics; at the moment it cannot be.

Municipal President.

That it would have been a much more dignified proceeding for only one candidate to be left in for the presidential election of the Bombay Municipal Corporation is proved by the fact that the matter is now before the High Court. Two candidates tied in the final ballot, and the President's casting vote appears to have been given, following the casting of lots. The unsuccessful candidate has appealed against the validity of the election in court, and the Corporation itself has expressed its disapproval of the method of arriving at a decision, by what amounts to a vote of censure, in passing a resolution to the effect that the minutes, which indicate that the President gave his casting vote for Dr. Batliwalla against Mr. J. B. Petit, are not a true indication of what was actually the case. A settlement out of court would be the most dignified way of ending the business, which merely shows up the City Fathers in a light that does them little honour.

A Reply to Gilligan.

The *Calcutta Statesman* has been at great pains to collect all kinds of details to refute the accusation of snobbishness brought against some clubs in India by A. E. Gilligan, skipper of the M.C.C. team which visited India. The paper makes out quite a passable case, but it ignores the quite incontrovertible fact that snobbishness is the bane of club life in this country, and also admits by taking up the challenge that Mr. Gilligan's thrust has got home where it was intended to go! So far as is ascertainable, the accusation does not apply very largely to Bombay, but one means whereby unconscious snobbishness was imparted into the relations of the M.C.C. players with the public in Bombay was the manner of their billeting. They had no say in the matter themselves, and the most influential members of the clubs secured them as prizes or curios, when probably they would have been vastly happier had they been tacked on to either friends, if they had any, or on to young fellows of a similar temperament to themselves. Unfortunately, this was seldom the case; and it is to be hoped that if and when another team visits this country, some such method of entertaining our guests will be adopted, so that they can be happy instead of just bored, as many of them must have been.

Textile Crisis.

By the time this letter reaches you the Bombay textile crisis will either have materialised or blown over. At present the outlook is none too rosy. Stocks are accumulating, there is no demand, and combining cloth and yarn it is believed that about five crores of rupees are locked up in what at present appear to be useless stocks. The mill-owners are looking forward anxiously for the publication of the Tariff Board report, thinking that this may result in easing the situation—but it has arisen principally owing to the falling away of China and Japan as purchasers, and the most suitable solution of the problem would be to find foreign markets to replace them. It is no easy task, it must be admitted, but "need's must."

Commercial Situation.

The general commercial situation has been far from good during the week, for on every side a complete lack of

interest is reported. About the only activity has taken place in Government securities, which have at least maintained their former level or improved just slightly. Shares of other descriptions have recorded a slump as a result of an orgy of profit-taking, cotton prices are on the decrease—although this is expected to enable competition with American on more even terms—and gold and silver are terribly uncertain and liable to sharp fluctuations. Exchange, sterling and foreign, remains steady with little doing.

THE LATE MR. DADABHAI NAOROJI.

A series of remarkable public tributes was paid to the memory of the "first Indian Member of Parliament" on the occasion of the unveiling of a fine bronze statue of the late Mr Dadabhai Naoroji by the Governor of Bombay last month. The statue, which is erected on a central and commanding site presented by the Municipal Corporation, and bears an admirable likeness to the distinguished Indian patriot, is the work of a local sculptor, Mr. Talim. On the front panel of the pedestal is an inscription, reading:—"Dadabhai Naoroji, first Indian Member of Parliament, 1892-95. Revered and Beloved of the country, the Grand Old Man of India, born 4th September, 1825, died 30th June, 1917." One of the side panels depicts a scene of the House of Commons in session with Gladstone addressing the House, and the other side panel is emblematic of the great social reformer's work on behalf of female education.

Both the Governor and Sir Dinshaw Wacha, the Chairman of the Memorial Committee, spoke in terms of the highest respect and admiration of one "who was truly a great man, who took no thought of aught save right and truth," and whose life might be said to be "an epitome of the history of Indian Constitutional reform during the second half of the nineteenth century." The times have changed since Dadabhai Naoroji first placed before his countrymen the ideal of a self-governing India under the British Crown, but all Indians, of every political creed, remember him with the deepest affection as one who lived and worked for their moral, social and political advance. By Englishmen, also, his memory will always be held in respect and regard, for while he was often a strong and fearless critic of the admiration he maintained a firm conviction and belief in the fairness and justice of British rule.

In private life Mr. Dadabhai Naoroji's distinguishing characteristic was undoubtedly his great force of character which led him, when once convinced of the rightness of a cause, to strive unceasingly after the ideal he had set before himself, regardless of any opposition such a course of action might encounter, but he is never known to have spoken an angry word, even in the heat of controversy or to his bitterest enemy. His success in gaining election at an advanced age to the House of Commons, after two successive failures, is a remarkable proof of the same determination and strength of character which are everywhere apparent throughout his career.

As Sir Leslie Wilson appropriately observed in the address, to which reference has already been made, there are several salient features of Mr. Dadabhai Naoroji's character, as shown by his public work, which may with advantage be recalled by the present generation of Indian politicians. The first is that in his life work he was not bound by any narrow territorial or communal distinctions or differences. He did not work for the Parsi community only, or even for Bombay alone, but for the benefit of all classes and creeds in India, and for the welfare of the country as a whole. "Indeed, I think I may go further," His Excellency added, "and say that his work will prove, in the end, to have been for the lasting benefit of the British Empire; for while he was prepared to criticise severely those features of the administration which he believed to be faulty, and to express his disapproval of those factors in the relations between Great Britain and India which he regarded as unsatisfactory, his object was

at all times not merely to criticise or to disapprove, but to improve."

Secondly, Mr. Dadabhai Naoroji shares with the late Sir Pherozeshah Mehta and the late Mr. Gokhale, among other distinguished politicians of the older school, the credit of having been a real worker, with a desire to follow out a constructive policy and a pertinacity that succeeded in securing its fulfilment. Success, indeed, did not come easily to him, for he was well over sixty when, after residing in this country for the best part of his life, he made his first appearance in the House of Commons, and his last and greatest achievement—the simultaneous examination for the Indian Civil Service in India—found him not far from seventy.

Perhaps the outstanding feature of his character was that he was a diligent and conscientious seeker after truth, and that he relied more on facts than on feelings or sentiment in his treatment of public affairs. In the words, again, of Sir Leslie Wilson: "No one can suggest that the figures put forward in his writings by Mr. Dadabhai Naoroji were entirely adequate, or that they were by any means the last word on the subject; he deserves the fullest credit for being one of the first explorers in a field the importance of which is only now being recognised. The only basis of sound argument and clear thinking is accurate facts, and, while we may now hope by modern methods to attain a clearer idea of the true economic conditions of the country, we must all remember with admiration and respect the pioneer who explored a part of this way, and pointed out a line of valuable enquiry to those who have come after him."

INDIAN MAIL.

The February Trade Returns.

The returns of India's sea-borne trade for February, contrary to general expectation, show a marked decline in both imports and exports of private merchandise, as compared with the figures of the previous month, which had encouraged the belief that the long awaited improvement in the trade situation was imminent. The value of imported merchandise fell from 2,081 to 1,750 lakhs of rupees, and that of exports of Indian produce and manufactures from 2,729 to 2,536, re-exports of foreign goods being also upon a very much smaller scale. India's net imports of treasure, on the other hand, rose from 265 to 389 lakhs, mainly on account of the larger off-take of gold, which was the highest recorded since June of the previous year. Measured by the statistics of merchandise and treasure, the total visible balance of trade in India's favour was 471 lakhs of rupees, or slightly more than in the previous month, but only a quarter of the total of the corresponding month of 1926.

The share of the United Kingdom in the trade of India during the period was unaltered in imports and fell from 20 in 19 per cent. in exports. As compared with the return for February, 1926, however, it represented a decline of 4 per cent. in imports which was more than offset by a gain of 5 per cent. in exports. The proportions of Germany, Japan and the United States, her principal competitors, were also relatively little changed, as compared with the previous month, being 9, 6 and 8 per cent. respectively under imports, and 7, 19 and 10 per cent. under exports.

Under the major heads of imports, the value of food, drink and tobacco rose from 282 lakhs in January to 333 lakhs in February; that of raw materials also increased from 158 to 164 lakhs, principally on account of the unusually large imports of raw cotton. Manufactured articles, on the other hand, declined in value by nearly 111 lakhs, due mainly to the smaller importation of railway plant, cotton manufactures (although white cotton piecegoods and goods made of cotton and artificial silk continued to make steady progress) and iron and steel. It is especially interesting to note that, of the first of these heads, more than half the total value is still represented by sugar importations, and this in a country which, if this industry could be established on a sound basis, is capable

of producing more than all its requirements in this respect.

Under the major heads of exports the value of food, drink and tobacco (rice and tea being the most important items in the first of these) fell, from January's figure of 620 lakhs, to 443 lakhs. The decline was due to a decrease in the shipments of foodgrains, especially rice, which was only partly offset by increases in coffee and tea. In this connection it is pertinent to recall the extent to which the market for Indian goods in the United Kingdom has been encouraged by the preferences extended by the British Government to Empire produce. These preferences have been of particular value to the trade in Indian teas and tobaccos. Imports of the latter into this country during the past three calendar years have grown from 4½ to nearly 11 million lbs., and account for roughly one-third of the total exports from India of that commodity. By raising the duty on imported unmanufactured tobacco in the last Budget Mr. Winston Churchill has increased proportionately the money value of the concession, which is three-fourths of the full rate, with a result that the returns for the current year are likely to show an even greater advance.

Raw materials and produce showed a substantial decline from 2,044 to 1,453 lakhs, due to smaller exports of raw cotton and oilseeds. Of the total shipments of 71,000 tons of raw cotton, against 80,000 tons in the previous month, Japan took about 46,000 tons, or 65 per cent, China 10,000 tons and Italy 6,000, and the balance went chiefly to Germany and Spain. The exports of raw jute increased in quantity from 44,000 to 86,000 tons and, in value, from 296 to 298 lakhs—the latter figure reflecting the further fall in prices. Exports of manufactured goods decreased in value from 762 in January to 621 lakhs in February, approximately 60 per cent. of both totals being represented by jute manufactures. The February shipments of gunny bags declined from 37 to 30 millions and in value by 82 lakhs to 147 lakhs. The yardage of gunny cloth also showed a marked falling off, as compared with the previous month.

Mr. R. P. Paranjpye, late Minister in the Bombay Government, has arrived in London with Mrs. Paranjpye and has taken his seat as a Member of the Council of the Secretary of State for India.

It is announced in the *London Gazette* that the King has conferred the dignity of Knighthood on Mr. Joseph Augustus Maung Gyl, Member of the Executive Council of the Governor of Burma, whose name appeared in the New Year Honours List.

Mr. P. G. Rogers, C.I.E., I.C.S., Postmaster-General, Bombay, has been transferred to Delhi as Deputy Director-General of Post Offices, in succession to Mr. H. A. Sams, whose promotion to Director-General of Posts and Telegraphs was recently gazetted.

Mr. T. E. T. Upton, late of Messrs. Orr Dignam and Co., the well-known Calcutta firm of solicitors, has returned to India to assume the duties of Solicitor to the Government of India, vice Lieut.-Colonel Sir Robert Dunlop, C.I.E., D.S.O., whose retirement has already been announced.

The liquidators of the Alliance Bank of Simla, in a letter to the *Pioneer*, state that they hope to pay a dividend of one anna in the rupee next June, this making the third dividend, the previous being eight annas and one anna respectively. The liquidators add that they consider their original estimate of the ultimate total payment of 12 annas still stands. The task of liquidation is considerable, the number of creditors being approximately 40,000. A dividend of one anna a rupee involves a sum of 50 lakhs of rupees.

Mr. V. J. Patel, M.L.A., President of the Legislative Assembly, India, and Joint President of the Branch of the Empire Parliamentary Association in the Legislature of India, has arrived in London and is staying at the National Liberal Club. Mr. Patel, who expects to remain in this country about two months, is anxious to study the procedure of the House of Commons and he also proposes to attend sittings of the Parliament of Northern Ireland and the Dail Eireann.

The India Office announces that the King has been pleased to approve the following appointments:—

Sir Charles Alexander Innes, K.C.S.I., C.I.E., I.C.S., to be Governor of the Province of Burma in succession to Sir Spencer Harcourt Butler, G.C.I.E., K.C.S.I., I.C.S.

Sir Alexander Phillips Muddiman, K.C.S.I., C.I.E., I.C.S., to be Governor of the United Provinces of Agra and Oudh in succession to Sir William Sinclair Marris, K.C.S.I., K.C.I.E., I.C.S.

Commercial and Financial Section.

NOTES AND NEWS.

170, Strand, London, W.C.2.
Tuesday Morning.

Palestine's New Currency.

It is anticipated that the new Palestine currency will be introduced in the course of the second half of this year, and it may be of interest now to give a few details regarding the values of the notes and coins which will be issued. The notes will be of six denominations—£P100 (the Palestine pound will be the equivalent of the pound sterling), £P50, £P10, £P5, £P1, and 500 mils (1,000 mils are equal to £P1). No gold coins are to be issued at present, but there will be silver coins of 100 and 50 mils, nickel bronze coins (perforated) of 20, 10, and 5 mils, and bronze coins of 2 mils and one mil. In English equivalents these coins range down from 2s. (100 mils) to .24d. (i.e., roughly a farthing).

Yugoslavia's Trade Position.

The year 1926 saw a marked falling off in the value of Yugoslavia's imports and exports. The value of the imports was 7,631,800,000 dinars as compared with 8,752,900,000 dinars, while that of the exports was 7,818,200,000 dinars against 8,094,500,000 dinars. The reason for the decline in the imports is to be found partly in the fact that in 1925 imports were on a particularly large scale with the result that the market was temporarily overstocked and partly in the decreased consumption which has been in evidence during the past year. The actual tonnage of imports was 1,241,054 as against 1,513,862 in 1925. On the export side on the other hand the decline in the value of the trade was accompanied by a further substantial expansion in the tonnage of the exports. The figures for the last four years show very clearly the steady development of the country's export trade. In 1923 the tonnage was 3,023,914, in 1924 3,915,700, in 1925 3,398,466, and in 1926 4,884,718. The value of the trade reached its peak in 1924, and since then the export trade has suffered from the steady fall in prices which was accentuated during the past year. Yugoslavia it may be pointed out, has now had a favourable balance of trade for three years in succession, which is a self-evident tribute to the efforts the country has been making to re-establish her economic position.

Roumania's Exchange Fluctuations.

The fluctuation in the Roumanian exchange in recent months has created considerable difficulties for Roumania's merchants and traders, for it naturally presents marked obstacles to business if, as has been the case, the leu moves 40 points or more in a week. Thus while a week ago it stood at 795 for the pound sterling, at the time of writing it has improved to 752½. While the country's general position undoubtedly justifies a better exchange the recent movements cannot be attributed to the economic recovery that is taking place. What the country emphatically needs is a stabilised exchange, and that problem is now occupying the attention of the Government. At the recent meeting of the National Bank of Roumania, M. Demetre M. Burilliano, the Governor of the Bank, gave some interesting details of the progress achieved in 1926. He naturally emphasised the important point that once again there was a balanced Budget, while all the internal and external debt has been funded. Then, during the year (the first year in which the convention concluded by the Government with the National Bank came into force) the Government paid into the liquidation fund

in reduction of its debt to the Bank 797,143,579 lei, a sum which is 15 per cent. in excess of the estimates. Finally, as indicating the development of the country's economic life the Governor pointed out that in 1926 the capital of public limited liability companies showed an increase of 5½ milliards of lei (about £7,000,000).

Roumanian Agriculture.

M. Burilliano referred in detail to the greatly improved results of Roumania's agriculture in 1926. Thus the yield of wheat was 3,017,761 metric tons as against 2,850,604 in 1925, of maize 5,724,916 metric tons as against 4,159,146, of barley 1,684,947 metric tons as against 1,019,327, of oats 1,159,028 metric tons as against 740,062 and of rye 285,581 metric tons as against 203,147. When to this progress is added the substantial increase in the production of petroleum it will be realised that Roumania has solid foundations which should enable her ultimately to achieve much greater prosperity than before the War. In 1926 the production of petroleum was 3,230,000 tons as compared with 2,316,504 tons in 1925 and 2,000,000 tons in 1913, so that there has been an increase on the pre-War production of more than 65 per cent. It is true that the increase in production does not mean quite what it did as we happen to be in a period of falling prices, but the present utilisation of Roumania's resources should be adequate to ensure the country's well-being. That it has not done so is, of course, due to the transport difficulties, which impose a grave handicap on the commercial activities of the country, and it is unfortunately the case that so far little real progress has been made in solving this chief problem of reconstruction. Once that is dealt with the way will be clear for steady progress.

The Turkish Debt Question.

Negotiations over the Turkish Debt have taken place so many times without any result that the news of the continuation of negotiations will not arouse the interest that would otherwise have been the case. As a matter of fact, however, there seems much more reason for hope, if not for optimism, on the present occasion, for there are grounds for believing that Turkey is now very anxious to have this long outstanding question settled. Unfortunately, the difficulty has been all through to reconcile the opposing views of the Turks and the bondholders, and it is apparent that if Turkey is to be in a position to meet her obligations a foreign loan is an essential outcome. Given

BANK OF ROUMANIA LIMITED

(FOUNDED 1866).

Head Office: 123, OLD BROAD STREET,
LONDON, E.C.2.

Branch — 11, CALEA VICTORIEI, BUCAREST.

Directors :

E. W. H. BARRY, Esq.
C. De CERJAT, Esq.
General The Hon. SIR H. A. LAWRENCE, G.C.B.
LORD ORANMORE AND BROWNE, K.P., P.C.
Lieut-Col. SIR ALBERT STERN, K.B.E., C.M.G.

Bankers :

BANK OF ENGLAND. Messrs. GLYN, MILLS & CO.

A general banking business with Roumania is conducted and correspondence from those having interests in that country is invited.



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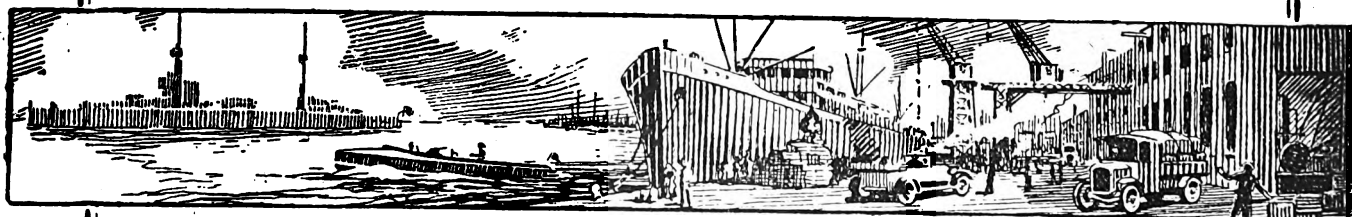
The range of products manufactured by the Company and its subsidiaries includes:—

Aviation Spirit, Motor Spirit, Lamp Oils, White Oils (Turpentine Substitute), Gas Oils, Tractor Vaporising Oils, Diesel and Semi-Diesel Oils, Fuel Oil, Lubricating and Batching Oils, Paraffin Wax and Candles.

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LONDON	ABADAN	FREMANTLE
Royal Albert Docks	ADEN	HAMBURG
and Purfleet	ALGIERS	HAVRE
AVONMOUTH	ANTWERP	KARACHI
GRANGEMOUTH	BOMBAY	MADRAS
HULL	BORDEAUX	MARSEILLES
JARROW (Tyne)	CALCUTTA	MELBOURNE
LEITH	CAPE TOWN	MOMBASA
LIVERPOOL	COLOMBO	ORAN
MANCHESTER	COPENHAGEN	OSLO
SOUTHAMPTON	DONGES(Loire)	PORT SAID
SUNDERLAND	DUNKIRK	RANGOON
SWANSEA	DURBAN	SYDNEY

Other Stations are in course of erection.



ANGLO-PERSIAN OIL Co., Ltd.
Britannic House, Finsbury Circus, London, E.C.2.

a settlement satisfactory to the bondholders Turkish credit abroad would be so improved that financial assistance would not be a difficult matter to obtain, the more so as Turkey's commercial position is now steadily tending to improve.

Turkey's Economic Progress.

A few figures may be quoted to show the nature of the advance that Turkey is making. For the first quarter of 1926 the value of the exports was £T54,929,325 as compared with £T46,410,925 for the corresponding period of the previous year, while that of the imports was £T57,932,805 as against £T53,380,835. For the first quarter of 1925 there was an adverse trade balance of £T6,969,910, but for the same period of 1926 it was no more than £T3,003,480, and for the first five months of the year the adverse balance was £T9,267,081 as against £E25,152,338 for the same months in the previous year. These figures, if they can be taken as representative of the general position (and there is no reason for thinking that they are not) indicate a decided measure of improvement in the economic position. The agricultural situation in 1926 was fair, and would have been distinctly good if inclement weather conditions had not damaged the cereal crops, with the result that imports of cereals to the extent of 173,000 tons were required. A feature of the year was the yield of figs and sultanas, which was substantially in advance of the 1925 figures. Except in the Smyrna region the production of cotton was below the previous year's figures. The boll weevil is now an unpleasant factor to be reckoned with in Turkey. The production of tobacco was fairly good, being about 40,000 tons, but the progress of this branch of agriculture depends on the market situation. The Government is taking measures to encourage agricultural production generally, particularly in regard to figs, sultanas and raisins and cotton.

An Excellent Showing.

As was the case last year the report of the London and Lancashire Insurance Company shows a further large expansion of business—a result which, it may be pointed out, has been achieved during a year in which conditions were anything but favourable for commerce. The total premium revenue amounted to £6,558,389 as compared with £6,324,785, or an increase of almost a quarter of a million, while the surplus on operations was £734,279. The dividend is maintained at 15s. per share, or 75 per cent., but it is proposed to increase the interim dividend payable in November by 1s. per share, so that twelve months hence a larger total distribution may be anticipated. The reserve funds of the company, exclusive of paid-up capital, now amount to almost eight and three-quarter millions.

Great Britain and the Film Trade.

The extremely unsatisfactory position of Great Britain in the film trade has been the subject of comment in these columns on more than one occasion. The experience of this country up to the present in fact has been that so far from being able to offer any sort of competition in foreign markets it has been found impossible to withstand foreign competition in the home market. The official German figures for film imports in 1926 are very illuminating. 302 "feature" films were imported, and of these this country supplied the lowest possible number, 216 coming from America, while even Russia with eight films was seven in front of Great Britain. The same story could be told, of course, of the Near East markets for films. The duty now placed on imported films will not directly serve to improve the position, but by safeguarding the home market and thus rendering possible the development of a strong British film industry it should help to place this country in a position to compete effectively in foreign markets. How necessary it is that British films should play their proper part abroad, and particularly within the Empire, will be obvious to all who have seen some films

which pass muster outside this country, especially those productions which profess to give a picture of life in this country, but really only succeed in a hopeless travesty of it—a travesty which would be farcical were it not for the deplorable effect that these very erroneous portrayals are bound to have on those who are unable to appraise them at their true value. It is evident from some of the notable British productions that have recently made their appearance that this country has nothing to learn in regard to films, and that it can produce films which are the equal (and in my opinion the superior) of the best that other countries can supply. If they are produced in sufficient numbers they should drive the inferior foreign films out of the markets and force our competitors to aim at a higher standard of accuracy and good taste. Apart from that a strong British film industry may come to mean almost as much to this country as the rubber industry does, by lightening the strain on the exchange, and from this point of view alone the effort to develop it is well worth while.

COMMENTATOR.

THE JAFFA ORANGE TRADE.

The Empire Marketing Board in its report dated April 20, states that the Jaffa season is almost over. Shipments from Jaffa during the week ended April 8 were as follows:—s.s. Skotland, for Glasgow, with 29,651 cases and s.s. Syrian Prince for Manchester with 19,280 cases. Further sailings to complete the season are:—s.s. Gitano with about 10,000 cases, and the s.s. Marga with about 20,000 cases.

Up to April 8 shipments aggregated 1,767,530 cases, an increase of 410,083 cases over shipments to the corresponding date last year.

Roumania's total revenues for the first quarter of 1927 totalled 724 million, lei, an amount which exceeded the expenditure.

The directors of the Anglo-Egyptian Oilfields recommend a dividend of 12½ per cent., less income-tax, on the "B" shares for the year 1926.

Roumania's exports of petroleum and its products in 1926 shows an increase of 90 per cent. over 1925. This is largely due to the fact that in 1926 the export of mazout was freed, and nearly 300,000 tons of the total is thus accounted for.

The premises of Barclays Bank (Dominion, Colonial and Overseas) at 28, 29, and 30, Gracechurch Street, E.C., formerly the head office of the Colonial Bank, are to be rebuilt, and pending completion of the new building the business hitherto conducted at that address will be carried on at 37/39, King William Street, E.C.4, the former head office of the Anglo-Egyptian Bank, Ltd. This temporary transfer took effect on April 25.

FOREIGN EXCHANGES.

Country.	Method of Quoting.	Parity of Exchange.	Latest Quotations
Alexandria.....	Piastre to £	97½	97½
Athens	Drachmæ to £ ...	25.22½	363½
Belgrade.....	Dinars to £	25.22½	276½
Berlin	Marks to £	20.43	20.49
Berne	Francs to £.....	25.22½	26½
Bombay	Sterling to Rupee	18d.	17 55/64—57/64
Brussels	Belga to £.....	35	34.93½
Bucharest	Lei to £	25.22½	752½
Budapest	Peu to £	27.82	27.86
Calcutta	Sterling to Rupee	18d.	17 55/64—57/64
Constantinople	Piastres to £	110	945—960
New York	Dollars to £	4.86 2-3	4.85½—11/16
Paris	Francs to £.....	25.22½	124
Prague	Kronen to £.....	24.02	164
Rome	Lire to £	25.22½	85½
Sofia	Leva to £	25.22½	670—675
Teheran	Krans to £	50½	50½
Vienna	Sch to £	34.58½	34.50—34.55
Warsaw	Zloty to £	25.22½	43—44

PALESTINE'S TRADE IN 1926.

The past year was, broadly speaking, an unfortunate one for Palestine from the economic point of view. Towards the end of 1925 a pronounced trade depression set in, and this continued throughout the whole of 1926, one result being the development of emigration from Palestine (as was the case a few years ago in a similar period of economic depression), a tendency which was still in evidence in the early months of this year. As might be expected the figures for the import trade of the year reflect the prevailing position. The value of the imports was £E6,429,245 as against £E7,338,491 for 1925, or if imports in transit and imports of specie are also included £E6,513,331 as against £E7,603,823. The value of the exports was £E1,275,625 as against £E1,297,559, or, including exports in transit, re-exports, and exports of specie £E1,497,921 as against £E1,588,157.

There are a number of features of interest in the import trade. The principal decreases in value are in animals, £E301,640; cement, £E159,223 (figures which while reflecting the trade depression also illustrate the development of the cement industry in Palestine); cotton piece-goods, £E145,814; wood and timber, £E117,560; wheat, £E117,214; and barley, £E45,769. Of the other decreases mention may be made of machinery, £E28,068; iron bars, girders, and sheets, £E21,406; and cigarettes, £E12,467. As regards the consigning countries it is somewhat depressing to find that the United Kingdom's percentage is no more than 11.4, this representing a total of £E730,462. Egypt is first with £E1,723,893, or 26.8 per cent.; Syria is second with £E999,853, or 15.5 per cent.; while Germany, who has been paying special attention to this market, ranks fourth with £E715,948, or 11.2 per cent. America and Italy are fifth and sixth respectively with percentages of 5.2 and 4.7.

Palestine's export trade was seriously affected by the economic depression in Egypt due to the fall in the price of cotton, and to this is due the principal decrease in the list of £E77,246 in respect of laundry soap. Other important decreases are in water melons (the third of Palestine's chief exports), £E25,728; almonds, £E14,058; wines, £E13,981; and hides and skins, £E11,710. Reference must also be made to the decrease of £E3,158 in the export of grapes. The tendency is now in evidence to expand the area under vines with a view to the development of an extensive trade in grapes, but the present decrease only emphasises the need for finding markets further afield. The chief increases in exports were in respect of barley, £E37,613; uncut tobacco, £E30,440; durrah, £E23,815; and oranges, £E14,731. In the export trade the United Kingdom is easily first with 39.9 per cent., representing £E508,361. Egypt is second with £E414,797, or 32.5 per cent., and Syria is third with £E160,335, or 12.6 per cent., while the fourth place is occupied by Germany with no more than £E52,701, or 4.2 per cent. The place of the United Kingdom as the

principal purchaser of Palestine's products is due, of course, to the large imports of oranges. Of Palestine's exports of this fruit during the year amounting to 1,887,581 cases of the value of £E566,199, or nearly half the total value of the export trade, the bulk of them came to this country.

TURKISH MERCHANT MARINE.

Since the War the Turkish merchant marine has made remarkable progress (says the *Monthly Journal of the British Chamber of Commerce of Turkey*). Both companies and private enterprise have contributed to this increase to the national tonnage by the purchase of a number of units, aided in a large measure by the Republican Government in reserving the coastal service to the Turkish flag. According to figures published by the Chamber of Commerce and Industry, we give below the number and tonnage of all craft flying the Turkish flag during 1926:—

Passenger ships	61	...	39,856
Barges	41	...	23,439
Sailing vessels	1,892	...	29,929
Small craft	2,450	...	4,477
Auxiliary motors	235	...	4,323
Coastal service around			
Constantinople	50	...	8,961
Tugs in Constantinople ...	109	...	1,809
Motors	149	...	601
Steam launches	60	...	321
Water tanks	9	...	538
Salvage vessels	1	...	92

114,346

During 1926 ten ships of a total tonnage of 8,839 were bought by Turkish owners. Three of these were of 2,952, 1,408, and 1,258 tons respectively. During the year five small vessels of a total tonnage of 1,407 were totally lost.

FORTHCOMING SAILINGS.

The following are the sailings for the Near East and India, the ports of departure and closing dates for cargo being given in parentheses:—

Anchor Line.—S.s. Circassia for Bombay (Birkenhead, May 25). (For passenger sailings and dates see advertisement).

Anchor Brocklebank Line.—S.s. Masirah for Port Said, Colombo, Madras and Calcutta (Birkenhead, April 30); s.s. Mahratta for Port Said, Colombo, Madras, and Calcutta (Birkenhead, May 14).

Bibby Line.—S.s. Warwickshire for Port Said, Colombo, and Rangoon (Birkenhead, May 4).

British India Line.—S.s. Mashobra for Colombo, Madras, and Calcutta (London, May 7); s.s. Dumana for Bombay and Karachi (London, May 14).

Cunard Line.—S.s. Brescia for Gibraltar, Malta, Patras, Piræus, Volo, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza, also Algiers if inducement offers (Liverpool, Glasgow, and Swansea, May 14); s.s. Phrygia for Cetta, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Venice, Trieste, and Fiume, also at Corfu, Gruz, and Ancona if inducement (Liverpool May 14, and Swansea May 17).

Johnston Line.—S.s. Jessmore for Piræus, Syra, Volo, Salonika, Smyrna, Constantinople, Bourgas, Varna, Constantza, Sulina, Galatz, and Braila (Liverpool, May 21).

P. and O. Line.—S.s. Razmak for Bombay (London, April 29); s.s. Tregenna for Colombo, Madras, and Calcutta (London, April 30).

Prince Line.—S.s. Italian Prince for Tunis, Malta, Alexandria, Jaffa, Haifa, Beyrout, and Cyprus (London, May 4); s.s. Syrian Prince for Tunis, Malta, Alexandria, Jaffa, Haifa, Beyrout, and Cyprus (Manchester, May 7).

Ellerman and Papayanni Lines.—S.s. Serbino for Malta, Alexandria, Jaffa*, and Haifa* (Glasgow April 17, Liverpool April 29); s.s. City of Lancaster for Gibraltar, Malta, Alexandria, Jaffa*, and Haifa* (Liverpool, May 6); s.s. Bavarian for Algiers*, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, Varna, Constantza (Liverpool May 7, Swansea May 7); A steamer for Patras, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, Varna, Constantza (Liverpool, May 28); A steamer for Bari, Gravosa, Ancona*, Venice, Trieste, and Fiume* (Liverpool, May 28). * Subject to sufficient inducements. Algerian ports via Algiers; Moroccan ports via Gibraltar; Tripoli (Barbary) via Malta; Syria and Cyprus via Alexandria; Greek ports via Piræus or other convenient port; Fiume via Trieste.

ANCHOR LINE

LIVERPOOL TO BOMBAY.

KARACHI via Bombay, calling at Gibraltar and Egypt.

LARGE STEAMSHIPS UPPER DECK CABINS.

MODERATE FARES.

RECOGNISED BY INDIAN GOVERNMENT.

Indian Government Vouchers accepted.

Passenger sailing dates:—

*ELYSIA ...	May 3	*MASSILIA ...	June 28
*CIRCASSIA ...	June 1	*BRITANNIA ...	July 8

*First class passengers only. Specially low fares.

SPECIAL NOTICE.

New T.S.S. California, 17,000 tons, carrying 1st, 2nd and 3rd class passengers, sails from Liverpool Oct. 26; Marseilles Nov. 1.

ANCHOR LINE,

48, FENCHURCH STREET, LONDON, E.C.3.

THE WEEK'S FINANCE.

(By Our Financial Expert.)

London, April 26.

The reduction in Bank Rate from 5 to $4\frac{1}{2}$ per cent. which was made last week, did not come altogether as a surprise, for there has been a rapid improvement in the Bank of England's gold position during the past fortnight. It was, nevertheless, expected in many quarters that the change would not be made until next week because of the dislocation of the money market which might be involved by the repayment by the Bank of France of its loan from the Bank of England. The directors of the Bank of England, however, evidently felt assured that there was no reason for postponing any longer a change for which the industry of the country has been waiting for so long, and in all quarters the reduction has been received with a sigh of relief. Several times during 1926 the technical position would have justified a reduction in Bank Rate, which has been at 5 per cent. since December 3, 1925, had it not been for the uncertainty of the outlook, and after the settlement of the coal dispute the prospects of cheaper money again became brighter.

It was generally anticipated during December, indeed, that early in January a $4\frac{1}{2}$ per cent. Bank Rate would be announced. Such hopes, however, were doomed to disappointment by the seriousness of developments in China and the change was once more postponed. During the past fortnight, however, the Bank of England has been accumulating gold, the total gold stock being now only £2 millions less than at the end of April, 1925, when the gold standard was restored. Moreover, the effectiveness of Bank Rate as a defence of the exchanges has been weakened by the widening of the margin between it and the market rate of discount, which before the Bank Rate change had dropped to only a shade over 4 per cent. The reduction should almost immediately result in Bank Rate becoming effective in its control over markets.

Markets and Bank Rate.

The Consol market, which always closely watches the monetary situation, had been marking up the prices of gilt-edged securities during the past week in anticipation of a lower Bank Rate, and on this occasion proved to

have been right in its surmise. Owing to a short supply of stock, especially of $3\frac{1}{2}$ per cent. Conversion Loan, the rise has continued. The actual volume of business, however, remains on a rather small scale, and although the Budget is out of the way and the troubles in China do not weigh heavily on investment markets, the general revival in stock market business, which it was hoped would come after Easter, has not yet materialised. There are, it is true, a few bright features, but up to the present there is still some hesitancy to be seen in most departments. The position of markets as a whole appears to be sound, and while nothing in the shape of a boom can be expected, the stage seems to be set for a general improvement in the majority of markets.

Industrial Company Profits.

The effects of the industrial upheaval of 1926 are now beginning to show themselves in the shape of declining profits and lower dividends, and for the first time since 1922 the quarter figures of industrial profits compiled by the *Economist* show a decline. During the past three months the reports of 520 joint-stock industrial undertakings were analysed and these show aggregate net profits of £52½ millions, representing a decline of £2,189,000, or 4 per cent. in comparison with the net profits earned by the same companies in their preceding financial year. But while heavy decreases in profits were recorded by the iron, coal and steel, textile, electricity, gas and hotel groups, motor, shipping, brewery and retail shop and store companies recorded increases. Of the total profits, 62.3 per cent. was paid in ordinary dividends, 18.9 per cent. in preference dividends and 18.8 per cent. was reserved. The ratio of profits to total ordinary and preference capital works out at 10.3 per cent. for the past quarter as against 11.4 per cent. in the corresponding three months of last year and an average of 11.3 per cent. for the year 1926. The average rate of dividend paid on ordinary capital has fallen to 10.4 per cent., which is the lowest since the third quarter of 1925. Seven out of sixteen groups show a higher average rate of ordinary dividend, the most conspicuous increase being recorded by the rubber companies, namely, from 20.8 to 23.2 per cent. The iron and steel group shows a drop from 5.2 to 2.6 per cent.

Two Excellent Foreign Investments.

It is evident that a large measure of success has attended Belgium's effort to stabilise her currency and repair her economic organisation generally. "Financially," says the recently-issued report of the Department of Overseas Trade on Belgium, "the position is good. Public finance has been placed on a sound basis. The Budget shows a surplus of revenue over expenditure even after full provision is made for the resources of the newly-created Sinking Fund, for which a definite programme has been drawn up." Moreover, the reforms have been carried out with remarkably little disturbance to trade and industry. But even so Belgium is not content with things as they are and is making strenuous efforts further to consolidate her position.

Thus Belgium merits the attention of the investor seeking foreign securities. Two popular securities are available. First there is the 7 per cent. Stabilisation Loan; the final redemption date is 1956 and the yield is £6 7s. per cent. Secondly, there is the famous 3 per cent. sterling loan of 1914, which is redeemable not later than 1940 by annual drawings or purchases. The flat yield, at £3 15s. per cent., is somewhat modest, but the investor is assured of steady capital appreciation, which is an important point if a sale become necessary. The redemption yield is £5 8s. per cent. Both stocks provide excellent foreign investments.

The Turkish Budget for the financial year from June 1, 1927, to June 1, 1928, has been voted. The expenditure will amount to £190,000,000 [£19,500,000], and the revenue is estimated at £194,000,000.

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PERSIAN TRADE AND AGRICULTURE.

So far as known, there is in Persia no central organization for the exchange of information concerning crops (says the American Consul at Teheran, Mr. Orsen N. Nielson, in a review of Persia's trade and agriculture). At a rough estimate, however, the 1926 almond yield is placed at about 327 tons, as against 529 tons in 1925 and something over 1,500 tons in a "normal," or presumably frostless, year. Walnut production also was hampered by late frosts in 1926, but the 13 Provinces for which figures are available (statistics from 8 Provinces are missing) produced a total of 2,350 short tons, as compared with a normal yield for the same area of 2,750 tons. Grain production was adequate to meet the needs of the market and to obviate the necessity of continuing the complicated motor transport alimentation service organized last year when starvation conditions were feared.

It is hoped that the proposed organization of a national bank, authorized to make loans secured by first mortgages on real estate, will contribute to develop and stabilize Persian agricultural conditions, but of course no immediate results can be expected.

As a result of an investigation made last summer by the Director of Internal Revenues, it is probable that the Persian Government will take some action leading to the extension of foreign markets. It is reported that European interest has been successfully stimulated in Persian cotton, wool, camel hair, cigarette tobacco, saffron, and attar of roses.

To promote export trade, the following recommendations have been made. The substitution of new and more profitable crops for such overproduced crops as wheat and rice; Government assistance in financing exports; revision of the tariff; improvement of transport facilities. So far, however, steps have been taken to carry out only the last-named of these.

Persian export trade naturally will be greatly helped if an agreement can be reached with Soviet Russia regarding the lifting of the present Russian embargo on Persian exports, or if the proposed new route for north Persian exportation, from Tabriz to Mosul via Rowanduz, can be completed.

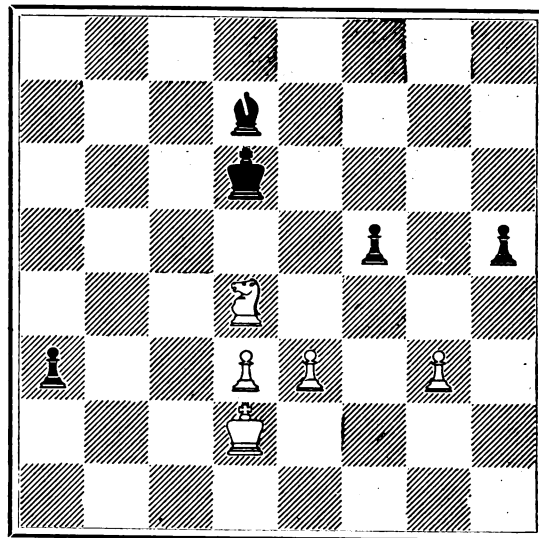
Exports declared from Persia to the United States through American consulates in 1926 showed only a slight increase in value as compared with 1925, but there were several marked differences in the quantities shipped of various specific commodities.

The year's shipments of Persia's artistic products, such as Persian miniatures of illuminated manuscripts, embroideries and rugs, showed large increases, that in rugs amounting to over half a million dollars. The 25,000 dollars item "Works of art for exhibition," refers no doubt to the carefully chosen and beautiful collection sent under the auspices of the Persian Government to the Sesquicentennial exhibition at Philadelphia. The next most marked export increase, that of gum tragacanth, was probably due to decreased production in Turkey.

Shipments to the United States of other agricultural and pastoral products, particularly nuts, tobacco, opium, and sheep casings, showed marked decreases as compared with 1925. This, no doubt was, due to the fact that, as mentioned above, many crops were injured by frost during 1926 and the tax on sheep casings has proved a burden on that industry. Tobacco exports to the United States are more of an experiment than a steady annual business.

CHESS.

By "CARO-KANN."



Here is an end-game of the type that frequently occurs in actual play. White has to move. What is the result?

The British Empire team for the International Tournament at the Central Hall, Westminster, was selected last week. H. E. Atkins, many times holder of the British Championship, is captain, and the other members of the team are Sir G. A. Thomas, Bart., R. P. Michell, and F. D. Yates. There are fourteen other countries competing, and the strongest teams seem to me to be Germany, with C. Carls, J. Mieses, Dr. S. Tarrasch, and H. Wagner; Czechoslovakia, with K. Gilg, K. Hromadha, R. Reti, and Dr. K. Treybal; and Yugoslavia, with Dr. L. Aztales, B. Kostich, Dr. M. Vidmar, and V. Vukovics. The British team seems to be quite as strong as any of these I have mentioned. It ought to hold its own with any of them, and I shall not be surprised if the tournament ends with a British victory.

The Merton Cup tournament at the City of London Chess Club commences this evening with the first round of the first section. The other two sections will begin in about two weeks' time.

COMPANY NOTES AND REPORTS.

INDO-EUROPEAN TELEGRAPH.

The report for the year ended December 31 states that the company's lines have worked in a highly efficient manner. There have been two cases only of serious total interruption (due to weather of exceptional severity), apart from a stoppage due to a strike of the company's Russian employees. The revenue from all sources amounts to £314,007, as compared with £310,345 for 1925, showing an increase of £3,662. The expenses are on the commercial and general account £123,588 and on the maintenance account £72,822, making a total of £196,410, as against £187,374 for 1925. The revenue account shows a balance of £117,597, which sum is carried to the profit and loss account, and after deduction of income-tax is reduced to £103,124. To this is added the net balance of the profit for 1925, £16,288, making a total of £119,413. The directors have provided £45,000 in writing down expenditure on reconstruction of the line in Russia and Poland, and £5,244 in writing down the cost of the Persian section of the line, leaving a balance of £58,544. They now propose to declare a dividend for the year ended December 31 of £1 2s. 6d. per share (making, with the interim dividend, already paid, 7 per cent. for the year) and a bonus of 15s. per share, both free of income-tax.

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THE BRITISH COTTON GROWING ASSOCIATION.

The report of the British Cotton Growing Association for the year ended December 31 last, refers to the remarkable progress which has taken place in the development of cotton growing in many parts of the Empire.

The year under review again proved an unremunerative period to the Lancashire cotton industry, and the mills using American types of cotton have continued on short time owing to the limited demand for yarn and cloth. Notwithstanding this, there has been a fair demand for raw cotton of outside growths, and the total sales of these in Liverpool during the season ended July 31, 1926, were 595,390 bales (an increase of 46,610 bales on the previous season) made up as follows:—South African 14,280, East African 120,270, West African 36,360, Brazilian 120,070, Peruvian 203,880, Sudan 39,820, West Indian 3,210, Sea Island 2,720, East Indian 37,390, Australian 9,800, Sundries 7,590; total 595,390 bales.

The quantity of cotton of Empire growth included in the foregoing figures was again much greater, there being an increase in East African of 50,000 bales and in West African of over 10,000 bales, but there was a decline in East Indian, etc., of over 50,000 bales.

The quantity of cotton marketed by the Association showed a substantial increase on the previous year, and the value also established a record. The number of bales and the value of the cotton which has been dealt with by the Association during the last six years is as follows:—

Year	Bales	Value £.
1921	63,966	1,597,702
1922	67,386	1,628,778
1923	54,606	1,588,480
1924	59,583	1,922,097
1925	84,320	2,502,967
1926	135,522	3,368,740

The marketing of the cotton crops in different parts of the Empire is now assuming considerable proportions, and the figures quoted above represent the quantities which the Association have actually purchased from the cultivators and cotton which has been consigned for sale by cotton growing companies, merchants and planters.

The Association's engineering department has been fully occupied during the year on the provision of further ginning facilities for various parts of the Empire where the Association have interests. This Department, which was originally established for the maintenance of the Association's ginneries, has developed into an engineering supply department in an advisory and practical capacity appertaining to every class of machinery, buildings and spares, used by cotton ginning companies, associations, planters, etc., and required in ginning and baling processes, oil extraction, plants, etc. The experience which the Association have had during the past twenty years in regard to ginning and baling machinery is probably unique, owing to the fact that so many grades and types of cotton have at one time or another been submitted for their advice as to treatment. Advantage of this experience is taken by British and Foreign Colonial Governments as well as by private concerns throughout the cotton growing areas of the world. The exceptional position which the Association holds enables them to give an independent and unbiassed opinion as to the most suitable type of machinery to be installed for the various projects submitted. Experience has proved to the Association that British machinery is the best from every point of view, and the output now being obtained from gins of the latest construction is highly satisfactory. Special settings are necessary for each distinct staple and grade of lint, and these adjustments must of necessity be made at the ginnery and cannot be accomplished before despatch. At the present time the Association is taking an active interest in experimenting with the latest improvements offered in the different types of machinery applicable to the industry. Two batteries of the new air

blast gins, as adapted to standard British manufacturing practice, are on test in widely separated areas, and improvements to Macarthy gins, both as regards feed and elimination of continual stoppages, are under trial. Wherever the Association has ginneries, cotton stores not less than twelve in number are erected for a full plant, together with bale and general stores and bungalows.

The value of buildings, machinery, stores, etc., supplied during the year to ginneries, planters and others engaged in the cultivation of cotton amounted to £143,108, as compared with £170,783 in 1925, and £134,855 in 1924.

The commission earned during 1926 on sales of cotton, cottonseed, etc., and on supplies of stores, was £19,179, compared with £19,786 in 1925, and £17,405 in 1924. Bank and other interest, including interest on money advanced for financing cotton, etc., amounted to £11,434 19s. 8d., against £16,421 5s. 8d. for 1925. Receipts for dividends from shares in cotton growing companies were £13,551 11s. 6d. against £9,450 15s. 7d. in 1925.

The accounts show a surplus on the year's working of £40,063 6s. 9d., which brings the excess of income over expenditure to £387,739 7s. 6d. Full provision has been made for depreciation and for income tax, and a further sum of £5,000 has been reserved for bad and doubtful debts. Under the difficult conditions prevailing this is a satisfactory result, as the highest possible prices were paid for seed cotton during the year.

The following extracts are taken from reports dealing with progress in various cotton growing regions:—

India.

The work on the demonstration farm of the B.C.G.A. (Punjab) Ltd. at Khanewal has proceeded satisfactorily under the supervision of Professor W. Roberts. Previous to 1921 only the level portions of the property had been



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cultivated for two or three years by temporary cultivators, but subsequently the land was systematically levelled and laid out and brought to its present high state of fertility, as shown in the following record of cotton yields:—

		Area (acres).		Yield per acre (Maund*).
1921-22	...	1,683	...	7.35
1922-23	...	1,869	...	12.5
1923-24	...	1,989	...	14.70
1924-25	...	2,404	...	14.72
1925-26	...	2,424	...	15.9

*(1 maund = 82 2/7 lb.)

The yield 15.9 in 1925-26 on a total area sown of 2,424 acres is the highest yet attained, and is at least 30 per cent. above that of any other estate in the Punjab. Many individual squares with seven and a half acres of cotton have averaged 23 to 24 maunds per acre.

"Line sowing" and "interculture," which is universally practised at the farm, are becoming standard methods in the district. The theoretical teaching at Lyallpur is being put into practice on a large scale, and proved to be sound practical teaching. The area of the Khanewal Irrigation Division is 471,664 acres, and that of the farm 7,300 acres, that is one and a half per cent. of the area of the division. If the benefits were confined to this one area alone the farm has more than justified its existence.

The cotton type 289F has been thoroughly tested and brought into prominence entirely by the Association. This cotton is one of Professor Milne's selection from Lyallpur, of which a few ounces were given to Professor Roberts in 1921. It has been valued in Liverpool at 150 points over "Middling American," and appears to be a very promising cotton which has, up to date, given a higher yield than any other American cotton grown at Khanewal.

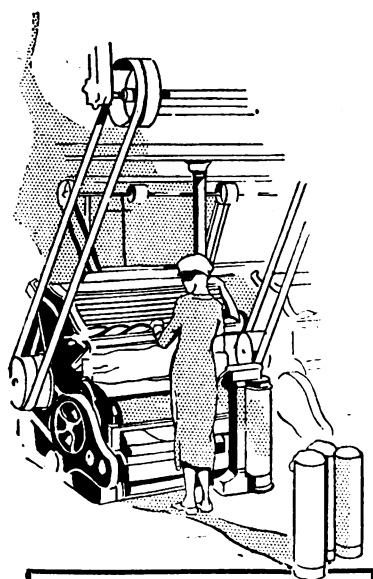
From the latest reports received from Khanewal the ginning and baling plant sent out by the Association is working most satisfactorily, and is giving an output of 200 bales per day of 16 hours.

The Association has been developing the Shahpur area by pumping from the river Ravi, and is now controlling 2,500 acres. The magnitude of the work may be gathered from the fact that nearly 10,000 tons of wood had to be cleared from the land before the cultivation could proceed.

Professor W. Roberts has been co-opted a Member of the Royal Commission of Agriculture for the Punjab, and has submitted to the Commission some suggestions on the possibilities of agricultural development in the Province.

The Association, through the B.C.G.A. (Punjab) Ltd., have taken an interest in Nili Factories Ltd. (Nili Bar), and two ginnery sites have been secured, one at Burewale and one at Vihare. These are in the new Sutlej Valley project area where cotton will be grown during the coming season. The principal object of this undertaking is to obtain control of the seed supply, and it is proposed to cultivate 4F and other varieties of cross American, and the scheme will be beneficial in improving the quality of Indian cotton. The proposition is situated in the Punjab, about 150 miles from Khanewal, and will be supervised by Prof. Roberts. During the year, Nili Factories Ltd., Punjab, decided to lay down a plant at Burewale, and placed with the Association an order for the necessary machinery, consisting of an air blast pneumatic battery of 4-80 saw gins, 40 D.A. roller gins, and seed cotton openers, hydraulic baling press of the revolving box type, and usual Indian finisher press, all of which are driven by a 4-cylinder oil engine of 325 h.p.

Another proposition in which the B.C.G.A. (Punjab) Ltd., have taken a controlling interest during the year is the Bundi Agricultural Syndicate, where it is proposed



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The Sudan.

During the year ended June 30, 1926, the Sudan Plantations Syndicate had under cotton in the Gezira, 80,031 feddans, as against 21,616 in the previous season, and the total crop amounted to 90,309 bales. Therefore, the crop from four times the area was eight times that of the previous season, and in addition to the high yield, the cotton was of very good quality. For the 1926-27 season, 100,057 feddans have been planted with cotton, and there is every prospect of another good crop being realised.

In the Kassala area the average Gash flood will not enable the Kassala Cotton Company to bring very large areas under cotton, such as were originally anticipated, and in practice the expectations of the irrigable acreage upon which the concession negotiations proceeded have not been fulfilled. The effective cotton areas for the 1925-26 season totalled 11,400 feddans, and the resulting crop was about 5,435 bales of 400 lb. each, and the quality was very satisfactory. The Gash flood was much better in 1925, and for the coming season 26,100 feddans are under cotton cultivation. The crop generally looks strong and healthy and a yield of some 10,500 bales of 400 lb. each may be anticipated.

The cotton crop in the Tokar area on the Red Sea was a failure, and the total was only 10,035 kantars, which with the exception of the year 1919, is the lowest crop recorded since 1903.

Negotiations have been entered into generally to undertake the commercial and financial operations required in regard to the development of cotton growing in the Southern Provinces of the Sudan. This development, while rapidly reaching the stage when the handling and financing of the crop requires organisation that cannot be suitably provided by a Government department, has not progressed sufficiently to allow of this being efficiently done by independent private enterprise, taking into account the difficulties of the region and the backward condition of the population. It is understood that the Sudan Government will undertake the responsibility of providing the agricultural staff required for the purpose of educating and assisting cultivators in regard to cotton growing, to effect control of cottonseed and its distribution, and to take such measures as are practicable in preventing and controlling insect pests and plant diseases, and generally to carry out the necessary experimental and demonstration work in connection with the extension of cotton growing in these specific districts. The operations of the proposed organisation would commence with the taking over and payment for the cotton from the cultivators at the ginneries or buying centres, and it would be their duty to grade all cotton, and to pay cash for it, also to gin and bale and market the produce. The special operations of the organisation would be carried out in the Mongalla, Bahr el Ghazal, Upper Nile and Nuba Mountain Provinces. It is considered that such an organisation would give a great stimulus to the rain-grown cotton industry in the southern parts of the Sudan which has already attained considerable proportions.

Iraq.

The steady development of cotton cultivation was maintained during the year, and the total crop amounted to approximately 3,500 bales, being an increase of 1,000 bales on the previous year. The cotton is of excellent quality, and the best grade commands a premium of 4d. to 5d. per pound on Middling American.

With regard to seed distribution, arrangements were made with the Iraq Railways that forty station masters should act as agents for the Association to register applications for seed and supply the same. This was done free of expense to the Association, and about twenty tons of seed were supplied by this means to farmers. The railway gave very valuable assistance in distributing the seed, and in this way it is hoped to get into touch with cultivators in the vicinity of every railway station in Iraq.

The cotton area is gradually extending down the Tigris below Ctesiphon, and the cotton is transported in barges which are propelled by small motor boats.

The existing railway system of Iraq is inadequate for the proper development of the commercial and agricultural possibilities of the country, but owing to lack of capital even the existing system cannot be operated to the best advantage. Much of the rolling stock is due for replacement, and necessary developments in the permanent way. An extension of the railway to Mosul is desirable, also the building of a bridge across the Tigris at Baghdad by which to make a permanent connexion between the two sections of the railways. The Mosul and Arbil areas already produce large quantities of grain, and although, owing to lack of transport, little cotton development has taken place, the quality is exceptionally good. What is required is an outlet for the grain of the North and for cotton development by the extension of the line from Kirkuk. Col. Hammond paid a visit to the country during the latter half of 1926, on the invitation of the Iraq Government, and made an independent examination of everything connected with existing railways and future development, and of the financial aspect.

The Irrigation Department have been busy making investigations, and have decided on a few small schemes which will eventually form part of the greater ones. The Dajarah Barrage on the Hillah Canal is one of the biggest of those to be taken in hand at present, and will prove useful in extending and improving areas of cultivation in the Diwanayah Liwa. A cotton conference was held at Hillah which was followed by the visit of a large party of Sheikhs and notables to the Association's ginnery at Baghdad. The party was greatly interested in what was shown them at the ginnery.

Every year the Tigris is in flood in March and April owing to the melting snow in the mountains, and the level of the water then rises above that of the plain through which the river flows and is only prevented from flooding it by a bund or embankment on each side of the river. In April last the flood broke through the bund causing considerable damage and loss at Baghdad. A flood relief fund was raised for the benefit of poor people and cultivators who were actually living in the flooded areas, and in view of their considerable interests in the country the Association made a donation of £500 to the fund.

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Subscribed Capital	£4,000,000	Reserve Fund	£2,900,000

HEAD OFFICE: 26, BISHOPSGATE, LONDON, E.C.2.

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Amritsar	Chittagong	Kandy	Mandalay	Zanzibar	Mombasa		Kampala	
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Reserve Fund - £10,000,000
Deposits, &c. (31st Dec., 1926) £347,653,458

EASTERN DEPARTMENT:

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Cotton and Cotton Goods.

THE EGYPTIAN MARKET.

The Alexandria Commercial Company, in their report for the week ended April 14, state:—

Since our last report the futures market has been quiet but the tone has been decidedly more firm. The week's summary of price movements is as follows:—Sakellaridis: May, 26.37 dollars, 0.25 dollars up; July, 26.60 dollars, 0.33 dollars up; November, 27.24 dollars, 0.29 dollars up; January, 27.14 dollars, 0.24 dollars up. Ashmouni: April, 18.99 dollars, 0.38 dollars up; June, 19.19 dollars, 0.31 dollars up; August, 19.35 dollars, 0.27 dollars up; October, 19.78 dollars, 0.22 dollars up.

Sakel.—In spite of the large stocks and the poor demand from abroad, the Sakel market has been quite firm, with very few sellers. Up-country merchants, especially the natives, are all bullish of Sakel and very little, if any, of the cotton they hold is hedged.

Uppers.—The week has seen a series of quiet markets but, as for Sakel, the tone has been firm. The demand from abroad has been slightly better than last week. It seems that spinners now look upon Uppers prices as comparing favourably with competing growths, and the prospects are that this variety will obtain its full share of any improvement in the demand in the near future.

At the second April tender, 9,750 kantars dockets were issued.

The week's receipts amount to 66,378 kantars against exports 165,820 kantars; the stock in Alexandria amounts to 3,127,553 kantars.

The official figures of arrivals and exports for the period September 1, 1926, to April 7, 1927, are as follows:—Arrivals: Lower Egypt, 4,377,000 kantars; Upper Egypt, 2,682,000 kantars; total, 7,059,000 kantars. Exports: Sakel, 2,195,474 kantars; Ashmouni, 2,609,392 kantars; Various, 336,808 kantars; total, 5,141,674 kantars.

Spot: We have had dull markets at Minet el Bassal during the past week and the demand continues poor, spinners not showing much interest in our cottons. Sales amount to about 12,500 bales, of which we estimate 4,400 bales Sakellaridis, 7,600 bales Ashmouni and Zagora, 250 bales Pilon, 200 bales White, and 50 bales Brown. The spot situation shows little change from last week as regards quantity and quality of offerings.

Sakellaridis: A very mediocre business has been put through. All grades have been dealt in. Spot differences are unchanged.

Ashmouni and Zagora: Have been in moderate request and a fairly good business has been done covering all grades, with the medium qualities preponderating. Spot differences show no change from last week but are very steady and cotton at the moment is well held.

Pilon: A fair business has been done at last week's differences.

Brown: Has been in retail request and a small business has been done without change from last week's differences.

White: A very fair business has been done. Spot differences are unchanged.

Up-Country: Business has been very quiet up-country during the past week. There is still a fair quantity of cotton held in the villages, of which a good proportion is pledged against Government advances. A little new crop business has been concluded but, generally speaking, growers are not disposed to sell next season's crop on the basis of present premiums.

Crop, 1927: Weather conditions during the week have been favourable and the crop is progressing normally in every respect. Re-sowing has not, so far, been necessary to any great extent and this is all in favour of the grade of the cotton which will be picked. On the basis of our present private reports, we estimate a reduction in the acreage of from 20 to 25 per cent. Water supply is everywhere abundant.

THE LIVERPOOL COTTON MARKET.

Messrs. Reynolds and Gibson report as follows for the week ended April 20:—

Egyptian Futures.—Sakel Contract.—Owing to the intervention of the holidays, trading this week has been restricted to three sessions. During these, although operations have been confined to rather minor transactions, the tone has continued to show a somewhat remarkable steadiness, so that prices have registered a gain generally of 6 to 7 points for near and 12 to 14 points for distant positions since we last wrote. As customary at this period, the offtake for actual has been curtailed and Manchester reports have indicated only a moderate turnover in yarns; however, as we are of the opinion that mills are not carrying stocks of any weight, it would appear likely that a resumption of increased activity should be witnessed in the demand for both c.i.f. and spot cotton during the course of the next two or three weeks. In view of the recent comparative absence of both trade and speculative support, we can only attribute the very steady tendency of our market to the action of Alexandria. Reports from the other side throughout the week have been consistently good; however, in spite of our option being by far and away the cheaper proposition, we continue to show a very tardy response, although it must be confessed that at the present difference it is impossible to anticipate any selling of weight being attracted here. Near positions still show a certain amount of heaviness, and apparently the idea is entertained in some quarters that the undesirable March tenders will come out again in May.

We notice in reports from Alexandria a statement to the effect that whilst the stock there is very heavy, a large part of it is comprised of poor style cotton, and on account of this it is doubtful whether more than a small portion is up to contract standard. In a lesser degree, the same situation exists at this side, and probably this outweighs at the present juncture the "bearishness" of the statistical situation and the moderate trade support experienced.

We remain of the opinion that any material movement from the present level is unlikely for the immediate future; however, taking into account the present level of prices and the almost certainty of a reduction in the Sakel production for the coming season, it would appear that any improvement in the trade outlook would be rapidly reflected in values.

Upper Contract.—Rather more attention has been paid to this option during the past week, and, under the influence of hardening American values and also a moderate amount of trade support, prices have hardened 14 to 16 points for near and 14 to 18 points for

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distant positions since our last report. This tendency has not been confined only to this market, as both spot and future values in Alexandria have appreciated. It must be conceded that the Upper varieties stand at a fair premium over American, but this difference appears to be fully warranted by the fact that competitive outsiders are this season scarce and dear. On this account, we are inclined to anticipate a further hardening in prices as the season advances.

Egyptian Spot.—Conditions show no change since our last report and, if Egyptian cotton alone is considered, these conditions can only be described as quiet. Nowadays, however, so many mills which formerly used Egyptian cotton are spinning Sudan, that in regarding the situation as a whole one must include the latter growth. Coupling these two growths, we find that during the three business days which we have to review the equivalent of approximately 2,133 Egyptian bales have been purchased by the trade, an average of over 700 bales per diem. Evidently, from this, we may infer that there is more business doing in the Egyptian section of the trade than is generally believed.

The total inquiry has displayed no new features. Sakel, at from 13d. to 14d. and Upper at from 10d. to 10½d., still continue to claim the most attention, apart from Sudan growths. In the latter, a good business has been done, more particularly in the Sakel variety, both old and new crop cotton attracting a considerable amount of interest. The White variety has continued in marked request, but with rather disappointing results. C.i.f. business has shown a slight improvement, and forwardings to spinners for the week ending the 14th inst. were returned as 7,551 bales Egyptian and 1,135 Sudan. Estimated sales, 500 bales Egyptians and 2,450 bales Sudan.

Quotations of Sakel have suffered no change, but those of Upper have been advanced 15 points. F.G.F. Sakel to-day, 13.65d. F.G.F. Upper to-day, 10.70d.

NEWS FROM ALL SOURCES.

The production of the Minerva (Roumania) Oil Company for March, including oil received from royalty wells, amounted to 1,006 tons.

It is reported that Abyssinia is to negotiate a commercial treaty with Czechoslovakia.

The directors of the Calcutta Electric Supply Corporation, Ltd., recommend a final dividend of 7 per cent. on the ordinary shares, making 12 per cent. for the year. They also propose the distribution of a scrip bonus of one share for every ten held.

The report of the Punjab National Bank for the half-year ended December 31 last states that the profit, after all ordinary expenses, amounts to Rs.3,02,843, plus Rs.42,869 brought in. The directors recommend a final dividend at 15 per cent. per annum, to place to reserve (No. 2) Rs.73,893, raising it to Rs.3,20,000, carrying forward Rs.43,137.

At the annual meeting of the Association of British Chambers of Commerce in London this week a resolution is to be moved expressing dismay at the proposal to abolish the Department of Overseas Trade. The resolution states: "The Association is of opinion that the Department has proved itself to be of great value to the overseas trade of the country, and that such a change will tend to retard the extension of our commerce overseas, and the loss to the Treasury will cancel any saving in expenditure. The Association therefore urges the Government to allow the work of the Department in the furtherance of British trade to continue separately on its present lines, and to be extended."

Stock and Share Markets.

LONDON EXCHANGE		Prices on Apr. 25	Railways.		Prices on Apr. 25	Coal.		Prices on April 6
Government Stocks.								Rs.
Egyptian 4 p.c. Unified Debt ...	...	84½	Assam-Bengal ...	...	82½	Baraboni ...	...	31
Do. Pref. 3½ p.c. 1890 ...	...	72½d	Bengal Nagpur ...	...	95	Bengal ...	...	450
Do. Turk 4 p.c. 1891 ...	...	83½d	Egypt Delta Light Rly. ...	...	4½	Burrakur ...	...	163
Do. 3½ p.c. Eg. Trib. Bonds '94 ...	...	77½d	Southern Punjab ...	...	192½	East Indian ...	...	22½
Greek 5 p.c., 1881 ...	...	51	Rubber.			Equitable ...	...	18½
Do. 5 p.c., 1884 ...	...	51	Ceylon Para Rubber Ord. ...	...	14½	Pench Valley ...	...	24½
Do. 4 p.c. Rentes, 1889 ...	...	41	Doolgalla (Ceylon) Rub. Est. ...	...	20½	Raneegunge ...	...	30
Do. 5 p.c. 1890 ...	...	51	Grand Cent. (Ceylon) Rubber ...	...	46 6	Standard ...	...	52½
Do. 5 p.c. Funding Loan, 1893 ...	...	51	Hewagum Rubber Co. ...	...	26.9	Cotton.		
Do. 4 p.c. Rails, Loan, 1902 ...	...	51	Keptigalla Rubber Estates ...	...	3.1½	Bengal Nagpur ...	...	25½
Do. 4 p.c. Loan, 1910 ...	...	53	Malayalam Rub. and Produce ...	...	40½	Bombay Dyeing, etc. ...	...	97½
Do. 5 p.c. Loan, 1914 (Lon. issue) ...	...	66½	Shipping.			Bowreah ...	...	325
Do. 7 p.c., 1924 ...	...	99	Anchor 5½ p.c. Prf. ...	...	7½	Buckingham and Carnatic ...	...	200
Persia 5 p.c., 1911 ...	...	82½	Cunard ...	...	21½	Cawnpore Textiles ...	...	4½
Roumania 4 p.c. Ext. ...	...	70½	Furness Withy ...	...	35½d	Century ...	...	453½
Do. 4 p.c. Consolidation ...	...	44½	Khedivial Mail Ord. ...	...	1	Central India ...	...	54½
Sudan 5½ p.c. Guar. Bds. ...	...	106½	P. and O. Deferred ...	...	26½	Elgin ...	...	92
India 3½ p.c. ...	...	68½	Tea.			Khatau Makanji ...	...	115
Do. 3 p.c. ...	...	59½	Assam Co. ...	...	40½	Muir ...	...	292
Do. 2½ p.c. ...	...	50	Bengal United Tea Ord ...	...	21	New Ring ...	...	288
Do. 5½ p.c. ...	...	102½	Bramapootra ...	...	35½	Phoenix ...	...	449
Do. 4½ p.c. ...	...	89 15 16½d	British Indian Tea Ord. ...	...	2½	Svadeshi ...	...	546 1/16
Turkish 4 p.c. Unified ...	...	25	Cachar and Dooars Tea Ord. ...	...	315/16	Jute.		
Banks.			Ceylon Tea Plantations Ord. ...	...	68/16	Alliance ...	...	676½
Agri. Bank of Egypt ...	...	7½d	Consolidated Estates ...	...	4½	Barnagore ...	...	247
Bank of British West Africa ...	...	31	Darjeeling Co. ...	...	211/32	Budge Budge ...	...	610½
Bank of Roumania ...	...	80/3	Dimbula Valley (Ceylon) Ord. ...	...	3½d	Clive ...	...	44½
Barclays Dom. Col. Pf. ...	...	29½	Dooars Tea Ord. ...	...	325/32	Dalhousie ...	...	326
Lloyds ...	...	62½	Dooloogram Tea ...	...	1½	Delta ...	...	672
P. and O. Banking ...	...	9½	Doom Dooma ...	...	4½	Fort Gloster ...	...	1,056
Eastern ...	...	6½d	East Assam ...	...	37/16	Gourepore ...	...	786
Chartered Bank of India ...	...	19½	Empire of Ind. ...	...	213/32	Howrah ...	...	51
Ottoman Bank ...	...	10½	Halem Tea ...	...	2½	Kamarhaty ...	...	747
Imperial Bank of Persia ...	...	9½	Jhanzie Tea Association ...	...	43 16	Kankannarah ...	...	509
Land Bank of Egypt Ord ...	...	13½	Jokai (Assam) Tea Ord. ...	...	44	Khardah ...	...	533
Westminster ...	...	18½	Lanka Plantations Ord. ...	...	25/16	Kinnison ...	...	1,181
National Bank of Egypt ...	...	35½d	Lungla (Sylhet) Tea Ord. ...	...	17/32	National ...	...	39½
National Bank of India ...	...	48½d	Nuwara Eliya Tea Estates Ord. ...	...	513/32	Standard ...	...	32½
Land.			Pabbojan ...	...	7½d	Union ...	...	745
Kassala Cotton ...	...	9½	Scottish Assam ...	...	125/32	Miscellaneous.		
Sudan Plantations ...	...	4½	Upper Assam ...	...	217/32	British India Corporation ...	...	4½
Mines.			Insurance.			Bengal Paper Mills ...	...	3½d
Balaghat Gold Mining ...	...	4½	General Accident Fire and Life (£5, £14 paid) ...	...	83/16	Bengal Timber Trading ...	...	107
Burma Corp. ...	...	13/9	London & Lancs (£5, £1 paid) ...	...	23½	Burn and Co. ...	...	238
Champion Reef Gold ...	...	11/6	Royal Exchange (£1) ...	...	73 16	Cawnpore Sugar ...	...	28½
Mysore ...	...	15/3	Sun Fire £10 (£2 paid) ...	...	24½	Champaran Sugar ...	...	12½
Nundydroog ...	...	11/4½	Trade Indemnity (£10) ...	...	13½d	Howrah Oil Mills ...	...	11½
Oreogum Gold Mining Ord. ...	...	16/9	Miscellaneous.			ALEXANDRIA		
Oil.			Alexandria Water Co. ...	...	14½d	Prices on April 14, supplied by G.L. Mortera, Alexandria & Cairo.		
Anglo-Egyptian B ...	...	19/32	Associated Cotton Ginners ...	...	16½	Agricultural Bank of Egypt ...	...	£77/32ex
Anglo-Persian Ord. ...	...	4 15 16	Egyptian Hotels ...	...	73	Do. Foad. ...	...	£620ex
Do. 8 p.c. Cum. 1st Pf. ...	...	26/10½	Do. Markets Ord. ...	...	25-6	Alexandria Water Co. ...	...	£14 29/32
Do. 9 p.c. Cum. 2nd Pf. ...	...	28-6	Do. Salt and Soda ...	...	22½	Assoc. Cotton Ginners ...	...	£27/32
Do. 5 p.c. Debs. ...	...	95½	Mortgage Co. of Egypt 5 p.c. Pref. ...	...	83-16	Behera Ord. ...	...	£815½
Berk. Burmah ...	...	9½d	INDIAN EXCHANGES.			Ciments d'Egypte ...	...	Frs. 125
Burmah Oil Co. Ord. ...	...	67/16	Government Loans.			Div. ...	...	£163
Do. 8½ Cum. Pref. ...	...	26-9	3½ Government Paper ...	...	78½	Comptoir Fin. & Com. d'Egypte ...	...	£5/16
Phoenix Oil and Transport ...	...	24/6	Banks			Credit Foncier Egyptien ...	...	Frs. 1,094
Steaua Romana ...	...	13/6	Imperial Bank of India ...	...	1,513	Fondateur ...	...	2,250
			Bank of India ...	...	78	Crown Brewery Priv. ...	...	Frs. 101
			Central Bank of India ...	...	29½	Filature Nationale d'Egypte ...	...	£5½
						Frigoirique d'Egypte ...	...	£6½
						Immeubles d'Egypte Soc. An. des. ...	...	£15 11/16
						Land Bank of Egypt Actions ...	...	£137/16
						Parts de Fond ...	...	£148
						Menzaleh Canal Navigation ...	...	Pt. 340

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Reserve Liability of Shareholders - £1,000,000

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Reserve Fund - £400,000

Branches: BOMBAY, CALCUTTA, KARACHI, MADRAS, COLOMBO, BAGDAD, BASRA, AMARA, MOSUL, BAHREIN, KIRKUK.

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NATIONAL BANK OF EGYPT
HEAD OFFICE: CAIRO.

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RESERVE FUND	-	-	-	-	-	-	-	£2,675,000

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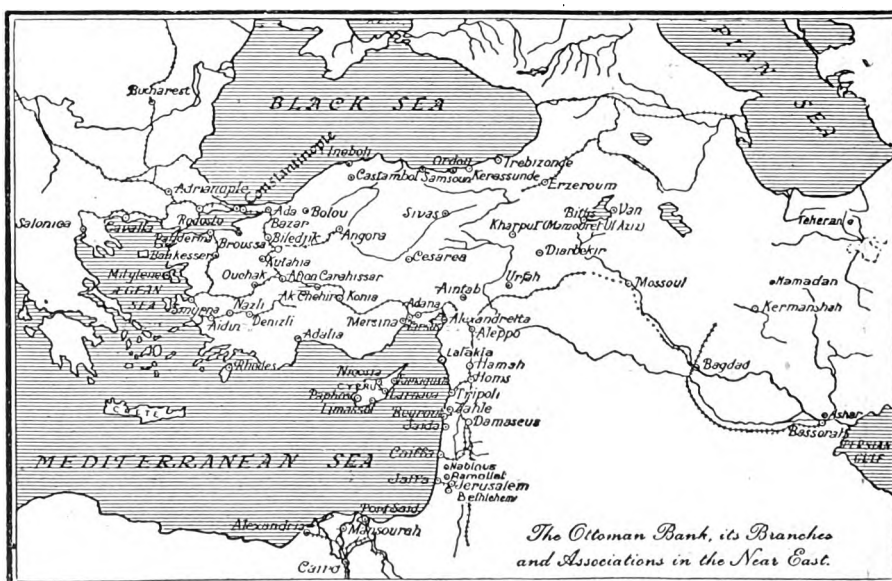
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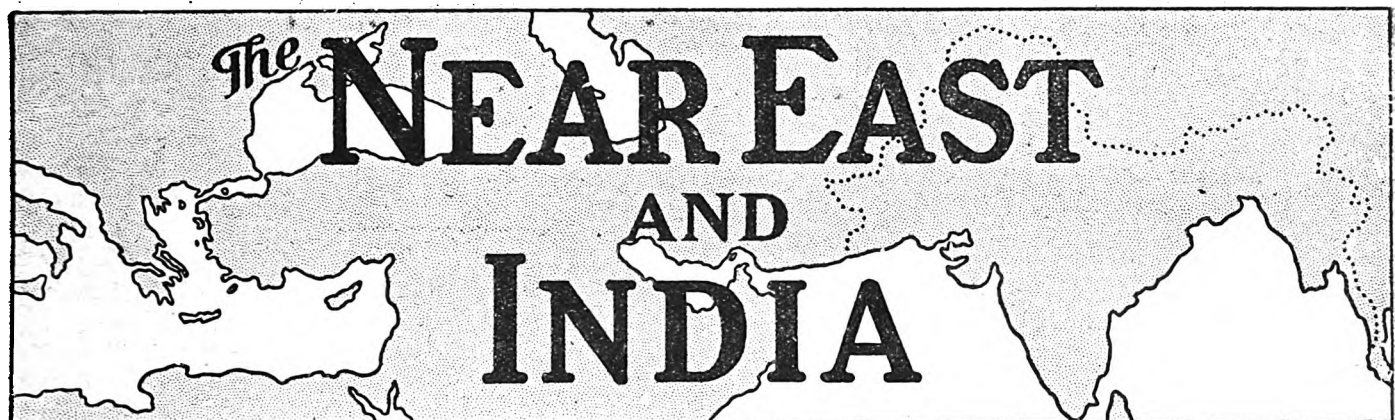
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No. 832.—VOLL XXXI.

THURSDAY, MAY 5, 1927.

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The Abolition of Capitulations.

During the past few months there has been observable in several countries in the East a renewed tendency to demand the abolition of Capitulations. In part this demand may be due to events now occurring in China, and in part it may be due to Bolshevik instigation. Possibly the greatest influence of all may be the example of Nationalist Turkey, which at Lausanne swept the capitulatory régime away. But whatever the cause, profound or immediate, this demand on the part of Eastern nations for such independence as would include the modification of special rights for foreigners is not an unnatural one, and deserves to be seriously and comprehensively considered.

This demand for the ending of the capitulatory régime is at the moment most noticeable in Persia, Egypt, and the Hijaz. Now there is little sense in merely giving to these countries the old answer that conditions therein are not fit for the abolition of the Capitulations: that answer may have been perfectly correct in the past, and it may be perfectly correct at the moment, but it cannot for ever be correct. Turkey is not so far advanced from Egypt and Persia that a demand granted to the one must uncompromisingly be refused to the other two.

In Persia, it will be remembered, Said Zia-ed-din, the Prime Minister whose régime was as short as his ideas were advanced, included the abolition of the Capitulations in his scheme of national reforms. That was in 1921. During the subsequent years Persia was too busy with others matters to worry overmuch about her exiled Premier's reforms. But early this year there was a recrudescence of the idea. Our Teheran Correspondent has described the Press campaign which followed the scheme for reorganising the Ministry of Justice in Persia; and the Shah, in his speech at the inauguration of the new buildings of the Ministry of Justice on April 26, intimated that the Persian Prime Minister was to approach the foreign Governments represented in Persia upon this question of the abolition of Capitulations. This is, as we say, a natural trend of events, and there is no need to get excited over it.

In Egypt the demand has been even more urgently

made. For many weeks past the Egyptian Press has been urging, now the ending, now the modification, of the capitulatory régime, and we notice that Abdul Rahman Bey Fikri, in the Memorandum which he has sent to the League of Nations, emphasises the inequality of taxation in Egypt owing to the Capitulations—a reminder that there is another side than that of justice to the capitulatory régime. The question in Egypt seems to have been somewhat complicated by the careless, or reckless, attitude of a section of the Egyptian Press; certainly the feeling appears to be dominant among the more considerable body of foreigners in Egypt that native justice is insufficient for Western standards.

In the Hijaz the matter is naturally one mainly of *amour propre*. Our Jidda Correspondent has stated that there was in the McMahon correspondence with ex-King Husain some talk of the possibility of modifying the capitulatory régime in the Hijaz, a régime which the Hashimite's successor, King Ibn Saoud, is by no means disposed to recognise. Here again, it would seem that a compromise may be reached, and possibly an opportunity occur for Britain, all of whose rights at Jidda do not, we believe, derive from capitulations, at once to assert her rights, and to give a lead, in the Arab world. The fame which Bolshevik Russia achieved by her alleged renunciation of certain treaties with Muslim States is in itself sufficient indication that Great Britain will not be the loser if she is in the vanguard of those European Powers who honestly and not in mere words wish the independence of Persia, Egypt, and the Hijaz eventually to be more real than it now may be. In short, although we are far from asserting that the abolition of Capitulations in the countries mentioned is an immediate desirability,—there have been in the last few years events both in Persia and in Egypt which must arouse anxiety for the security of foreigners—we do urge a sympathetic and comprehensive consideration of the problem, for we realise that the present régime in Islamic countries is but a stage of transition, and that it is better for us of the West to attempt to inform the future in the East than to have it informed for us by the East.

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PALESTINE AND JEWRY.

Elsewhere in this issue is published an interesting letter from the President of the American Zionist Organisation, who in seeking to justify his contention that the Palestine Government is responsible for the present crisis in that country has raised afresh the whole question of the inwardness of the Jewish National Home. Mr. Lipsky's remarks betray such a fundamental misconception of the real position in regard to the National Home that it seems necessary to recapitulate the interpretation that has already been given officially to those words and which is the only one that they can possibly bear. In so doing we have no desire to probe a wound which, we recognise, is still sore. It is a well-known fact that the Balfour Declaration, given in perfect good faith by the British Government at a time when there was neither the opportunity nor the inclination to examine far ahead all the possible ramifications of any policy, conjured up for Zionists prospects that the Government made no attempt to dissipate. The Zionists were allowed—and no blame can be attached to them—to build on that Declaration the most extravagant hopes of a wholly Jewish Palestine. The country in those days was Turkish territory; if a thought was given to the native population, it was not in terms of vested rights and self-determination. When the time arrived for the Zionists to carry, as they hoped, all their dreams and aspirations into practice, the British Government awoke to the unpleasant realisation of the impossible lengths to which it had allowed Zionist hopes to travel. For both parties the situation has been full of embarrassment. The Zionists could not draw back; the British Government could not ignore the rights of the Arab population six or seven times as numerous as the Jews. Jewish energy and Jewish enthusiasm promised to be the making of Palestine; and the problem was to secure their continuation while the more extravagant of the political hopes were being abandoned. We confess to having believed that the difficulty was in fair process of being overcome. Zionist reasonableness and the Government's tact seemed to be working wonders. The economic crisis from which the world is suffering, which has laid a heavy hand on Palestine as well, has, however, introduced a serious strain on the situation, and now the restiveness of American Jewry is being used for the purposes of a fresh attack on the Mandatory Power through the Palestine Government.

The points raised by Mr. Lipsky strike at the root of the Palestine question. The Zionist Organisation depends to a large extent on the financial support of American Jewry; but for the moment the forward movement of Zionism in Palestine is held in check, and American Jews,

the President of the American Zionist Organisation contends, will withhold their support or will not give it so freely, if Zionism is not to be a success. He contends that the Palestine Government is to blame for the fact that conditions in Palestine are not favourable to Zionism, and in support of this thesis puts forward certain arguments and enumerates certain definite grievances. Mr. Lipsky declares that it is not sufficient to give the Jews a free hand to build a National Home in Palestine. It is, however, legitimate to ask, Why not? The British Government has never undertaken to do more than "to facilitate the achievement" of a Jewish National Home. The Jewish community in Palestine, to use the words of the Government's statement in 1922, has "with its political, religious and social organisation, its own language, its own customs and its own life, in fact 'national' characteristics," and it was with a view to the development of that National Home that the British Government made it known that the Jewish people "is in Palestine as of right and not on sufferance." Mr. Lipsky continues: "They (the Jews) must be convinced that their effort encounters the willing and active support of the Mandatory Power." If by this is meant that every Jewish enterprise in Palestine must have Government backing until it can stand on its own feet, the contention is manifestly absurd; if it means that American Jews expect the Mandatory Power to give preferential treatment to Jews to the prejudice of "existing non-Jewish communities in Palestine," then it runs counter to the Balfour Declaration. In Mr. Lipsky's concrete grievance we see a family likeness to complaints that may be made against any Government by one section or another of the population. Revenue has to be provided, and in a country largely agricultural, it is usual to place a tax on land. A State that is in urgent need of settlers may remit taxation on new settlements for a number of years; but it is not difficult to understand the Government's hesitation to introduce this system in Palestine. In the matter of education, again, the question is not wholly one of statistics. The Zionist Organisation, we imagine, would not be content that the Jews should share with Arabs in a uniform system of education throughout the country. The Government is obliged to take note of the existence of Jewish schools, and to spend the money that it can spare for education with some regard to the needs of the country as a whole. The incidence of Customs taxes must necessarily fall on imports, and in the nature of Palestine conditions, these are mainly Jewish. A Government which adopts an easy method of raising revenue is not necessarily a sinner above all other Governments; if it listens to protests and actually removes objectionable taxes, it would seem to possess virtues often denied to others of its kind.

Much sympathy is felt in Great Britain with the difficulties that Palestine is now encountering. National pride requires that a success should be made of the Palestine Mandate; but between the Jewish Scylla and the Arab Charybdis the course is a difficult one. The British Government is not likely at this stage to be deflected from its path of strict impartiality. It cannot but be favourably disposed towards the Jews, whose splendid help has been invaluable in the building-up of Palestine; but its obligations to the Arabs are just as definite. It can, therefore, only persevere on its middle way, keeping steadily before it the goal of a Palestine in which Jews and Arabs will be content to work in harmony for their common interests in a country to the advancement of which each section will contribute according to its capacity.

Notes of the Week.

The Albanian Dispute.

The past week would seem to have brought about no definite developments in the Albanian question. Italy and Yugoslavia are nominally preparing for negotiations, or at least discussions, on the subject; but on top of the delay caused by the Easter holidays came the official Italian announcement that no reference to the Tirana Treaty could be allowed at the conference. The Yugoslav Government had in consequence to reconsider its position, and it may be inferred that both the British and French Governments took note of this all-important limitation on the proposed discussions. Public opinion in Europe is clearly opposed to the Italian attempt to prevent light from being thrown on the real inwardness of the Tirana Treaty; but it remains to be seen whether this unanimity will be allowed to influence Italian policy. In the meantime Italian activities in Albania are causing anxiety to many Albanians, and affect the position of Ahmed Bey Zogu. Each act of "penetration" may be quite legitimate in itself, but in their cumulative effect they serve to alarm the Nationalist section of the community. In her own interests it would be thought that Italy would be anxious to disarm suspicion in the country; but at present there is no sign of moderating the forward policy. The result must almost inevitably be an explosion in Albania, the permanent estrangement of Yugoslavia and Italy, and increasing misgiving in the rest of the Balkan Peninsula in regard to the cuckoo-like propensities of Italian penetration.

Britain and the Tirana Treaty.

Sir Austen Chamberlain's statement in the House of Commons on May 2 should go a long way towards clearing up misconceptions regarding the British Government's attitude towards the Albanian controversy. It has been taken for granted in many quarters on the Continent that in the matter of Italy's relations with Albania the British Foreign Secretary was altogether "in the pocket of" Signor Mussolini, and in Yugoslavia in particular it has constituted a standing grievance that Great Britain was necessarily ranged on the Italian side of the dispute. Sir Austen Chamberlain stated that the terms of the Tirana Treaty were not communicated to him before the Treaty was published and that the British Government "had nothing to do with its inception, its negotiation or its terms." He made it clear that he had done his best to facilitate direct conversations between the parties, because he could not advise in this or any other cause that recourse should be had to League intervention before the parties had met and discussed their differences. Sir Austen Chamberlain declared that the British Government had no other interest in the question than the preservation of peace and had no intention of taking sides in the controversy for or against either party. Finally, he explained that the resolution of the Ambassadors' Conference of November 9, 1921, although binding on the British Government, merely pledged the signatory Powers to recommend that the Italian Government should be entrusted with the restoration of Albanian independence, in the event of the Council of the League of Nations having to intervene to restore the independence and integrity of Albania. Unfortunately, as in the case of other undertakings, innocuous in themselves, to which she has been a party, Great Britain, although carefully holding herself aloof from interference in the affairs of a third State, be it Persia, Abyssinia or Albania, is held to be implicated, by the existence of the undertaking, in any excesses attributable to the other signatory. In the present instance Albania may have no misgivings regarding British policy; but it is clear that Yugoslavia has not been able to appreciate before the studied impartiality of the British Government in the Albanian incident.

Yugoslavia and Turkey.

No surprise can be felt if Yugoslavia, who finds Italy a very restless neighbour, and Turkey, who realises that the relative emptiness of Asia Minor must be a constant source of envy to a country whose surplus population presents a more and more formidable problem every year, take steps to exchange views on a subject of some concern to both of them. It can hardly be a coincidence that a mission of two high military officers from Yugoslavia as well as a more numerous body of Yugoslav "intellectuals," including newspaper editors, should be paying visits simultaneously to Turkey. The details already published of the terms of the treaty to be concluded between the two countries are, without doubt, sheer guess-work; but it is clear that Italy has only herself to thank for the situation which will have given rise to a desire in Yugoslavia for anything in the nature of a defensive alliance with Turkey.

Mosques in Western Capitals.

There are two mosques in England, one at Woking, and another at Southfields. For a certain section of Mussulmans who reside permanently or occasionally in England, these places of worship appear, however, to be insufficient; and we notice that in *The Times* of April 26 Mr. Ameer Ali, who was, we believe, one of the originators of the conception of a mosque for London who projected their scheme here in 1910, renews his appeal for a building in the heart of what is largely a Mussulman Empire. Curiously enough, a day or two after reading this appeal, we saw a message from the Paris correspondent of the *Morning Post* in which the present condition of the famous new mosque in Paris was depicted. According to this report, the Paris mosque, which was officially thought by France to be the means of gaining the good-will of Islam, has become the home rather of feasting and of bargaining, than of worship, and its main purpose has been subordinated to making it a sensation for tourists. The mosque is apparently being used as a restaurant, in which instead of plain Oriental fare, elaborate menus are provided. If these things are really so, the contempt which good Mussulmans will feel for this official institution will be intensified. Whatever be the merits, therefore, of the scheme for a new London mosque, it is well not to point to France (and possibly also to Germany) as

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caring more for the interests of Muslims than Great Britain. Official support of and sympathy with a scheme for aiding the spiritual welfare of Mussulmans are worse than useless unless they are constant and watchful, and it is at least to be doubted whether the word "statesmanship" is justified in the letter of Mr. Ameer Ali which contains this sentence:—"French statesmanship has anticipated the inauguration of the mosque in London." Who would care to assert that the position of France in Islam is stronger since the erection of a mosque in Paris? The probability on the whole is that the more unofficial and spontaneous is the move towards the establishment of a comprehensive new mosque in London, the more effectively will its purpose be served.

The Druse Rebellion.

News from Syria is uncommonly difficult to come by at the present time. If one is to believe the French officials, who appear to be more than usually reticent, almost complete calm reigns in Syria, even in the Jabal Druse; the Arab Committee in Cairo, on the other hand, never seem at a loss for news of fresh conflict and of "rebel" success in the French mandated territory. It is patent, however, that for the time being, at any rate, and, we hope, permanently, the revolt in any general sense has subsided. This observation is really reinforced by the activity which the supporters of Sultan Pasha al Atrash have indulged in at Qasr al Azraq. These men apparently wish to use this base in Transjordan for operations across the border, a course which the Amman authorities must inhibit. About a fortnight ago martial law was declared in Qasr al Azraq, and although this need not be interpreted as a sign that the situation between Druse refugees and the Transjordan Government has been getting out of hand, it certainly is an additional reminder of the sincere co-operation actuating the British and French Mandatories. What is much more important, however, than the local position on the Transjordan-Syrian border, is the programme that M. Ponsot, French High Commissioner, has taken from France to Syria. The Syrians and Druses alike are now, we believe, more disposed to listen to wise and generous proposals; and it will be a bitter disappointment, not only to the inhabitants of Syria and to the French, but also to the outside world, if the Syrian problem is not put this year on the right lines of settlement.

Conscription in the East.

The best authorities are, we believe, by no means disposed to belittle the military prowess of the Persian, but it is not yet true to say that the Persians are a military nation in the Western sense. The gulf that bridges Persia and Turkey, for example, in the matter of national military service is an immense one. The law of conscription that was recently passed at Teheran would not appear so far to have produced very satisfactory results, but the details of the new Turkish law on military service which the Supreme War Council has drafted show the varying outlook and degree of unity which the Persians and Turks respectively enjoy. The Turkish citizen's military duties, according to this draft law, begin on January 1 of his twentieth year and end on December 31 of his forty-sixth year. Nine years' active service are required, of which one and a half years are spent in the infantry, two in an Army band, two and a half in the gendarmerie, and three in the marine. This draft law is certainly instructive, for it would appear to provide as effectively as possible, not only for defence of the country's land boundaries, and for the maintaining of internal order, but also—what is in the main a new idea for Turkey—for the defence of the country's shores. Indubitably there are shrewd heads among the Kemalist War Council, for not many foreign observers would care to assert that the Turkish Army will be the deciding factor in Turkey's next war. One wonders whether the Yugoslav officers now at Angora will not warmly applaud the wisdom of the Kemalists' latest proposal. But how different from this is the "national" feeling on the score of conscription in such countries as Iraq or Persia!

Turkey and Her Indebtedness.

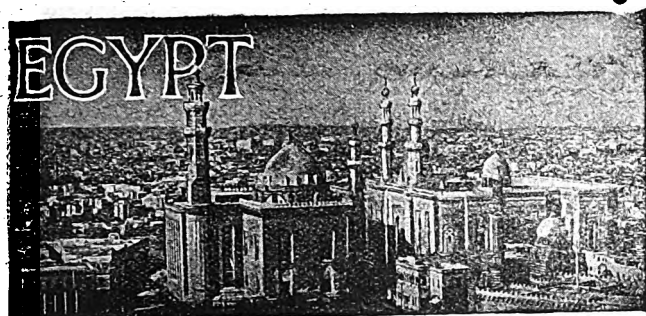
The prospect of having to meet payments long since due on foreign debts and to carry through the purchase of the Anatolian Railways is exercising the minds of Turkish deputies and others, as it is foreseen that any considerable payments abroad are likely to depreciate Turkish currency, quite apart from the adverse effect on budgetary equilibrium. Stress is being laid on the absolute necessity of Turkey's restricting her payments to her capacity, and it is implied that this capacity must be determined solely by the stability of the Turkish exchange. The assurance is expressed that the Government can be relied upon to bear this point carefully in mind—this represents the limit to which press criticism trusts itself at the present time in Turkey—but there is no indication that the realities of the economic situation are understood. The Government must be given credit for its efforts to balance the Budget, as recognition of this necessity is an indispensable preliminary to any sound financial policy; but there has been a tendency, it is to be feared, to disguise the fact that equilibrium has been attained so far only by the omission to meet the country's foreign indebtedness. If at last the principle of repayment of loans is recognised, it is not very helpful to suggest that repayment must be so restricted as not to affect Turkish exchange adversely. The first thing to settle is the amount that Turkey will have to provide in the current year as interest on her debt, and then to decide how that money is to be obtained in order that the exchange may not fall. This will provide the real test of the soundness of Turkey's financial policy, far more than paper equilibrium with an important item on the expenditure side simply omitted to secure that nominal equilibrium. In other words the Turkish Government will have to produce a much larger revenue than it has obtained hitherto, and this can be achieved not by *ad hoc* raids on chance sources, but by an expert overhauling of the whole economic fabric of the country. For this purpose it can hardly be doubted that foreign advice will be required.

The Population of Turkey.

In various quarters the question of the population of Turkey has been raised, and in the absence of accurate statistics it is inevitable that estimates should show wide discrepancies. The Turkish authorities are now preparing for a census, and the point at issue should, therefore, be settled before long. It is a mistake on the part of the Turks to imagine that foreigners, in trying to arrive at an estimate, have any other object in view than to achieve, as far as possible, accuracy. If the population of Turkey is thirteen million, there is no point in anyone's pretending that it is only seven million; the converse is equally true. The smaller figure would explain the difficulties of the Government in balancing its Budget; the larger figure will emphasize the backwardness of the country and its people. The subject would not call for comment here, if THE NEAR EAST AND INDIA had not been singled out by Motalib Bey, Director-General of Civil Affairs, for a special reprimand. "The suggestion of THE NEAR EAST AND INDIA," he is reported to have said, "that the population of Turkey is less than thirteen-and-a-half million is false and sheer invention." The suggestion, if made in these columns, will have been put forward on the strength of available estimates; but we shall be the first to welcome the accuracy of Motalib Bey's assertions. He quotes the recent census of Sivas town as giving a population of 30,746. The figure given, if we are not mistaken, in the official return of the Ministry of the Interior of 1924 was 45,000 for the town, the total for Turkey being 12,426,597. A reduction in the population of one town does not rule out a large increase in the total population of the country. It is to be hoped that there will be no undue delay in the holding of the complete census of Turkey—trial censuses only in a few places have been held so far—and in making the accurate figures known.

The Near and Middle East*

From Our Own Correspondents.



Cairo, April 23.

The Ministerial Crisis.

Your readers will have learned already from the cables how the ministerial crisis arose and of the very serious situation it created in view of the difficulty of finding a man competent to be head of the Government and having the support of both the British Government and the majority in the Parliament. The latter have been pressing Zaghoul Pasha himself to put forward his candidature, but he has hesitated, and very wisely too, in view of the attitude taken up by the British Government on that question last June and the certainty that it has not changed its mind in that respect. Indeed, if anything, the events of the past year have tended to harden the opposition of the British authorities towards the idea of the Wafdist leader's becoming Prime Minister. For, although he has periodically restrained the debates in the Chamber, he has by no means shown himself strong enough to keep in place the extreme Left, which has come into existence since parliamentary life was resumed. Indeed, the very fact of his now putting forward his candidature would be proof of his inability to resist the extremists of his party, for such an action on his part would be entirely due to their pressure.

As regards the crisis itself the Cabinet is deserving of every sympathy in the position in which it found itself. It took office because it was assured of the support of the majority in the House, and since six out of its nine members belonged to that majority it had every right to expect whole-hearted co-operation from that body in the difficult task it had to carry out. Although the first session passed off smoothly, the present one quickly showed that a carping, almost hostile, spirit had taken possession of the Chamber.

Almost daily the Cabinet was harassed by criticisms on the most trivial matters. Proposals were brought forward, which it very rightly considered against the interests of good government and in regard to which it

found that it could obtain no proper hearing for its arguments against them. The Budget debate was the culminating point. Nothing the Government had done seemed to be to the liking of the Chamber, and the Cabinet seized with an alacrity, with which one can entirely sympathise, the opportunity presented by the rejection of the motion of thanks to extricate themselves from a position which was as incompatible with the dignity of the Government as it was distasteful even to the Zaghoulouist members of the Cabinet.

Zaghoulouists' Responsibility.

The Zaghoulouists have tried to throw the blame for the crisis on to the Cabinet in the first place and the British in the second place. As regards the Cabinet what I have written above makes it perfectly clear that it had no other course than to withdraw, and the wonder is that its patience has lasted so long. As regards the British the suggestion is in the highest degree ridiculous. Even the Zaghoulouist Ministers, who might have been expected to seize at an excuse, which would raise their prestige and at the same time avoid any blame attaching to their partisans in the House, have not breathed a whisper of British policy or British actions or demands having been even an underlying cause of their resignation. The whole blame for the trouble lies with the Zaghoulouist majority, particularly with its leading members, as also with the absence of discipline within the party. Unless a marked change takes place in this respect, we are likely after a short interval to have a repetition of the history of the past session, and the lot of whoever agrees to form the Cabinet will be just as unenviable as has been that of Adly Pasha since at great personal sacrifice he consented to step into the breach last June.

Museum of Hygiene.

Although the Cabinet resigned on Monday evening Adly Pasha was not able to present the letter of resignation to the King until about noon next day because of the inauguration of the Museum of Hygiene, which His Majesty was to perform. This museum owes its creation to the generosity of the King and the initiative of that very able and enlightened man, Dr. Mohamed Chahine Pasha, Under-Secretary of State for Public Health. It is housed in an old Government school next door to the Abdin Mosque on the Madbouli Square, and is undoubtedly a most ingenious contribution to the efforts that are being made to educate the people in regard to the adoption of more hygienic methods and the means of preventing or curing the diseases to which the general public is so prone. The Museum is divided into two sections: on the ground floor the various organs and their functions are shown in most graphic manner together with models displaying their appearance when attacked by particular diseases. On the floor above are remarkable large scale models of the insects, which are such a pest in Egypt, as also of those

*Under this heading appear weekly or at regular intervals, communications from correspondents in Egypt, the Sudan, Roumania, Yugoslavia, Greece, Bulgaria, Albania, Turkey, Cyprus, Palestine, Iraq, and Persia.

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which cause the most prevalent diseases, while there is a chamber of horrors where venereal disease in all its stages is shown. The staircase leading from the ground to the upper floor is placarded with pictures graphically showing how disease is spread and how to prevent its propagation. These pictures are of a nature to convey their lesson to the most uneducated Egyptian, and should prove most helpful in the campaign of hygiene and disease-prevention which is at present being carried on.

CYPRUS.

Nicosia, April 18.

Complaints of Wine Makers.

There is some trouble in the large wine-producing districts, in connexion with recent taxation, which is considered excessive, now that the prices of grapes are very much higher than they were a few years ago. A deputation from villages, with their representative in the Legislative Council, has been received by the Governor, and has laid their grievances before him. Sir Ronald Storrs replied sympathetically, and said that he would submit their complaints to the Commission which is now investigating the whole system of taxation, and would do what he could. He also stated that he would himself shortly visit the vine-growing areas, and inquire further into complaints on the spot.

A New Trade Commissioner.

Major W. H. Flinn has been appointed to succeed Mr. W. Bevan as Trade Commissioner in London, at £1,000 a year. He has been for some years first Assistant to the Colonial Secretary, and has done good work in the Island. He prepared a good "Brief Survey of Cyprus," its history, resources, and development for sale at the British Exhibition at Wembley. The Greek Press, while regarding Major Flinn personally as well qualified for the post, has not taken kindly to its establishment, but considers it quite uncalled for, especially at a time when the greatest economy is needed, as merchants have their own representatives in London, who can fully deal with Cyprus products—now well known—and mutual trade matters.

Visitors from Greece.

Besides the athletes from Athens, ten in number, who are to take part in the approaching Pan-Cypriot contests

at Nicosia, several other visitors from Greece should arrive this week, including the Mayor of Athens, M. Patsé, and his wife. Great preparations are being made in the three chief towns, in elaborating programmes of receptions, banquets, etc. The Governor has expressed his sympathy and good wishes on the occasion.

The Island Mail Service.

Continued complaints have been made by the commercial community respecting this service, which does not meet local requirements. The Governor has taken the matter up, and it is confidently expected that fresh arrangements will be soon inaugurated by the Khedivial S.S. Company, in consequence.

The Governor's Summer Plans.

The Greek Nicosia paper *Phone tes Kyprou* ("Voice of Cyprus") has published a translation of a recent letter of the Governor to a friend in England, which appeared in the *Daily Sketch*, entitled, "A day in the life of a Governor." According to this, Sir Ronald should proceed to summer quarters on Mt. Troodos about the end of June. During August he contemplates visiting Rhodes, and after a further sojourn in the hills, will return to Nicosia in November.

General News.

Favourable weather has continued. The barley harvest should be a good one; and prospects generally are promising.

The growth and export of oranges will be encouraged by a Government grant of 4½ piastres (6d.) per case of 114 oranges, or more, to the U.K., or any other parts of the British Empire. Cyprus oranges, including bitter (also lemons), are of excellent quality. Those of Famagusta in the east of the Island rival those of Jaffa, the soil being light and sandy, and eminently suited for the fruit.

A lowering of the increased duty on caroubs (locust beans) in Spain will also be a welcome aid to merchants and growers of these important staple produce.

Progress in connexion with the Odeum, or School of Music, which should be opened on May 2, hangs fire, as pupils are not coming forward, and it would seem that there will be more teachers than scholars, at the outset.

The Cyprus Library, another scheme of the Governor, should, however, do well. There will be a Greek Librarian at about £150 a year; and a Turkish assistant.

NEAR AND MIDDLE EAST ASSOCIATION.

A meeting of the Near and Middle East Association was held on April 29, at 27, Great Cumberland Place, by kind permission of Mrs. James Conchie. A lecture entitled "The Outlook in Abyssinia," was delivered by Mr. C. F. Rey, and a report of it is given on another page. Sir Henry Penson, K.B.E., presided and the following were among those present:—The Countess of Clancarty, the Dowager Lady Cozens-Hardy, Lady Kitty Ritson, Sir Edward and Lady Boyle, Sir Griffith Boynton, the Hon. Katharine Thring, Sir Denison and Lady Ross, Sir Frederick and Lady Graham, Lady Hewitt, Lady Penson, Lady Tighe, Archdeacon Beresford Potter, Mr. Roland Michell, Professor Louise McIlroy, Mr. James Conchie, Mr. Montague Bell, Mrs. L. Cobham, Mrs. William Paget, Mrs. Eckstein, Mrs. A. Holland, Mr. A. Holland, Mr. Alex Devine, Miss Finn, Mrs. Henryson Caird, Mrs. Charles Hancock, Commander Williams, Captain A. H. Alban, and Mrs. Charlotte Mansfield.

At the invitation of the local notables, Lord Lloyd, British High-Commissioner in Egypt, on April 30 visited Minia, the most important cotton centre in Upper Egypt. After luncheon with Mr. F. W. Shirley, the British Consular Agent, Lord Lloyd, says *The Times*, visited the principal establishments, laid a wreath in the War cemetery, and returned to Cairo the same evening.



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PALESTINE AND AMERICAN JEWRY.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—My recent interview with the Jewish Telegraphic Agency on American Zionist opinion of the policy of the Mandatory Power has elicited in your columns some editorial comment which—may I be permitted to say?—is not an entirely fair contribution to the discussion. You seem to ascribe the American view to a desire to evade responsibility or to shift a possible blame for conditions prevailing in Palestine to the Mandatory Power. That, I submit, is begging the question.

During the past six years American Jews have contributed about 65 per cent. of the total Jewish capital put into Palestine. Their interest is not on the wane, but grows from year to year. This year we shall exceed our last year's collections by over thirty per cent. Recently a large and influential group hitherto not co-operating in Zionist work has entered into an arrangement with the Zionist Organisation to share in the responsibility of the Jewish Agency. More and more American Jews come to Palestine to invest their individual capital.

The growth of this support depends, naturally, upon the creation of favourable conditions in Palestine; and an important factor is Government. It is not sufficient to say, The way is open; let the Jews build the Jewish National Home in Palestine if they can. They must be convinced that their effort encounters the willing and active support of the Mandatory Power. Many American Jews now visit Palestine and see things for themselves. If the impression is made that the Government is reluctant to aid in ways clearly prescribed by the terms of the Mandate, or meets suggestions for active co-operation with delays, the task of the Zionist Organisation becomes almost impossible, for in addition to its regular propaganda work, it is called upon to dissolve the growing distrust of the whole situation in Palestine, which begins to influence many Jews.

It is needless to say that we American Zionists have faith in the British Government. That was indicated when an overwhelming majority of American Jews assembled in 1918 at the American Jewish Congress expressed their hope that the Mandate would be offered to, and accepted by Great Britain. That faith was again revealed when both Houses of the American Congress unanimously adopted a joint resolution, which was signed by President Harding, favouring the Balfour Declaration. The confidence of American Zionists in the British Government's intentions has been expressed again and again in resolutions adopted by the American Zionist Organisation. But all that good will is gradually being destroyed by methods of administration that seem to take undue advantage of the Jewish desire to make sacrifices for Palestine by resisting reasonable requests for effective co-operation, and leaving Jewish endeavour without the support of adequate Government action.

1. We are aiming to establish the Jewish National Home upon a basis of self-supporting Jewish agriculture. The land, we know, has to be purchased, but as Jewish immigration increases, the price of land goes up. I disregard the argument that in the circumstances—the reclamation and settlement of waste land—facilities should have been provided at least for the purchase of land under reasonable conditions, or that the Government should have enacted effective laws to protect us against speculative increases in land prices. But in view of the fact that every inch of land intended for Jewish agricultural settlement has to be purchased, every tenant equitably compensated, and every dunam of land irrigated and improved, American Jewish public opinion asks: *Is it fair for the Government, notwithstanding all these handicaps, in addition to impose a tax upon such agricultural land which comes into effect the day the settler takes possession of it?*

2. The Zionist Organisation expends on education in Palestine £83,500 a year. Instruction is given to 18,593 children. The Budget of the Government provides £121,378 for education. Although the Jews number over 17 per cent. of the population of Palestine, only after many memoranda had been submitted was an appropriation of £10,664 given this year to Jewish education—about 8 per cent. of the total.

3. During the last few years customs duties amounting to many millions of dollars have been collected on the importation of building materials, food-stuffs, clothing and other European necessities of life, in addition to the various other direct and indirect taxes collected on account of a multitude of Jewish agricultural, building, manufacturing and commercial enterprises. During the past few years the Jews have made numerous attempts to introduce various industries into Palestine. The experiments were costly. When it was found that the tax on raw materials made it difficult for promising industries to live, representations were made to the Government, and only after numerous protests had been lodged and the difficulties became apparent, did the Government agree, in detail, to remove the tax on such raw materials as those industries required.

I give these few instances of the many that have combined to produce an unfavourable impression in American Jewish circles with regard to the Government's policy in Palestine. We seriously regret that this impression should have been created, but it does not help to retort that the feeling is animated by unfriendliness, or that it is not based on facts.

We American Zionists are staunch supporters of the policy of the Zionist Executive, which is directed by its President, Dr. Weizmann, and of its endeavours through the regular official channels to ameliorate conditions without friction or controversy, but the statement is clearly in order that the task of holding our constituents in support of the Jewish National Home is made unnecessarily hard by the administrative conditions that still prevail in Palestine.—I am, etc.,

LOUIS LIPSKY.

President, Zionist Organisation of America.

London, April 26.

[This letter is referred to in our leading article.—Ed.]

AMERICANS IN THE YAMAN.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—The issue for March 17, of THE NEAR EAST AND INDIA contains a statement, made by your Jidda Correspondent, under the heading, "Affairs in the Yaman," as follows:—

The German Minister at Addis Ababa, Herr F. Weiss, has recently been on a short visit to Jidda, having previously with his wife visited Sana, his sojourn at which place coincided with that of Mr. Charles Crane and the American Consul at Aden, who, having travelled up from Hudaïda, continued their journey to Aden by the land route.

I feel that it is necessary to inform you that I did not accompany the Honourable Charles R. Crane on his trip to Sanaa. The misunderstanding upon the part of your Jidda Correspondent probably arose from the fact that I had detailed the Indian Clerk of this Consulate to accompany Mr. Crane, for the purpose of facilitating his journey. The statement quoted above, I have pleasure in adding, is otherwise correct.—I am, etc.,

J. LODER PARK (American Vice-Consul).

April 7, American Consulate, Aden, Arabia.

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THE OUTLOOK IN ABYSSINIA.*

By C. F. REY.

An administrator of a considerable African territory was recently invited to lecture on the outlook in the district over which he presided. He replied by telegram: "Lecture unnecessary, outlook bright." I wish I could say the same for Abyssinia. But the position in that remarkable country cannot be summed up in a single word; it is complex and most difficult to understand, unless one has some knowledge of the historical events which have gone to mould it, of the mentality of the people, of the governmental and social organisation of the country, and of its language; and unless one has had some dealings with the people, and has trekked about the country.

A casual visit to Addis Ababa, the capital, is not only useless, but is apt to be very misleading, as was found by a distinguished individual who wrote a book on Abyssinia after a nine-days' visit to Addis Ababa.

The history of Abyssinia is an ancient story of fact, legend, and tradition, ranging over thousands of years. The Regent, H.I.H. Tafari Makonnen, had prepared for me a list of 312 sovereigns, extending back over 6,300 years to B.C. 4530, or the 97th year of the creation of the world, according to Abyssinian computation. And included in this list were Solomon and the Queen of Sheba, from whose son, Menelik, the ruling house claim direct descent, which would give them a pedigree of the somewhat unusual length of 3,000 years.

They have been nurtured on foreign and civil war for very many centuries, and although they have experienced vicissitudes of success and defeat through the ages, victory has hitherto always rested with them ultimately. In olden times their Empire extended to both sides of the Red Sea, and on the African coast stretched at least from Suakin to Cape Guardafui. Their fleets traded to India and Persia, and possibly further, and their caravans carried and brought back merchandise for many hundred miles beyond the confines of their country.

They were Christians before we were, and the story of their conversion by two shipwrecked youths to the monophysite form of Christianity (a doctrine which they still profess) is romantic reading. Their aid was sought by a Roman Emperor 1,600 years ago, and his letter addressed to the "Christian Princes of Abyssinia" is an interesting commentary on the then state of the old Empire. They gave asylum to the persecuted relatives of Mahomet before the Higira, and some 500 years ago were allied with the Portuguese against the invading hordes of Turks, Arabs and Somals who nearly subjugated their country.

To come to more modern times, they lost all their coastline and were shut off from the world by foreign territory; their country was devastated by civil war, and overrun by an invasion of Galla tribes from the south. The Empire was split up into separate kingdoms, and it so remained until the advent of that remarkable man Theodore, who re-united much of the distracted realm, whose madness destroyed what his genius created, and who fell before Lord Napier's army and a general revolt of his own subjects.

It was left for that most striking figure, the Emperor Menzhir II., to re-establish on a more solid basis the ancient Ethiopian Empire; he greatly extended its borders, defeated all rival kings, conquered vast tracts of Galla territory, and actually defeated in battle the army of a great European Power.

His grandson, Lej Yasu, who succeeded him, re-introduced chaos, disorder and misrule, but before Menzhir's work could be undone Lej Yasu was deposed and the present Empress Zauditu (Menelik's daughter) and the Regent, Ras Tafari (Menzhir's great-nephew) were installed in power in 1916.

And finally, in the last few years, we have the picture of Abyssinia admitted to the League of Nations, the Regent visiting the principal Crowned Heads and Rulers

of Europe, and in the present month receiving the return visit of the Duke of Abruzzi in Addis Ababa.

Such are a few of the salient facts which it is necessary to bear in mind if one is to appreciate the present position of the country.

It is a vast territory, as large as Great Britain, France, Holland and Belgium combined, consisting of two immense plateaux enjoying a delightful climate, separated from each other by the Great Rift Valley, and surrounded on the frontiers by low-lying hot desert lands. The population has been variously estimated at from 8 to 13 millions; it consists of a large number of different races—Abyssinians, Galla, Shankalla, Somali, Gurague, Danakil and others—speaking 70 different tongues, of which the principal and official language is Amharic, a somewhat difficult one to learn, inasmuch as there are 251 letters in the alphabet.

They are quite uneducated and illiterate; the Abyssinians, who form less than a third of the population, wear an almost universal dress of white cotton shirt, trousers and "chamma" (a sort of toga) and all except the wealthier Abyssinians live in "tukuls," stone or mud-walled huts thatched with grass.

There may be said to be three "estates of the Realm," the ruling class, the church, and the people; and the last-named may be divided into Abyssinian and other, for descriptive purposes. The ruling class consists of the Regent, the Empress, the great chiefs, governors of provinces and Ministers. Of these the most important is the Regent, a most remarkable man of about 35, who, earnestly desiring the welfare and advancement of his people, works from 7 a.m. to 10 p.m. daily, in the almost hopeless task of trying to introduce administrative reform, decent government, and modern institutions, against the opposition of the vast bulk of his reactionary fellows.

In this he is unfortunately not helped by the Empress, who, swayed by the upholders of the *ancien régime*, and notably the church, cannot be regarded as sharing his views.

The great chiefs are wealthy and powerful, and as any change must in their view be to their disadvantage, they are entirely reactionary, and opposed to all innovation. The governors of the provinces are, many of them, practically semi-independent; they receive no salaries, and remit to the Central Government a mere fraction of the taxes in cash and kind which they extract from the people under their control. Indeed, it may be said that the writ of the Central Government does not run far from Addis Ababa.

Of the ministers who are supposed to assist the Regent and Empress little that is good can be said, so far as the majority are concerned. There is a council of 22, most of whom are politically opposed to the Regent, and recent appointments to that body indicate that merit is a bar to advancement, and that none but wiling tools of one faction or another need apply.

The Church is another strange mediaeval survival; it is a powerful and wealthy body, owning (since the XIII. century) about a quarter of the country, and consisting of enormous numbers of uneducated, idle and useless persons, who do little but exist in sloth on the large revenues they draw. The head of the Church, the Abouna, is a Copt appointed by Alexandria; and the death of the last incumbent in December has given rise to a tremendous controversy as to whether this old practice shall be followed in choosing a new Abouna or whether an Abyssinian shall be appointed. As in most other things in Abyssinia, the upholders of the old custom will probably triumph.

The people are on the whole a pleasant race, and the further they are from the capital the more pleasant they are. We have always met with the greatest kindness and courtesy when trekking about the country, and last year when my wife broke her arm on trek and had to be carried for several days in a hammock, passers by continually stopped to inquire what the trouble was, and then insisted on taking their turn in helping to carry the hammock for a quarter of a mile or so; a mark of practical courtesy and sympathy which would be difficult to surpass.

In different parts of the country different conditions

* In this article Mr. C. F. Rey embodies the substance of his address to the Near and Middle East Association on April 29.

obtain; thus for example in Gojam the population is almost entirely Abyssinian and Christian, whereas in Aruni it is almost entirely Galla, pagan or Muslim, and the only Abyssinians are the officials and soldiers.

The peasants, farmers, and nagadis (merchants) are, on the whole, an industrious and worthy population; but the soldiers, of whom there are large numbers, are the very reverse, and a more worthless crowd it would be hard to find.

There are immense numbers of slaves and "gabars" or serfs among the conquered populations, and with this aspect of the social organisation of the people I will deal later.

As to the state of development reached by the country it is necessary to draw a sharp dividing line between Addis Ababa and the country outside.

Addis Ababa is in a transitional stage, and is suffering from a veneer of civilisation, very lamentable from the point of view of those who knew it and liked it better some years ago. The town has been invaded by about 200 motor cars within the last two years; roads have been made on which they can run (within limits); stone houses roofed with tin have multiplied; and members of the more wealthy class have commenced to wear boots. But much of the old remains. Murderers are executed in a little hut in the town wherein they are tied to a post, rifles are trained on them through tubes in the wall, and the triggers are pulled by the relatives of the murdered man. Banquets at which many thousands of soldiers and followers are fed on raw meat are held regularly at the Palace. Sufferers from leprosy, smallpox, and other filthy diseases parade the town and beg for alms, exhibiting revolting sores, and stumps of legs and arms. There is no sanitation, and hyenas and jackals come into the town at night to help the pariah-dogs to do the scavenging work.

The contrasts met with at every town between the old and the new are amongst the most interesting and instructive features of the place. Outside the capital, however, nothing has changed, and it is probable that the people live and have their being much as they did a couple of thousand years ago. There is no more delightful experience than trekking day after day through this beautiful country, among people unspoilt by contact with civilisation, amid gorgeous scenery and in the brilliant sunshine of a temperate altitude.

As might be imagined, the volume of trade is, for so large and potentially wealthy a country, almost negligible, amounting probably to about a couple of million pounds a year in all. The rich soil on which two or three crops a year can be raised, might be infinitely more widely cultivated; there are no communications other than a single line of railway from Djibouti, the port of French Somaliland to Addis Ababa, and a few roads in Addis Ababa; all trade and travel is carried on by mules, ponies, or camels, over tracks which in the rainy season are often impassable.

Another difficulty which hinders development is the currency; the only one accepted is the Maria Theresa dollar, and large stacks of these have to be bought by merchants to pay for produce, and sent on mule-back to remote districts in order to carry on trading operations. Thus every transaction involves two operations, the purchase of dollars and the purchase of produce; and if a gain is made on one, the chances are that a loss will be made on the other.

The rapacity of some of the provincial Governors is a further hindrance to production by the peasants, while the difficulties of dealing with many of the officials and authorities is a further bar to development by European interests.

I have studied the problems of the country for nearly eight years, and have trekked about it, and learned something of the language; and I have often been accused of being too sympathetic and of taking too lenient a view of the Abyssinians in my writings.

But in order to understand the position of a country it is essential to understand the mentality of its people, and to appreciate, even if one does not agree with, their point of view.

One of their main characteristics is intense pride; pride in their country, its history, religion, and military successes. This to one familiar only with the attitude of a conquered negro race, is incomprehensible, and somewhat trying. Especially is this so when to it is added dislike and intense suspicion of the foreigner and his ways.

But one can hardly wonder at this when one considers the low type of so-called "European" who has preyed on the Abyssinian for years, setting him a standard of morals and life in no way better than his own, cringing to the great and bullying the small. Those who know the East will appreciate this.

It is, moreover, only fair to say that the Abyssinians are almost as suspicious of each other, and that the Regent, for example, feels compelled to do himself a vast amount of detailed work which ought to be left to subordinates, but which he cannot so delegate owing to the absence of capable honest men, who would follow his example and work straightforwardly *pro bono publico*.

These and other difficulties make the task of the Regent a difficult and unenviable one, and his abilities will be taxed to the uttermost in dealing with the important problems with which his country is faced. Among the more important are the development of its resources, the organisation of administration on sound lines, frontier troubles, the question of Lake Tana, Italian interests, and the League of Nations and slavery.

Space will not permit more than a very brief reference to some of these questions. As to the first it is obvious that Abyssinia, having joined the League of Nations and claiming equal rights and privileges with the Great Powers of the world, cannot refuse herself to develop or to allow others to help her to develop resources which would be of great value to herself and the world in general. In other words she must advance on modern lines if she is to remain an independent entity in a modern world on equal terms with other parts of it.

I have indicated how necessary is administrative reform if serious internal difficulties are to be avoided.

It is surely time that Abyssinia undertook on an adequate scale the policing and guarding of her frontiers; the Government of Kenya is obliged to spend no less than £40,000 a year to secure the frontier population against raids for ivory, cattle, and more rarely slaves; whilst in every report of the Sudan Government reference is made to these raiding troubles somewhere along the 2,000 miles of British territory which marches with Abyssinia.

The question of Lake Tana too, and the irrigation of the Sudan and Egypt by means of the water which flows down the Blue Nile, has been pending for over a quarter of a century, and a problem so simple and straightforward as this is clamant for settlement.

Last but not least, the slavery question will have to be further dealt with. Abyssinia was admitted to the League of Nations on certain conditions in this connexion which, being impossible of fulfilment, have not been fulfilled; no one knowing the country expected that they could.

The problem is an extraordinarily difficult one, and in a country where the whole social system is based on domestic slavery, any idea of a wholesale freeing of slaves is, of course, sheer lunacy, even if it were practicable, which it is certainly not.

Moreover, it is quite true to say that domestic slaves in Abyssinia are on the whole happy and well-treated as members of the family, and that they would probably be much worse off if freed than they are now. Experiments by individuals in freeing their personal slaves have not proved conspicuously successful.

The Regent has issued decrees providing that the chil-

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dren of slaves are born free, and re-enacting the death-penalty for slave raiding and trading; he is also trying to establish a school or home for freed slaves. But this must be made effective, and such slave trading and raiding as exists, small in extent though it may be, must be completely stamped out.

The question of the "gabar" or serfdom system (which in my view is far worse than slavery as it exists in Abyssinia) will also have to be dealt with, and it is clear that the League of Nations will expect action to be taken to treat these questions more adequately.

In this as in all other matters affecting progress and reform in his country, Ras Tafari is undoubtedly sincere and genuinely desirous of proceeding on right lines. Unfortunately the majority of those wielding power and influence in Abyssinia are opposed to his ideas, and instead of helping him, do all in their power to thwart him. This must inevitably give rise, sooner or later, to a position of much danger to the country, whether from internal or external factors.

To all those, who like myself, have the interest and welfare of Abyssinia at heart, it is a grievous thing that so sincere a patriot should not be supported by strong and honest men who would help him to steer his country through the difficult times that are coming, and are indeed at hand.

Given such a state of things, given that the Regent, loyally supported from within and without is able to carry out his well-known ideas, then there seems no reason why Abyssinia should not retain her position as the last independent African Empire, and give the lie to those who say that a Hamitic race, strongly diluted by Semitic blood as it is, cannot govern itself.

HEBREW IN LATIN CHARACTERS.

By DR. H. DANBY.

A new phenomenon has just appeared in the Palestinian literary world, with the title-page:

Abi. Me'et Ittamar Ben-Avi. Hotza'at "Hassolel" (Mahadôrah çeniyah). Yeruçalaym 5687-1927. X lehatzharat Balfur.

[*My Father.* By Ittamar Ben Avi. "Hassolel" publication (Second edition). Jerusalem, 1927—the 10th year of the era of the Balfour Declaration.]

The author, Mr. Ben Avi, is the son of the late Eliezer Ben Yehudah, who was so largely responsible for the revival of Hebrew as a spoken language in Palestine. The son is minded to go a step further. The father did pioneer work in lifting Hebrew out of its condition of a dead language—or, at the best, a pedantic literary medium—and making it satisfy the requirements of ordinary conversation. To do this he had to break down heavy barricades of prejudice. He did not attempt to take the next step towards "secularizing" the "Sacred Language"—reducing it to the script of the rest of the enlightened world and writing it in the ordinary Latin character. Ben Yehudah, according to his son's account, felt himself strong enough to fight against most of his fellow Jews' prejudices and to advocate all manner of heresies; but he shrank from advocating the abolition of circumcision and the Hebrew script. But the son has now dared to argue in favour of getting rid of, at least, the Hebrew alphabet. And he has produced a book to show how it can be done and to show that he has the courage of his convictions. Whether or not it remains the only example of its kind remains to be seen; but it has, at any rate, the distinction of being the first Hebrew book published in Latin characters. (Incidentally, and a matter of quite secondary importance, the book is made up of a few short reminiscences about the writer's father.)

Mr. Ben Avi is convinced that the greatest stumbling block in the way of Jews—or Gentiles—wishing to acquire the Hebrew language is the Hebrew alphabet; it serves to terrorise those minded to begin it; even if a person

learns to speak the language, the Hebrew script effectively stands in the way of his reading it; to the very end Hebrew writings can be read accurately only by a well-educated Hebrew reader; and the Hebrew script fails utterly to indicate easily and accurately foreign words and names.

It is perfectly true that there is an increasing number of people who speak Hebrew but who stop short of the ability to read it. Arabs pick up the language with the greatest ease; and owing to the wholesale use of the "direct method" in teaching Hebrew adopted in the local classes for adult learners, there is an appreciable number of Jews and Gentiles whose energy takes them just far enough to make them able to converse freely, but fails to carry them through the initial difficulties of reading. Mr. Ben Avi thinks both to benefit them and, at the same time, remove an aged incubus and a useless national burden. The present book is only a first instalment. He promises to publish soon a weekly illustrated paper with Hebrew in Latin characters, and even to begin an edition of the Hebrew Bible itself in Latin characters. Mr. Ben Avi is a person of great energy and will probably do what he promises. But one is doubtful how far others will take his efforts seriously, or even how far he is justified merely from the opportunist standpoint—whether his possible public is not really too small to justify so radical a venture. It remains to be seen how large this public really is, and how far the experiment will be imitated by others—for such imitation alone will justify the experiment.

The result of the transcription hardly looks appetising: it makes Hebrew look very much like Magyar. But possibly a similar remark was made when somebody, somewhere about Moses' time, first wrote Hebrew in Phœnician instead of cuneiform characters, or when Ezra or the Maccabees or Barkokhba played tricks with the script—as, apparently, they did.

It is easy to pick holes in the transliteration adopted by Mr. Ben Avi. He wholly ignores, even if he is not ignorant of, the standard and more or less uniform methods of transliteration from oriental languages adopted by European scholars. His only standard is the possibilities of the various founts of European type at his disposal. He uses a fount no more elaborate than is necessary for printing French. The various accents serve to differentiate the numerous peculiarities of the Hebrew vowels; and the peculiar Semitic consonants, which are usually represented by a dot under the approximate Indo-Germanic consonant—these are represented in Mr. Ben Avi's transliteration by the simple device of turning the consonant upside down. Furthermore Mr. Ben Avi is no grammarian. He makes no attempt consistently to allow the transliteration to reflect the niceties of the Hebrew grammatical forms; they are sacrificed to short cuts at reproducing ordinary Palestinian Jewish pronunciation—a pronunciation not always very pretty, and very often grammatically inaccurate.

It is to be hoped that if Mr. Ben Avi fulfils his intention of producing further transliterated Hebrew works (and assuming that his experiment is accepted as of use and not only as a curiosity), he will revise his methods—acquire a more suitable fount of type and take into consultation both a grammarian and phonetician. There is the possibility of doing good work for the Hebrew language in its present unfixed phonetic state. Hebrew can be made to sound quite as elegant and musical as Arabic at its best; but the Hebrew pronunciation now most generally current has lost (or, rather, it ignores) the beauties of diction which it has in common with Arabic, and has accumulated the nasty intonations and the cruder gutturals of Yiddish. It is just possible that a careful transliteration might restore to Hebrew all the niceties of a Semitic pronunciation (which belong to it by rightful inheritance), and free it from a whole range of miscellaneous faults acquired from the Jews' overmuch contact with the uncircumcised languages of Europe—from the bodiless Russian vowels and the monotonous German-Yiddish guttural, to the fat "L" and the slurred "R" of the American language.

Book Reviews

JERUSALEM BEFORE THE WAR.

"WHEN WE LIVED IN JERUSALEM." By Estelle Blythe. (London: John Murray, 12s.)

Many an eye will kindle and many a voice exclaim with pleasure at sight of this title and of the writer's name; and that wherever English is spoken or understood. Such is the welcome awaiting this book by those in five Continents who, even as birds of passage through Palestine, have known and loved St. George's; for after the long suspense comes this voice from that past—so near yet already so far, with the War between—to quicken pious memories and call up gracious presences that haunted its precincts.

Of these were the late Bishop's daughters, who are, with the writer, virtual authors also of the book, which ranks as something of an informal document, having the Anglican See in Jerusalem and its visible embodiment in our own day for the central theme; but this is so unobtrusive amid the absorbing setting of vivid tableaux, full of Oriental movement and colour, that those who have no concern with the *motif* but are only in quest of the freshest of novel entertainment will read without stopping or skipping. History recent and ancient, sacred and secular, with folklore, manners and customs, gossip and what-not compose the arras, and make up the appropriate environment and atmosphere of such a book.

While here and there it may be at fault in its facts or in the interpretation thereof, such slips are few and trivial; and for reliability, sanity, charity, its information, opinions and judgments are in welcome contrast with anything I know extant on work-a-day Jerusalem and Palestine as these were in 1914; that is, still in a sort of Middle Ages, reluctantly under "peaceful penetration" by Western enlightenment; but not, as now, "suffering violence."

Not a few things will sound crude, unlikely, impossible; but the naïveté is in the facts, not the narration, as many could testify. Thus:—to be a grandmother before thirty sounds preposterous and more so for a grannie to have a grandmother living, i.e., the first and fifth generation alive at once; yet it is an Arabic saying, "Grannie, speak to your grannie"—a distinction just missed by Queen Victoria, though at a great age. Midway of the record a modern mock Crusader, with an eye to business, struts across the stage, a brilliant pageant of Knights-Templars of the nations in his train, to wit the ex-Kaiser; and at the close of it the real one in Allenby who, though conqueror, entered the Holy City as her devotee.

Much, very much, is here that none else could have given us. But what many will miss are revealing glimpses behind the scenes, especially in the day of small things, of the collegiate life of St. George's as it took shape and grew; more autobiography of the family achievement in creating Church and School, Home and Hospital; the quiet hidden romance of labour and sorrow, patience and prayer, trial and triumph that lay behind the foundation, in the Home of Christianity, of this English Cathedral Close; to say nothing of the nucleus of another in Cairo and ancillary establishments elsewhere—all in that epoch-making phase of the Bishopric, the Blyth episode.

The sisters' self-effacement is characteristic. But what of the tireless labours in class and workroom and choir; of endless duties, social, domestic, secretarial of this unpaid filial staff of accomplished women who, amid rivalries, jealousies, animosities which of old are Jerusalem's second nature, functioned as foils, fences, shock-absorbers to this new and unwelcome departure in the English ecclesiastical life of the city; which, among other "offences," resented the Bishop's official civilities to the Greek and other Eastern communions! But he could also be courteous to a communion which, to some, is less obviously within the pale, and once offered the use of a chapel in St. George's to Professor Nicol and Kay of the Church of Scotland wherein to celebrate the

Sacrament after their own ritual. But for their inveterate humour, a family virtue, they must often have been hard put to it. Thus, a lady called with word of the impending end of the Bishopric, but went away "greatly wondering" with this from her favourite Apocalypse in her ears—from the sister who received her—"I had not heard that there was to be no more see (sea) in Jerusalem!"

It seems inconceivable that when Bishop Blyth came to Jerusalem forty years ago the Bishopric might, to all intents and purposes, hardly have ever existed. During his first decade the see was domiciled in a hired house, with a room for a chapel. In little over ten years more, all the buildings now in use were erected, equipped and occupied at a phenomenally low cost by voluntary subscriptions got by himself. But for his foresight, toil and tenacity Britain to-day as Mandatory had cut a sorry figure ecclesiastically, as she must have done administratively but for the native staffs in all departments largely furnished by mission schools and colleges, including St. George's of course.

ALEX PATERSON.

THE SWAN SONG OF THE INDIAN EDUCATIONAL SERVICE.

"THE EDUCATION OF INDIA," By Arthur Mayhew. (London: Faber and Gwyer. 10s. 6d.)

The decision to stop the recruitment of Europeans to the Indian Educational Service, and to transfer the control of education to the people of India, marks an epoch at which the appearance of this book is most opportune. Mr. Mayhew welcomes that decision; for, he says, it is quite wrong to lament the passing away of the conditions under which England, through its educational missionaries, can really assist the moral progress of India: it would be more appropriate to rejoice over their final establishment. English educational work in India has suffered from two great handicaps: that it has been officially associated with an alien Government, and that it has been debarred from taking religion into account. Macaulay believed that the introduction of Western learning into India would automatically lead to the overthrow of caste distinctions and to the disappearance of the Hindu religion; and it never seems to have occurred to him or his followers, who suffered from "the incurable optimism that characterises all who sow without the prospect of having to eat the fruits," that the antagonism between Hindu and Muhammadan required any distinction of educational treatment. On its material side, English education has appealed to both: on its sentimental side to neither. As Mr. Mayhew puts it, it is not enough for education to open up a road: it must also "sow flowers by the wayside." But he considers that we have done something to contribute to "India's scheme of values"—we have introduced the Indian Student to European games and sports, to the works of Shakespeare and to the life of Christ—the latter in its moral rather than in its religious aspect.

On the relation of education to politics, Mr. Mayhew says that a village teacher who tried conscientiously to adapt his school to the present "political" education of the masses would begin the day's work with a hymn of

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hate and end it by variations of "Ask and ye shall receive." As to the possibility of the introduction of universal compulsory education, he is frankly sceptical. Dictatorship, he says, has been from time immemorial the recognised and approved form of government in India; and it might have been possible, during the autocratic stage of our rule, to make the education of boys (though never of girls) compulsory; but this is now no longer possible. When announcing the Reforms in 1918, the Government of India said that the extension of the franchise "would furnish in itself a special incentive to an early expansion of elementary education"—an optimistic prophecy that now, eight years later, shows not the slightest sign of fulfilment. India does not believe in education as an investment, except as an avenue to a clerical appointment under Government: so that technical education is practically non-existent because, as Mr. Mayhew says, industrial development depends on industrial research, but the latter must, in India, be paid for from the proceeds of the former.

The author evidently thinks that England has done as much for Indian education as it was possible for her to do, as an alien and religiously impartial instructor; and he hopes that India, suffering from neither of these disabilities, will be able to carry on the work to better purpose, though with smaller technical efficiency. The danger that he foresees is refusal to relax bureaucratic control, with unfortunate results, both political and communal. If this danger can be avoided, he thinks that the best hope for the future lies in the cultivation of higher education, in and near the centres of which a sound system of primary feeder schools is possible: rather than in any attempt to introduce a wide extension of primary education which, under present conditions, could only result in the acquirement of the rudiments of literacy by a number of children the vast majority of whom would relapse into illiteracy a few months after leaving school.

THE ARAB HORSE SOCIETY.

A Council Meeting of the Arab Horse Society was held on April 20 at the Grosvenor Hotel, London, Brig.-Gen. F. F. Lance (President) being in the Chair.

There were also present Mr. T. C. Armitage, Lt.-Col. T. R. Badger, Messrs. H. V. M. Clark, C. W. Hough, Edward Hurtley, C. W. Laird, Major S. A. Medcalf, Major G. B. Ollivant, Mr. R. S. Summerhays, Brig.-Gen. C. Templer, C.M.G., C.I.E., and the Secretary, the Rev. D. B. Montefiore.

The following new members were elected:—Miss M. A. Bright, Greystones, Chipping Norton, Oxon; Brig.-Gen. Angus J. McNeill, C.B., C.B.E., D.S.O., T.D., Nashashibi, Jerusalem; Capt. Gerard von Schmidt, Roeblingen, near Sangerhausen, Saxony, Germany; and E. W. Sheffield, Sharia el Manakh, Cairo.

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THE PALESTINE MEMORIAL.

The War Memorial at Jerusalem will be unveiled by Field-Marshal Viscount Allenby on May 7. According to the *Daily Telegraph*, the cemetery at Jerusalem, which was designed by Sir John Burnett, R.A., and is near the Mount of Olives, covers five acres, and the Imperial coat of arms and the badges of every regiment represented have been cut into the stone of the entrance gateway. Facing the entrance, in the centre of the long wall forming the north-east enclosure, is the record room and memorial to the missing. The record room, designed to give a culminating motif to the cemetery as a whole, rises from a raised stone platform in the form of hemicycle, flanked on either side by curved walls, on which are placed stone panels bearing the names of the missing. These walls are terminated by stone pylons, one bearing the arms of New Zealand and one the arms of Australia.

The chapel, with a dome rising to 36 ft. above floor level, has a recessed altar end lined in marble up to the height of the dado, beyond which the walls, pendentive, and dome are in mosaic. At the top of the stone steps leading to the record room is the Stone of Remembrance. A bronze figure of St. George is in a niche over a flat arched opening which gives a direct view to the bronze entrance doors to the chapel. Over the entrance door are the Imperial arms, beneath which is inscribed:

This Memorial Chapel was erected by the Officers, Non-Commissioned Officers, and Men of the Egyptian Expeditionary Force to the Honoured Memory of their Comrades who fell in the Palestine Campaign.

1914. 1918.
The interior of the Chapel has been decorated by New Zealand in Honour of the Members of the New Zealand Expeditionary Force, who took part in the operations in Sinai and Palestine.

1916. 1918.
We therefore remember you in our prayers as it becometh us to think upon our Brethren.—Macc. i, xii., xi.

The mosaic, which is from the design of Dr. R. Anning Bell, R.A., has been contributed by the New Zealand Government, and is a tribute to the New Zealand Expeditionary Force as a whole, to those who live as well as to those who died. At the altar end winged figures in mosaic carry the laurel and the olive—the spirit of Victory and the spirit of Peace—and beside them are other winged kneeling figures representing Aspiration and Hope. On the entrance door wall are figures of Patriotism and Faith, hand in hand, and Humanity with Hope. Between the groups are inscriptions in mosaic, which read as follows:

From the uttermost ends of the earth.

In honour of the members of the New Zealand Expeditionary Force who took part in the operations in Sinai and Palestine, 1916-1918.

Between these inscriptions is a frond of the tree fern, the emblem of New Zealand. There is a border of characteristic Maori pattern round each lunette.

The cemetery is enclosed on three sides by a stone wall, and outside the wall is a belt of timber 30 ft. in width. A dry stone moat forms the boundary of the side abutting on the road from Jerusalem to Government House.

SIR WALTER BECKER.

We much regret to record the death, at his villa in Val Salice, Turin, on May 1, of Sir Walter Frederick Becker, at the age of 72 years. Sir Walter Becker belonged to a Cornish family, and was educated at Falmouth. His shipping interests took him abroad, and for the last forty years he has been associated with the Italian shipping world. During the Great War he founded and maintained at his own expense a hospital for the British Expeditionary Force in Italy, and his charming Turin villa became a home centre for many members of that Force who were fortunate enough to share the hospitality and to enjoy the old-world courtesy of Sir Walter and Lady Becker. His devotion to art and literature prompted him to many good works in the cause of education. It is due to his generosity that the British Institute in Florence has been brought to its present sound position, and several educational institutions in England have had his support. He was a profound admirer of Signor Mussolini and of his achievements in the building up of Fascist Italy. It was as a tribute to that work that two years ago he made a munificent gift to the Italian State. No one who came into personal touch with Sir Walter Becker could fail to be impressed with his charm of manner and personality. Both at Turin and at his villa in Roquebrune, Cap Martin, he and Lady Becker dispensed open hospitality, and there will be many to sympathise with Lady Becker in her sad loss.

THE OUTLOOK IN CYPRUS.

The next meeting of the Near and Middle East Association will take place on May 11, at 8.30 p.m. The meeting, which will take place, by kind permission of Miss Spalding and Mlle. Griboval, at 133 Queen's Gate, will discuss "The Outlook in Cyprus." The speakers include Mr. Roland L. N. Michell, C.M.G., and Mr. H. Pirie Gordon: the discussion will be led by the Ven. Archdeacon Beresford Potter; and Sir E. Denison Ross will preside.

PERSONAL AND GENERAL

TO-DAY

May 5, 1927 (New Style).
 April 22, 1927 (Old Style).
 Julkaada 3, A.H., of the Muslim Calendar.
 Iyar 3, 5687, of the Jewish Calendar.

Lord Treowen embarked in the s.s. Razmak at Marseilles on April 30 for Egypt.

Colonel Sir Charles and Lady Yate have taken 10, Cadogan Place for the season.

Viscount and Viscountess Elveden are expected to arrive in London on May 9.

Lady (Montagu) Butler has returned from India for the summer to 14, Vicarage Gate, W.8.

Mrs. Eckstein and Miss Eckstein have returned to 18, Park Lane from visiting the West Indies.

The Secretary of State for the Colonies has appointed Mr. B. J. O'Brien to be Assistant Secretary, Cyprus.

Lord Leconfield has sailed on a visit to Lord Lloyd at Cairo, and will be absent from England until May 26.

The Earl and Countess of Lytton, who arrived home from India on April 25, left last week for Knebworth House, Knebworth.

Mr. Rudyard Kipling arrived home at Batemans, Burwash, Sussex, on April 28, after a visit to South America, Spain, and France.

Sir Montague Barlow has returned to London from Cairo after a prolonged tour through Eastern and Central Africa.

Muzahim Beg Pachachi, the newly appointed Iraq Diplomatic Agent in London, arrived at 51, Queen's Gate Gardens this week.

Mr. and Mrs. John Buchan arrived on May 2 on a visit to General the Hon. Sir Neville and Lady Lyttelton, at the Governor's House, Royal Hospital, Chelsea.

Lieut.-Colonel Sir Francis Humphrys (his Majesty's Envoy-Extraordinary and Minister Plenipotentiary at Kabul) arrived at Windsor Castle on April 29 and left the following day.

Sir Maneckji and Lady Dadabhoy and their daughters have arrived in London and are staying at the Hotel Metropole, preparatory to going into residence at their house, Kingsnympton Hall, Kingston Hill, Surrey.

Field-Marshal Viscount Allenby left London on April 27 for Palestine, where he will unveil the Memorial in Jerusalem War Cemetery on May 7. During his stay he will be the guest of Field-Marshal Lord Plumer, High Commissioner for Palestine.

Mr. J. R. Pearson, C.I.E., late I.C.S., is leaving England for Fiji to take up his appointment as Adviser to the Governor of Fiji on Indian Affairs. He sailed from Southampton on April 30 in the s.s. Aquitania, accompanied by Mrs. J. R. Pearson and Miss Pitcher, of Jersey.

On behalf of the Government, the Secretary of State for the Colonies and Mrs. Amery will hold a reception on May 10 at Lancaster House, St. James's, to meet the representatives of the Colonies, Protectorates, and Mandated Territories at the Colonial Office Conference, 1927.

NEWS IN BRIEF.

Lord and Lady Irwin returned to Simla on April 30.

Mr. J. M. Sen Gupta has been re-elected Mayor of Calcutta by 45 votes to 40.

M. Avenol, Deputy Secretary-General of the League of Nations, who had been on a visit to Greece, arrived in Sofia on April 29.

Mr. B. S. Kamat and Sir Ganga Ram, the only two members of the Royal Commission on Indian Agriculture who have not yet arrived in London, will not reach England until the end of May.

In virtue of a convention between the Turkish Government and the Eastern Telegraph Company the latter's offices in Constantinople and Smyrna will be reopened for business after being closed for more than three years.

About 200 relatives and friends of British soldiers who were killed in Palestine and Egypt during the War arrived at Marseilles on April 28, on their way to visit the graves of the fallen, sailing the following day for Alexandria in the Stella d'Italia.

There was a festival on April 29 in the Royal Opera House in Cairo, under the patronage of the King of Egypt, in honour of Shawki Bey, who was hailed as the "Prince of Arab Poets" and greeted by deputations from Egypt, Palestine, Syria, Morocco, Arabia, and Iraq.

Owing to the increase in the population of Bulgaria, the number of deputies to be elected to the Sobranie at the general election at the end of May is to be augmented from 246 to 273. Of these 31 will be returned from the department of Sofia, 28 from that of Plovdiv (Phillipopolis), and 26 from that of Bourgas.

Field-Marshal Lord Plumer, High Commissioner for Palestine, on April 28 unveiled, on the Gaza battlefield, a memorial to the 5th East Anglian Division. The memorial, which is situated outside the entrance to the War cemetery, was designed by Sir John Burnett. The dedication service was performed by the Right Rev. Rennie MacInnes, Bishop of Jerusalem.

The new Egyptian Cabinet includes: Abdel Khelek Pasha Sarwat, Prime Minister and Interior; Fathallah Pasha Barakat, Agriculture; Morcos Pasha Hanna, Foreign Affairs; Osman Pasha Moharram, Public Works; Negib Pasha Gharably, Wakfs; Ali Pasha Shamsy, Education; Zaki Pasha Abul Seud, Justice; Mohamed Pasha Mahmud, Finance; Ahmed Pasha Khashaba, Communications; Gaafar Pasha Wali, War.

Switzerland has concluded with Turkey a Trade Agreement containing the most-favoured-nation clause, and has agreed to conclude a treaty to regulate the legal status, conditions of residence and commercial activities of Swiss citizens in Turkey. The Swiss Government is contemplating the establishment of a legation at Angora. Mr. Henri Martin, who negotiated the Trade Agreement with the Turkish Government, will probably be the Swiss Minister to Turkey, says *The Times*.

It is reported from New York that the General Secretary of the Near East Relief Fund states that the sums raised in Great Britain on behalf of the fund amount to 250,000,000 dollar (over £50,000,000). The sums raised in Great Britain cover the period of the last twelve years, and include large grants from the British Government during the Armistice period. It is worthy of note that during the same twelve years American contributions amounted to only 100,000,000 dollars (£20,000,000), although it is true that most of these were made in voluntary contributions.

The Rev. C. L. Richards, C.M.S. missionary at Narowal, in the Punjab, North India, with his Indian colleague, the Rev. Barakat Ullah, has launched a new scheme to supplement with voluntary work the service of paid agents, says the *Daily Telegraph*. A new office of *madadgars* (helpers) has been created. Candidates must be communicants, must be able to conduct simple services (therefore, if illiterate, must know by heart some Gospel stories, psalms, and portions of the Prayer Book), must be regular contributors to church funds, and must send their children of school age to school or at least to receive regular religious teaching. Seventy men have already enrolled themselves for training for this work.

Where to stay in the East

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HAIFA—Strand Hotel.

JAFFA—Hotel Jerusalem.

JERUSALEM—

St. John's Hotel,

H. & F. Fast, Managers.

KYRENIA, Cyprus—
Sea-View Hotel.

NICOSIA, Cyprus—

George Hotel.

PORT SAID—

Casino Palace Hotel.

Grand Hotel de la Poste.

Marina Palace and Savoy Hotels.

NEAR EASTERN PRESS.

Trade in the Near East.

Trade in the Balkans has been slow to reawaken. The countries defeated in the War have had difficulties unequalled even by those whose boundaries now enclose greater territories than before. For this state of affairs the lack of capital to re-establish industries, the condition of the exchange, and the absence or unreliability of communications and transport are still largely responsible.

Foreign investors fight shy of hostile and unsettled relations, and mineral wealth lies idle for lack of foreign support.

The recent alarming events, though disturbing in appearance, have had one good effect, in that they have urged the Balkan States to look for solidity at home and support from abroad.

An article in *L'Echo de Turquie* calls attention to the necessity to remodel the Commercial Code and thereby to give trade facilities; and to encourage small traders to join together to form greater capital. Turkey cries out for the help of the capitalist.

Turkish Sugar Refineries.

Agriculture has necessarily received the greatest support by the Government in most countries, but industries dependent on individual effort are still low. The attempt at sugar growing and refining in Turkey is, therefore, significant; the cultivation of beet by the peasants is encouraged and the two factories so far are financed by the Government. *La République* says:

It was no secret to us that our sugar refineries would have to surmount certain difficulties at the beginning of their work, for this is an industry which entails the greatest care and special knowledge, not only for beginners like ourselves, but almost everywhere all over the world. The sugar industry demands, first of all, a large capital. It is then necessary to obtain the best quality sugar and to reduce the cost price to the lowest possible figure so as to be able to enter into world competition, still bearing in mind the encouragement of the development of other industries inherent to that of sugar at the risk of a breakdown at the very beginning of the enterprise. This is the truth and we must not comfort ourselves with any illusions in this matter. . . .

It is reported that the factory of Oushak has not been able to secure a sufficient water supply, and that the culture of beetroot is insufficiently developed to assure the future of the factory. We do not know, either, the conditions of work in the factory of Alpoulla, but we suppose that the society which is exploiting this refinery is showing signs of comparatively greater activity. We know well that these two factories newly installed in the country must prove successful, and everything leads us to believe that success is certain if only we know how to set ourselves seriously to work with all our minds. Also, we cannot refrain from setting forth one point of view and certain considerations which the study of the question suggests. Simple as they may seem at first sight, we believe that the points which we give below form the essential foundations of the enterprise of which we are talking.

As we have been saying there are some countries where the Government allow help and protection to the sugar industry; this is exactly what our leaders are doing with regard to the two factories when decreasing the law *ad hoc* which demands significant sacrifices of the State Budget. We understand that the Government of Ismet Pasha has not limited its encouragement to decreasing the aforesaid law of protection, but has furnished nearly all the funds for the first installations of both factories at the same time, since it is thanks to the Government guarantee that it has been possible to raise the necessary capital for this enterprise. This refers chiefly to the factory at Oushak, whose capital chiefly consists of a million pounds from the Bank of Industry and Mining, that is to say from the State itself. Therefore the whole country is interested in the progress of the enterprise, for the latter represents material sacrifices which would be changed to dead loss were the new industry to fail. We attach an even greater importance, moreover, to the moral side of the work, than to the pecuniary. The Turk absolutely must succeed in an enterprise which he has undertaken, however hard may be the task. Let us say, by the way, that the sugar industry is a very difficult one, and that it might perhaps have been better had we left it unattempted as yet; nevertheless, since we have had confidence in our capacity to set to work, it is essential that we should resort to every means in our power to attain the end in view. . . .

The article ends by calling attention to the great importance of the technical side of organisation; to the necessity of encouraging the cultivation of beetroot in all districts by the peasants themselves; and points out that no expense

should be spared in obtaining foreign experts' knowledge and technique to advise them in their endeavour.

Commercial Expansion in Roumania.

Roumania has awakened to a greater need for trade expansion. Her new commercial policy is destined to open up new ways of intercommunication, and she has wisely started by settling her customs tariffs, thus forming a better basis for future negotiations.

Possible commercial treaties are foretold in *L'Indépendance Roumaine*, as follows:—

The Government has decided to put into force, a little prematurely perhaps, the new customs tariff, made necessary by the great change brought about since the War in general economic conditions, in the exchange and in the needs of an enlarged country.

This haste to bring new tariffs into force can be explained by the Government's intention to revise our commercial relations with foreign countries and to conclude with them commercial treaties. . . .

The proposed treaty with Italy will probably be the first, if we read the intentions of the Government correctly. We do not know which will be the second, but we think it must be borne in mind that, in consideration of the general European policy, it will be necessary to conclude one with Austria.

Austria's existence is indispensable to the balance of power in Europe. But Austria can exist only if her people are allowed to work, that is to say, if she is permitted to export the products of her work. This work of solidifying Europe deserves to be accomplished, the more so since all post-War discussions with Austria have been settled, and our relations with her are now excellent.

Such is not the case with our two former adversaries, Germany and Hungary.

It is known that we have many controversial points with Germany which are far from being settled, as for example the question of the notes of the Banque Générale. We consider it impossible to start negotiations for a commercial treaty, or any other agreement, economic or financial, before all accounts surviving from the War should have been cleared up. Otherwise we shall risk doing useless work, and cause practical difficulties easy to foresee.

The case of Hungary is very similar. The conference which was to settle the last questions resulting from the Treaty of Trianon met lately at Budapest.

Our delegates have returned anxious to go, we are told, for their Easter holidays. Here again are questions which must first be decided.

Much work remains, therefore, to be done. A uniform policy and a clear line of action are needed to direct this work in such a way that it may assure us the maximum of advantages instead of imposing on us sacrifices, created by other motives than those of facilitating our trade.

New Loan to Yugoslavia.

Economic interests and the building of a new railway in Yugoslavia are the objects of the new Blair Loan. The *Morgenblatt* states:—

To-day's official report of the conclusion and subscription of the new 30 million loan in New York has aroused great interest in all circles. The conclusion of this loan will be considered as a success for the Minister for Finance. The stipulation under which the loan would be concluded will be marked down in economic circles as very favourable, both in relation to the proviso of the first Blair Loan, as well as in comparison with the proviso of the American Loan, which the neighbouring States have recently concluded.

As to the point of view in political circles, nothing is yet known, as the greater part of the members are away from Belgrade. The Official Communiqué declares: "The Minister for Finance announces, that the second issue of the foreign gold loan was carried through yesterday by the Blair-Chase group."

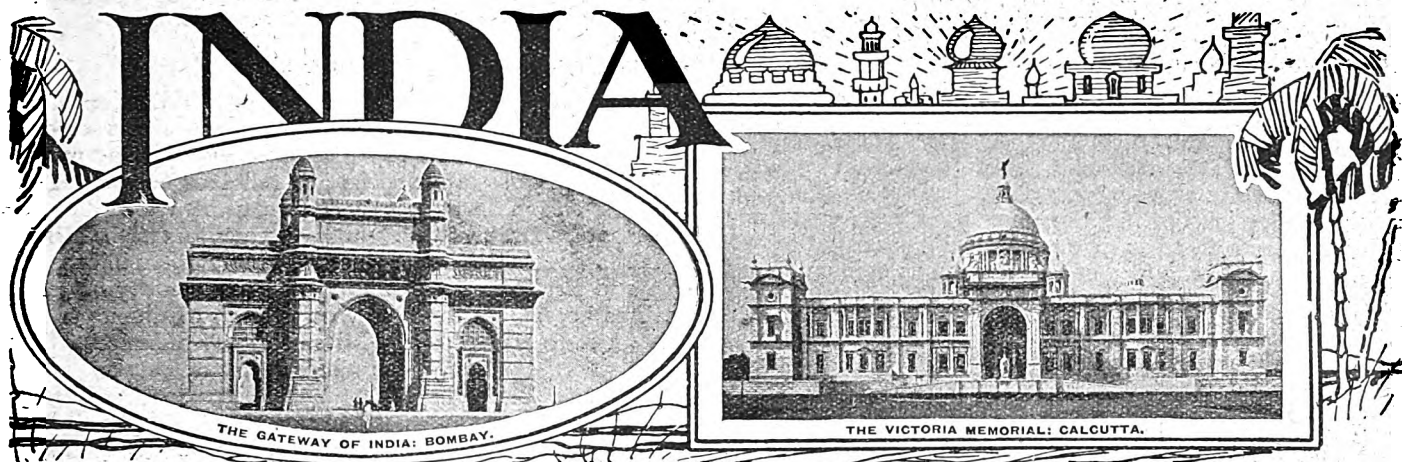
This issue amounts to 30 million dollars at a rate of interest of 7 per cent., payable within a period of 35 years. Fifteen million dollars are to provide for economical requirements and 15 million are to start the work on the railway from Belgrade to the Adriatic Sea. The loan is issued at 92½ . . . and was much over subscribed.

M. J. A.

It is reported from Constantinople that negotiations for the repurchase of the Baghdad Railway have been broken off, and that the German delegates have returned to Berlin.

The Finance Ministry of Iraq has issued a circular to all Government Departments stating that no Indian except Indian experts are to be employed in the Government service.

The *Times* states that as the result of a conference called by the Resident of Aden a truce until October has been arranged by the chief Wazir, the Sayyid Husain ben Hamid al Mehdar of the Kaiti Sultan of Mokalla in the Hadramaut and the brothers Shaikh Salih and Omar Ubaid Ba Abdat, who decline to recognise that ruler's authority.



SEPARATE ELECTORATES.

It was an evil day for India when communal representation found official sanction in the Morley-Minto reforms. From that point it was extended from one sphere to another and ultimately became one of the basic principles of the Government of India Act of 1919. What the late Mr. Montagu and Lord Chelmsford wrote in their joint report on the evils of electorates based on communal considerations is as true to-day as it was in 1918 but unfortunately the authors of the reformed Constitution had to face facts as they found them and they had abundant evidence that the Muslim Community regarded separate representation and communal electorates as its only safeguard. Communal electorates based on the Lucknow pact accordingly came to stay, the authorities in question no doubt trusting that in time the Muslims themselves would realise their mistake. Meanwhile communal tension as between the Hindus and Muslims has been steadily increasing ever since the disappearance of the distractions of active non-co-operation allowed men's minds to concentrate on the actual working of the reforms, and such outbreaks as those at Calcutta last year, and at Karachi and other parts of Northern India more recently, can no longer be regarded as isolated or merely associated events, but rather as evidence of the universality of the politico-religious animosity.

Its recrudescence is not due to the system of communal electorates but, as was particularly evident during the last session of the Legislative Assembly, that system has certainly tended to promote the development of a factor which now overshadows every aspect of Indian public life. "Another difficulty in the forming of the Constitution," said the majority-report of the Muddiman Reforms Enquiry Committee, "is the existence of communal differences. It is more than possible that the view indicated in some of the evidence produced before us that the introduction of the reforms scheme contributed to the growth of such friction is not without foundation." Apart, however, from the undoubted fact that "the militant organisations created by Hindus and Muslims are the outcome of the determination of the respective parties to strengthen their position and to obtain political power and offices under the new Constitution," to quote the words of an impartial eye-witness who has enjoyed exceptional opportunities for an impassioned study of the problem, the latest developments may be ascribed to two special causes.

The first is the belief of the Muslims that the incorporation of the Lucknow Hindu-Muslim pact of 1926 into the electoral arrangements proposed by the Southborough Franchise Committee has proved to be to their disadvantage, but unfortunately not in the sense in which the authors of the scheme possibly contemplated, or hoped. By that arrangement the Muslim Community, in provinces in which it is in a minority, was allowed more seats in the

Legislatures than was numerically justifiable. But in the Punjab and Bengal, where it forms a majority of the population, it was given respectively 50 and 40 per cent. of the seats. The contention, therefore, of the Muslim leaders is that in Bengal, the Hindu minority has been converted into a majority, and in the Punjab, where the Muslim majority has been reduced to an equality, the Hindus have endeavoured to impose upon the Muslims every disability that an uneducated minority can be made to suffer by a more advanced and unscrupulous majority. That was the reason why the Muslims at first were opposed to any further development of constitutional reform on the existing lines. Latterly, however, they have changed their front and have decided to join in the demand for the early appointment of the Statutory Commission, their view being that any fair investigation would recognise the injustice under which they are labouring.

A second cause is what they regard as the hollowness of the Hindu pretensions to Nationalism as revealed in the debates in the second Assembly on the Muslim resolution for the extension of the reforms to the North-West Frontier Province. The Hindus, it is argued, being in a large majority in most of the provinces, can pretend that when they demand the abolition of communal electoral representation it is only because separate electorates are incompatible with national unity. The moment, however, the reforms are introduced for the frontier province, and the separation of Sind becomes an accomplished fact, they would clamour, it is maintained, as loudly as the most nervous Muslims elsewhere for special safeguards. The Muslims conclude that this is the reason why the Hindus refuse Muslims their just rights in the Frontier Province and in Sind, and why prominent Hindus of Madras are more opposed to both proposals than those in Northern India.

The position of both sides was clearly and concisely stated during the course of the debate on Sir Sankaran Nair's resolution in the Council of State in March last. Sir Sankaran Nair, it will be recalled, moved a recommendation that no further step towards responsible Government be taken until the separate communal electorates be abolished. He declared that until the communities agreed to that step the Hindus would not willingly co-operate with the Muslims. He acknowledged that Muslim insistence on separate electorates arose from their distrust of the Hindus and that it was not in the circumstances reasonable for Hindus to complain of the steps taken by the Muslims to protect their own interests but, meanwhile, he contended, the former were entitled to say that such steps did not conduce to further political progress and therefore that there should be no such progress.

The Muslim viewpoint, voiced by Mr. Mahomed Suhrawardy, was that, in the contrary, any further constitutional development must include as its basic principle adequate representation of minorities through separate electorates and the speaker frankly admitted that by adequate representation he meant more seats for Muslims in the Legislature and other elected bodies. Subject to that condition his community were in favour of the

admitted defects of the present Constitution being remedied at an early date; but, being educationally and economically less advanced than the Hindus, their interests would be swamped in any system of common electorates.

No one who has the real interests of India at heart and who desires to see the country progress quickly towards its ideal of full responsible Government can support separate electorates as a permanent feature of the Constitution, but just as the Government in 1919 could not possibly have refused to give communal representation, so its successors, in the face of the unanimous opinion of the Muddiman Committee, is equally unable to change its attitude of strict impartiality. Unfortunately communal representation is only a manifestation of the larger problem of sectarian distrust and unless the new Conference which will, we hope, result from the negotiations now proceeding is preceded by an adequate change of feeling on that still more vital point, of which there are as yet few signs, the removal of the distinction between Hindus and Muslims is the matter of electorate rights, on no matter what terms, can only have one effect, namely, to provoke still more violent political and religious friction between the two communities.

CURRENT TOPICS.

Disease in India.

Having just passed through a mild small-pox scare, Bombay is now threatened with an epidemic of cholera, which has been especially virulent recently in the Bengal Presidency. The last really serious outbreak in Bombay was in January 1919; it came very soon after the influenza wave of the previous November, and it synchronised with the first of the protracted strikes in the cotton mill industry. Those whose duty it was to sit in Jacob's Circle, guarding the strategic centre of Bombay against attacks by rioters which never materialised, are never likely to forget the ceaseless stream of funerals that passed before their eyes during their long vigil. Twenty-five years ago the plague was a regular annual visitor to Bombay. The city had by that time got over the panic created by the original outbreak which drove the terrified inhabitants away into the country and General Gatacre's measure to enforce sanitation led to riots and to a general strike of the Municipal scavengers. Although even in 1903 the death rate still rose to 300 a day during the height of the periodic visitation, the outbreaks were by that time received with remarkable resignation, not to say apathy, by the Indian community. Thereafter, however, the force of the outbreaks appeared to show a steady decline for which enough credit has never been given to the municipal authorities in general, and, perhaps, to Dr. Turner in particular; and by the time the War broke out the Bombay death rate exhibited no abnormal features.

At the end of 1918, the influenza epidemic, which had already spread throughout Europe, struck India with devastating force. In Bombay alone, in spite of all the measures taken by the health authorities and the attempt made to deal with the worst cases in the hospitals, the death rate rose to very nearly 1,000 a day. What the situation was like in the mofussil regions has probably never yet been realized in the Presidency towns in India, much less in this country. The official estimates of the death roll, the writer believes, are somewhere in the neighbourhood of six million souls. It would not seem at all improbable to him if in actuality they did not fall far short of ten per cent. of the total population, or say, 30 millions. Whole villages were certainly swept away and hardly a single family was left unharmed. India is now immune against the ordinary diseases of the soil, so far as that is possible by human agency, through the latest discoveries of medical science; but whenever a new disease finds its way through Bombay or the other ports

it will inevitably result, it is feared, in a no less heavy death roll.

The First Indian Bishop.

The Bishop of Dornakal, who preached at Westminster Abbey last week on the occasion of the anniversary service of the Society for the Propagation of the Gospel, is an outstanding figure in the social and religious life of India. The first and in fact the only Indian to be raised to the Episcopate, Dr. Vedanayakan Samuel Azariah, who exercises ecclesiastical jurisdiction over eight millions of people in Southern India, has visited this country on two previous occasions, his first visit being to Edinburgh as a delegate to the World's Missionary Conference over sixteen years ago and, since his preferment, he also came over to attend the Lambeth Conference in 1920. Originally confined to the Eastern portion of H.E.H. the Nizam of Hyderabad's extensive State, the Bishop's diocese has been progressively enlarged during the last fifteen years to include the administration of the Telegu Missions of the Society for Propagation of the Gospel and the Church Missionary Society in the Madras diocese. Although Hyderabad is a Muslim State, only about one-twelfth of the population belong to that faith and the Bishop is able to claim that over 600,000 only of the total population are Christians and 150,000, or about a third of the whole of the Anglican community in India, are connected with the Anglican church. Dr. Azariah who is a staunch believer in the adaptation of Indian methods, confirms the general opinion that the phenomenal growth in recent years is mainly accounted for by the increasing number of converts from the outcasts and the poorer classes of the community. A more significant development, perhaps, is the change which, in Dr. Azariah's view, is also coming over the attitude of the educated classes towards Christianity in spite of the growth of nationalism in India.

Lord Sinha has arrived from India for the sittings of the Judicial Committee of the Privy Council, and is staying at Queen Anne's Mansions.

The *Englishman* understands that it has been decided to offer the appointment of Secretary to the Government of India in the Finance Department to Mr. E. Burdon. The choice, it is stated, has been one of some difficulty on account of the premature retirement of Mr. G. G. Sim, who is now Secretary to Vickers, Ltd., and the comparatively junior status of Mr. E. F. L. Brayne, who has been officiating temporarily in the post since the transfer of Mr. A. C. McWaters, the last permanent incumbent, to the Department of Industries and Labour. Mr. Burdon, who was formerly Military Financial Adviser, and a member of the Sken Committee, is at present on leave in this country.

Fleet Orders announce that the annual Indian Empire garden party for all officers and civilians who have resided in India, Ceylon, Iraq, Palestine, Singapore, and Hong-kong, and their wives and daughters, will be held at the Ranelagh Club, Barnes, on Wednesday, June 22, from 2.30 to 6.30 p.m. A polo match, India v. The World, will take place at 3 p.m., and a military display by the 1st Royal Dragoons at 4.30 p.m. The band of the 1st Royal Dragoons and the Kneller Hall String Orchestra will play during the afternoon. Tickets, 5s. each, can be obtained on application to Lieutenant-Colonel C. C. Anderson, 10, Gilston Road, S.W.10, not later than June 15, the name, initials, rank and present or former branch of service, if any, being stated. Remittances must accompany all applications. The proceeds, after paying all expenses, will be given to the British Legion Fund for disabled officers and men.

The President and the majority of the members of the Royal Commission on Indian Agriculture, which has completed its cold-weather tour in India, have arrived in London, and the headquarters of the Commission are at the Board of Works Office, Charles Street, Whitehall. The Raja of Parlakimedi is unable to visit England this summer, and the Commission will be completed for its work in London by the arrival at the end of May of Mr. B. S. Kamat and Sir Ganga Ram.

The Commission will sit for public business on June 6, and it is expected that the taking of evidence will continue for two months. As in the Indian tour, the Commission will sit in public. The witnesses will include experts in agricultural research and administration and authorities on the question of marketing Indian produce. The Commission will visit Rothamsted Experimental Station and other research centres. Possibly some members of the Commission may be deputed to visit the Continent and Egypt.

CALCUTTA LETTER.

(From Our Own Correspondent.)

Calcutta, April 14.

The New Governor of Bengal.

Before his departure for Darjeeling, Sir Stanley Jackson had a busy time. Apart from the numerous replies to the addresses of welcome, His Excellency had to give a fitting answer to each deputation, the most striking being the one in which the landowners were reminded of their duties and responsibilities towards their tenants. The landlord and the tenant are interdependent, and increased prosperity for one should mean increased prosperity for the other (a view seldom shared by the Indian landlords, who regard the tenants merely from the rent-paying point of view). The new Governor wishes to teach the landowners how to become good landlords: that is by showing their tenants how to improve their condition! An Arcadian programme, that. Sir Stanley has to solve many problems. One of them is the aspiration of the people to attain the status of a self-governing dominion. To this there is a ready-made answer: "An Act of the British Parliament opens the way to such a possibility; but the British Parliament will expect that a sincere endeavour to help India to attain her desires shall receive an equally sincere and honest response from India." Another problem is that of agriculture and industry. The most immediate question, however, is that of the Bengal *détenus*. The delegation of the Indian Association explained to the new Governor the widespread feeling in this country that the *détenus* ought to be either released or put on trial. The delegates recognised that Sir Stanley had had too limited an opportunity of acquainting himself with the question to give any definite reply.

The Y.M.C.A. Again.

At the general meeting of the Cawnpore Branch of the European Association reference was made to the situation arising out of the controversy between the Calcutta Branch of the European Association and the Y.M.C.A. It will be remembered that Mr. Hobbs was instrumental in the passing of a resolution by the European Association criticising the political activities of the Y.M.C.A. "Either too much or too little has been said," was the opinion expressed by Mr. Ryan at Cawnpore, who urged that the matter should not be allowed to rest there, adding that the European Association must either prove its case or make amends. Such is the opinion of the public generally. Mr. Hobbs has raised a storm, the violence and consequence of which he probably little dreamt of.

The National Week.

What *Forward* describes as "a flaming passion of patriotic ardour" has led the Bengal Provincial Congress Committee to start the celebration of the National Week with the unfurling of the National Flag. "It waves aloft," says the Swarajist organ. "We hope and live. We live to hope." The Bengalis seem to live on words. They hypnotise themselves with such phrases as "The ideal will be realised to-morrow." Indeed India is the land of "kal," (tomorrow). Then the useless wailing goes on: "The National Flag will be a reality. That is the hope of suffering. That is the pride of sorrow. That is the mute song of the enchanted spirit. The flag waves proudly—the prophet of to-morrow" (again why not to-day?) "the herald of the ages, the free soul of India that was and that is to be." When reading such empty stuff, one wonders whether Bengalis will always be satisfied with words. One says: "Let each Indian on this first day of the National Week lay his hand on his heart and ask himself what he has done during the last eight years to prevent a repetition of the 1919 tragedy!" Mr. J. M. Sen Gupta (Calcutta's Mayor) has declined the offer of the Presidential chair at the Bengal Provincial Conference. His reasons for declining to accept the high honour have been given by him in a letter to the General Secretaries to the Reception Committee of the Bengal Provincial Conference to be

held at Howrah. In the letter Mr. Sen-Gupta wisely says, *inter alia*, that, considering the disputes arising, he feels constrained to express the opinion "that the Provincial Conference should be postponed to a future date, until a better atmosphere is secured for it. Two sets of delegates and two sets of office-bearers of the B.P.C.C., each claiming admission and control of proceedings in the Conference and in the Subjects Committee, can only lead to confusion."

About the New Mayor.

The Indian Press bitterly complains of the intense—and premature too, they add—jubilation, in what they call the enemy camp, at the prospect of the Congress Councillors in the Corporation receiving a rebuff in connexion with the election of Aldermen and the Mayor. The *Statesman* and the *Englishman* have not concealed their satisfaction at the decision that the *Central Avenue* should no more be called *Chittaranjan Avenue* (a momentous question!), and this is much resented by *Forward*. There is still possibility of Mr. Sen Gupta being re-elected as Mayor, but now another name is whispered, that of Mr. J. N. Bose. Sir Rajendranath Mukherjee, having found it impossible on personal grounds to accept nomination as an alderman, the question of his becoming Mayor is set at rest. As regards the Deputy-Mayor, the tradition of having a Muhammadan in the chair will be maintained. No definite choice has yet been made.

Here and There.

Memorials and petitions are still pouring in, praying for the release of the young Nepalese. Meetings are held to pay public homage to the heroism and chivalry of the young student, and to ask H.E. the Governor of Bengal to grant him a pardon. The Nepali girl who is the cause of the scandal is also an object of great sympathy. It is typical of the Bengalis that, while engaged in trying to save the Ghurka hero, they forget the sad plight of their imprisoned leaders, who are becoming a secondary, more or less remote, grievance.

The Secretary, Indian Journalists' Association, has written to the Proprietors and Editors of newspapers and periodicals in India to suggest their sending a correspondent to China, in order to ascertain the true facts. The writer argues that, if Great Britain finds herself at war with China, it may be expected that India will not only furnish part of the troops, but will also have to bear part of the expenditure. Indians therefore are fully justified in asking for unbiased details and strictly accurate reports about China. All the countries of Europe and America have their own correspondents on the spot, and the real events that are taking place in China are of great significance to the Indian peoples.

Press and public criticism has been roused in India by a speech in which the Right Honourable Mr. Hilton Young was alleged to have described India as an uncivilised country. Punctuation was faulty and the report read: "There must be special legal conditions for our traders or trade is impossible. Look back at India, Africa and every other civilised country." Here the epithet "uncivilised" appears as if applied to India as well as to Africa. The original was: "Look back at our trade with India. Look at our trade with Africa and every other uncivilised country." The Right Honourable Mr. Hilton Young, whose speech in Parliament dealt with the Chinese situation, meant that there was need for a settled government in China to make trade possible. He offered the example of India in opposition to the uncivilised condition of Africa. His admiration of Indian culture is well known, and an unfortunate compression of the text of his speech has alone caused the misunderstanding.

Mr. Saklatvala, the Communist M.P., has left India. The Parsis have presented their countryman with an address and a purse, in recognition of his activities in India. They greeted him as "torch-bearer of a new life." Comrade "Sak." replied to the farewell address, and gave his friends sound advice. "Never be afraid of making mistakes," he said, "but be afraid of standing aloof like

cowards. Don't think that neutrality is a virtue. Always keep your intentions and objects selfless," and other truisms. During his Indian tour the Communist lecturer has collected enough money to pay for the cost of his tour, and to repay a loan granted to him in time of political trouble. Mr. Saklatvala has done all he could for India. "I do not feel like leaving," he said. "From love I am going to love, from one public service I am going to another." Mr. Saklatvala hopes that Mr. Gandhi will put forward some new and vital programme. The surging crowd cheered the Communist M.P., who was carried on shoulders to his car.

Forward deplores that the number of the unemployed is steadily on the increase. Heartrending stories are told of suicides brought about by the impossibility for many educated and respectable Indians of finding work. Yet the Commander-in-Chief of the Army in India said the other day in the Legislative Assembly that the prosperity of the country was increasing, quotes *Forward*.

The Swarajist leaders, including Mr. J. M. Sen Gupta, are in trouble. It is alleged that they have utilised for the last Council election and the recent municipal election funds collected by the late Mr. C. R. Das for the purpose of village reconstruction. The plaintiff, a rich *zamindar* or landowner, was induced by the late Mr. Das to pay Rs.10,000 to the fund, and by Mr. Sen Gupta to pay another Rs.5,000 for the Congress cause, but all parties concerned refused to give account of the way in which the fund had been administered. The plaint was admitted.

In his speech as Chairman of the University Teachers' Conference Prof. N. C. Banerjee made the following remarks: "The present University education has had its origin in the exigencies of the administrative system imported by the Britisher, but it has outlived its usefulness. The problem of to-day is to breed men of light, culture, character, initiative and courage in all departments of activity. The country demands youthful minds with a practical outlook, with freshness of idea, bent upon social service and pushing on national progress." Mr. Banerjee wants a new generation of ideal men.

The Indian Bishop of Dornakal, Dr. V. S. Azariah, has arrived in London and is staying at Lambeth as the guest of the Archbishop of Canterbury. Dr. Azariah, who preached the annual sermon of the Society for the Propagation of the Gospel at Westminster Abbey last week, will be the chief speaker at the annual meeting of the British and Foreign Bible Society on May 4, at which the Marquess of Salisbury will preside, in the absence of the Prime Minister.

Mr. J. M. Sen Gupta has been re-elected Mayor of Calcutta by 45 votes to 40. The decision has caused some surprise in Calcutta in view of the fact that at the recent election of Aldermen Mr. Sen Gupta, who succeeded the late Mr. C. R. Das, was the only Swarajist returned, the remaining four seats being captured by a combination of the other parties in the Corporation.

Mr. Arthur Hill, C.I.E., A.M.I.C.E., late Chief Engineer for Irrigation in the Bombay Presidency, has died at Torquay, at the age of 69. Joining the Public Works Department, Bombay, in 1880 from Coopers Hill as an assistant irrigation engineer, he reached the executive grade 12 years later, and that of superintending engineer in 1906. He was Chief Engineer and Joint Secretary to Government from the close of 1906 until his retirement early in 1913.

The War Office announces that the Queen Alexandra's Imperial Nursing Service and the Queen Alexandra's Military Nursing Service for India have been amalgamated with effect from November 1, 1926.

The normal tour of duty in India for members of the amalgamated service below the rank of principal matron will be five years, and the rates of pay and allowances and conditions of service of members on the Indian Establishment will be as laid down in Indian Army Regulations.

The military authorities in India are giving special attention to facilities for enabling a team of riflemen to compete at the Bisley meeting in July. Hitherto such teams have been scratch sides formed from leave men at home. This year some better organisation will be provided, and the provisional arrangements are in the hands of Lieutenant-Colonel Faunthorpe, of the United Provinces Horse.

BOMBAY LETTER.

(From Our Own Correspondent.)

Bombay, April 15.

Experiments in Self-Government.

Kholhapur State, the premier Indian State in direct relations with the Government of Bombay, has recently inaugurated the Ilakha Panchayet system, and has thereby immediately placed itself in the first rank of progressive Indian States in the country. It fell to Sir Leslie Wilson, the Governor, to perform the inaugural ceremony during his recent visit to this enlightened ruler, and in doing so he sounded a note of warning against the danger of inefficiency and advised the members of this central body, whose main object will be to direct the activities of the Taluka Panchayets, who in their turn will direct the village panchayets, to secure behind them the force of public opinion. It has been a rather serious step that has now been taken, especially as earlier experiments in self-government in the State have not been quite the success that they might have been, but the Maharaja is to be congratulated on his decision to march forward instead of going back.

Cholera.

Far from abating, the cholera epidemic during the past week has become more virulent. We are now informed that it is moving from Belgaum and threatening to engulf Miraj and Kolhapur. This indicates a general tendency towards the Deccan, where several large fairs are shortly to be held. It appears as though something drastic will have to be done to put a stop to the advance of the scourge, something more drastic than the measures so far employed by the Public Health officers, who seem to be satisfied with their policy of policing the various fair grounds and localities and endeavouring to make things as comfortable as possible for the pilgrims. It is not comfort that is wanted but sanitation, and to achieve this object means the expenditure of much more energy than is being displayed at the moment. Indeed, it would even be justified if the Government were to insist on the postponement of these fairs until such time as the scourge has been conquered.

Beggars.

Will Bombay ever be free from the pest of every street and every by-lane—the pest of the beggar? No matter where one goes, one is bound to meet him, cringing, leprous, stinking; until one is obliged to give him something to get his plaintive cries out of one's ears. That something ought to be done in the matter has long been recognised by both the local Government and the Municipality, and with this end in view Mr. Starte, a Criminal Settlements Officer, was appointed to survey the position and submit a report. This he did, and a very comprehensive report it is too. Unfortunately for us, the Municipality finds itself unable to put up the necessary funds to carry out his numerous suggestions, and to avoid doing so has started on a debate with Government as to who is actually responsible for the finding of the money. When this decision is arrived at we can hope for some relief. Oh, let it be soon!

Communism a Failure.

Mr. Shapurji Saklatvala has departed for England, and his tour of this country may be considered as a significant event, for he was officially permitted to preach Communist doctrines wherever he went. In Bombay he failed to rouse any enthusiasm whatsoever, but in other cities he was much more fortunate in his reception, even though it must be realised that as a whole his tour—if it was hoped by this means to raise the Communist flag in India—has been a dismal failure. Communism and its implications are actually foreign to the Indian in general,

so that all Mr. Saklatvala's seeds have been falling on barren ground. The only means of "pushing" these principles is by recourse to violence, and that as in the case of the non-co-operation movement, has proved of no avail. And so Mr. Saklatvala returns to Battersea, one trusts with his "private affairs" more successfully settled than his public ones have been.

A New Golf Course.

A hundred and twenty-two acres of the Sewri Mazagon Reclamation, towards the head of the harbour, has been acquired by the New Golf Club as its course, and will fill a very badly needed gap in Bombay, which has hitherto had to go 120 miles to Nasik or Poona to find anything that can be called a golf course by the widest stretch of the imagination. The land, being surplus to the present needs of the port, can quite legitimately be applied to this use, pending further developments, and it is to be hoped that the new club, with two Parsi gentlemen on the committee, will meet all the requirements of the Scottish, and other communities of Bombay.

As the expenditure on the construction of the course has so far been well within the estimates, it has been decided to erect a small club house for the convenience of the members and it is hoped that the course will be opened for play before the commencement of the coming monsoon.

Financial Conditions.

There has been little change in the various markets during the week, and the textile crisis is still with us, even if it is not attracting quite as much attention. The Tariff Board's report is not to be made public until next month, and, knowing that, perhaps the local interests will rouse themselves and endeavour to do something off their own bat to deplete the dangerously increasing stocks of cloth and yarn. Markets are generally quiet, though the revaluation of the gold and sterling holdings of the Paper Currency Department on the new basis of 1s. 6d., as compared with the old basis of 2s. to the rupee, has occasioned some interest. The value of both holdings have consequently been increased. It is believed the Government proposes gradually converting securities in the Gold Standard Reserve into gold in view of the proposed transfer of this Reserve to the Reserve Bank of India.

WESTERN INFLUENCE IN BENGAL.

An interesting and instructive paper on the effect of Western influence and teaching on the social and economic life of the Bengal Presidency was read by Mr. Surendra Nath Mallik, a member of the Council of the Secretary of State for India, at a meeting of the East India Association at the Caxton Hall, Westminster last week. Sir William Vincent, formerly Home Member of the Government of India and a colleague in the India Council, presided.

Mr. Mallik emphasised the "gigantic uplift" which had followed the confusion, misrule and evil social customs which were such outstanding features of the period immediately preceding the establishment of British rule in India. The three main forces in the great changes wrought by Western influence were, in the lecturer's opinion, British Administration, Westernized education, and Christian missions, respectively—and on the whole he was disposed to regard the latter as the most potent of the three. While Bengal in particular had gained much through the transition brought about in the last 150 years, she had also been called upon to make some sacrifices as well. Taking the wider view, however, he thought that she had cause for gratitude in the fact that her fortunes had been linked with those of Great Britain. The desire for self-government had its rise in Bengal which had always been the home of the leaders of the political movement. At the same time much further progress was

required, particularly in educational and social matters. He was firmly convinced that it would be a most serious mistake to introduce a system of complete self-government without giving the people the benefit, for at least a quarter of a century beforehand, of free and effective primary education, and of an adequate training in real local self-government.

During the course of the ensuing discussion Lord Sinha, who has recently resumed his seat on the Judicial Committee of the Privy Council, said that it was refreshing to listen to Mr. Mallik's view after a visit to India where the tone of the Indian-owned Press led one to conclude that India had lost and not gained from contact with the West. The Bengalis were, he pointed out, the first to take to Western education, and the result was that in all fields of work throughout India the Bengali was the faithful assistant of the English ruler. He made himself indispensable, and the educational system was designed to provide such material for the administration of the country. Though the Bengali was no longer needed in other provinces (owing to their own later adoption of Western teaching) his education continued to be of the same type; and it might now almost be said that, even in Bengal itself, the man least able to make a living was the Bengali. The system was ill adapted to present-day requirements. He by no means said that the Indian administration was perfect; but he agreed with the lecturer that it would do Bengal no good to show ingratitude. He deprecated the impatience which wanted to jump before learning to walk, and which refused to recognise the inevitability of gradual progress if there was to be any progress at all. He thought this undue absorption in politics was a passing phase and hoped that the British people would show patience in regard to it.

INDIA IN PARLIAMENT.

By Sir FRANK NELSON, M.P.

[The impending appointment of the Statutory Commission under the Government of India Act invests with particular interests the acceptance by Sir Frank Nelson of the Editor's invitation to discuss in these columns from time to time the consideration given to Indian affairs in the Lobby of the House of Commons.]

I have agreed—with some diffidence—to comment briefly, from time to time, on events in Parliament having a direct or indirect bearing on India. At the outset I should like to point out quite frankly that in the few years during which I have been a Member of the House of Commons, the main channel through which Indian events are reached is that of Question and Answer, that short period of an hour preceding the business of the day when Ministers are exposed to the fire of all Parties on matters pertaining to their departments.

The fact is that, at the moment, interest in Indian affairs is conspicuously lacking at Westminster; there are several perfectly good reasons for this, the chief one being that the Party in power is abundantly satisfied with the administration of the Indian Empire, and has abundant faith and trust in Edward Wood that was, who for so many years held a peculiarly high place in the esteem and affections of all Parties in the House, and who seems to be on the high road to achieving a similar niche in the estimation of the peoples over whom he is now ruling.

Again, Indian affairs, just now, present an obviously poor target for the darts of either the Oppositions and an interesting fact in this connection is that the more frequently members of the Socialist Party journey to India, the less do we hear in the House of Commons of that type of oratory which some years ago was so prevalent, *vide* the "down-trodden, exploited native of India," the "harsh Prussian methods of the Government of India," etc., etc.

I do not, however, wish to be taken as implying that

the House of Commons is not very sensible of the fact that in the not far distant future the fateful decision must be taken as to whether the degree of self-government at present enjoyed by Indians is to be "extended, modified or restricted." The ultimate authority in this respect is of course the House of Commons, and all Members realise quite fully the responsibility that will be theirs in due course.

Our only Indian Member, Mr. Saklatvala, has just returned from India, where he is reported to have assured an Indian audience that the "West is waiting for the East to rise," and that "all the preparations have been made." I do not imagine that even the worst sufferers from political myopia are likely to attach much importance to statements like this, but however fantastically untrue such utterances may be they are none the less mischievous, and it will be interesting to see in a year or two how many of such are remembered by Mr. Saklatvala's constituents in Battersea and if they are prepared to endorse them by voting for him at the General Election.

Commander Kenworthy (one of the latest recruits to the Socialist Party) is evincing keen interest in the average weekly rate of wages (expressed in sterling) of men, women and children employed in the Bombay Cotton Mills, and the latest figures that Lord Winterton could supply him with were those in force in August, 1923. I could have wished that later figures had been available but in any case we shall almost certainly have presented to us in due course a comparison of the weekly wage of a textile worker in Lancashire with that received by a worker in Bombay (Lord Winterton gave the average weekly earnings for a week of six days by a man in the Bombay Cotton Mills as 12s. 2½d.).

This is a very prevalent topic of discussion on the Socialist Benches, the endeavour to compare standards of living throughout the world by means of measuring such a standard in terms of a common currency; costs of living, climate, caste customs and religions, all are conveniently ignored by the speakers—the age-long prejudice ceaselessly combating new ideas in housing, feeding and working receives no comment—and I sincerely hope that Mr. V. J. Patel, the President of the Legislative Assembly, who is at present a daily visitor to the Distinguished Strangers Gallery, may have an opportunity of hearing a discussion on these lines.

Lobby gossip is very busy selecting a successor to the Governor of Bombay; my experience of Lobby gossip is that there is a distinct foundation for three-quarters of what one hears, but I hope rumours of Sir Leslie Wilson's retirement are untrue, for I gather they are based on Lady Wilson's health. If, indeed, a successor has to be found, Colonel Ashley (the axed Minister of Transport) is generally spoken of as a likely choice.

INDIAN MAIL.

Factories in India.

The official report on the working of the Factories Act in India for 1925 has lately been issued: and, though rather belated, it contains a large amount of interesting information. At the end of the year under review, the number of factories was 6,926 employing 1,495,000 hands: an increase, from the previous year, of rather more than 500 factories and rather less than 40,000 workers. The number of women employed in 1925 was 242,500, and of children 68,725: an increase of about 7000 in the former, and a decrease of about 4000 in the latter, from the figures for 1924. The report suggests that the growing demand for female labour is partly due to the restrictions on the employment of children which have recently been made effective. The improvement noted, in the previous year's report, in the matter of hours of work has not been maintained; for the number of factories in which the employees worked for the maximum number of hours allowed under the Act shows a tendency to increase. The percentage of factories maintaining a 48 hours' week

for men was 27, a 54 hours' week 12, and a week longer than 54 hours 61. In the case of women, the percentages were 31, 11 and 57 respectively. The total number of accidents recorded, which before 1924 had averaged about 7000 annually rose to over 10,000 in that year, and to 12,645 in 1925. This is considered to be partly due to the introduction, in 1924, of the Workmen's Compensation Act: which had led to the recording of accidents of a type previously regarded as too trivial to be worth reporting. Another, and much more serious, reason is held to be the faulty construction of factories under the law. Under its existing provisions, buildings not intended as factories might be so used without previous sanction from any authority: in consequence of which, work is frequently commenced in buildings which had been constructed in entire ignorance of the requirements of factory law. This question has been examined by the Government of India, who have asked local Governments to consider the possibility of provincial legislation with a view to bringing it under control.

Perhaps the most interesting point, to the ordinary observer, brought out in the report, is the small extent to which industries in India have so far been developed. It has been calculated that something over 70 per cent. of the entire population of India is wholly dependent on agriculture for a living: that is to say, in British India alone, without counting the Native States—with which the report does not deal—about 175 million persons live by husbandry, against rather less than 1½ million by factory industry. These facts give point to the late Viceroy's description of agriculture as "India's greatest industry": and, incidentally, suggests that, in the millennium to which some of India's extreme politicians look forward, when the country will be ruled by Councils of workers and peasants, their composition is likely to remain a very lop-sided one for a long time to come.

The net profit of the Bombay Gas Company for 1926 was £21,700, the available balance being £67,759. The directors recommend a dividend of 4 per cent., less tax, making 8 per cent. for the year, carrying forward £40,805.

The death is reported from Nice, at the age of 72, of Mr. R. G. P. P. McDonell, C.I.E., who joined the Burma Police at the time of the annexation in 1886/87 and afterwards officiated for ten years as Commissioner of Police in Rangoon. Mr. McDonell, who received his C.I.E. in 1905, became a steward of the Rangoon Turf Club in 1908 and took an active interest in the administration of that body until his final departure from Burma in 1917.

A *communiqué* issued by the Government of India announces that the Indian delegation to the Tenth International Labour Conference, which will commence at Geneva on May 25, will consist of the following:—Sir Atul Chatterjee, High Commissioner for India, and Sir Louis J. Kershaw of the India Office, London, will be delegates on behalf of the Government of India, and Mr. J. C. Walton, India Office, London, and Mr. S. Lall, Under-Secretary to the Government of India, Department of Industries and Labour, will be advisers on behalf of the Government of India. Mr. G. D. Birla, M.L.A., will be the employers' delegate. Mr. V. V. Giri, Bar-at-Law, Berhampur, will be the workers' delegate, and Mr. G. Sethi, General Secretary of the Jamshedpur Labour Association, the workers' adviser. Mr. Lall will act as secretary to the delegation.

Mr. J. T. D. Savary has been appointed Editor of *The Englishman* on the retirement of Mr. A. C. Wentworth Lewis, who prior to his service on the Calcutta paper was Paris Correspondent of *The Times*. Mr. Savary was formerly on the staff of *The Pioneer* at Allahabad.

The following appointments on the staff of the Army in India are announced:—

Lieutenant-Colonel T. P. Melvill as Deputy Military Secretary, Army Headquarters, vice Colonel B. Nicolay, Indian Army, vacated.

Lieutenant-Colonel W. H. Ralston, officiates as Brigade Commander, 9th Indian Infantry Brigade, vice Colonel (Temporary Colonel Commandant), E. C. Kensington, Indian Army, who officiates in command of the 7th Indian Infantry Brigade.

Major E. Preedy as Staff Officer, R.E., 1st Grade (Works), Western Command, vice Major A. G. Rainsford-Hannay, vacated.

Captain A. L. Elsworth, as General Staff Officer, 3rd Grade, General Staff Branch, Army Headquarters.

Lieutenant F. H. M. Nicholas, as Tank Engineer, General Staff Branch, Army Headquarters.

Commercial and Financial Section.

NOTES AND NEWS.

170, Strand, London, W.C.2.
Tuesday Morning.

The Changing Cotton Position.

Another of those far-reaching changes that from time to time affect the cotton position seems likely to take place as a result of the Mississippi flood disaster. But a week ago cheap cotton seemed a certainty for some time to come but for a development in the demand for cotton goods—an unlikely contingency in present circumstances—and cheap cotton presents a very difficult obstacle to the progress of Empire cotton-growing, of the American type that is, for the price is so low that it is not easy to make it a remunerative crop for the grower. This view was voiced as late as Tuesday last at the meeting of the British Cotton Growing Association at Manchester by Mr. J. A. Hutton, who pointed out that the Association would do all in their power to see that the native grower was not discouraged, and emphasised the point that it was essential that a great deal should be done to provide efficient transport. In the week that has elapsed since Tuesday the price of cotton has reacted sharply, and while, in default of more certain information, it would be very unwise to be dogmatic on the matter, it would certainly appear that the next American crop must be seriously affected by the floods in the Mississippi valley—a region where the best staple American cotton is grown. The production from the flooded district is normally in the region of a million bales, so that it can be well understood why the report of the floods should have been followed by a hardening in the price of American.

Sudan Cotton Position.

In the Sudan as in other parts of the Empire a sustained rise in the price of cotton would mean a great deal. The position as regards Sakellarides is, of course, assured, and the fine reputation gained by Sudan Sakel has resulted in its receiving special attention in the Liverpool market. While definite figures are not yet available it appears probable that the output of this variety for the 1926-27 season will be in the neighbourhood of 134,500 bales which would mark an appreciable advance on the previous year's figures, and would at the same time justly emphasise the enormous advance in the production of this region in the past few years. It is, however, the development of American cotton in the Sudan with which we are now chiefly concerned, and for a variety of reasons, as I have had occasion to point out before, progress with this crop is not an easy matter. It is encouraging to know, however, that while in the 1926-27 season four provinces where American is grown the crop fell considerably below that of the previous year owing to an inadequate rainfall in four provinces there was a substantial advance, and these four provinces are responsible for a production of about 5,600 bales as compared with one of 3,350 bales for the previous season. A few thousand bales is, of course, a very small addition to the world's production of American, and in the most favourable circumstances progress is bound to be slow, but the more remunerative the crop proves to be for the grower the greater will be the enthusiasm for it and the rate of increase will be proportionately greater.

National Bank of Albania.

The annual general meeting of the Bank of Albania, which was held in Rome on April 27, was attended by the Albanian Minister in Rome, M. Gemildino, on behalf of the Ministry of Foreign Affairs. According to the official Agencia Stefani the President of the Bank, Signor Mario Alberti, in his speech dwelt upon the services rendered by Ahmed Bey Zogu to the cause of progress and development in Albania, and was followed by M. Gemildino, who expressed the gratitude of his Government to Signor Mussolini for what he had done to further good relations between Italy and Albania. A 5 per cent. dividend for the year was declared. At a general meeting of the Society for the Economic Development of Albania, held the same day, stress was laid on the successful activities of the Society during the past year; bridges and roads had been constructed, numerous houses in Tirana and elsewhere had been built, and a scheme for the provision of a harbour at Durazzo had been prepared.

The Late Lord Cowdray.

The news of the death last week of Lord Cowdray, the head of the famous firm of contractors, S. Pearson and Co., has occasioned very widespread regret. In the course of an unusually full and active life, during which he was concerned in a large number of leading commercial developments, Lord Cowdray had achieved for himself a position as one of the leaders of industry in this country. The firm which bears his name (he was Weetman Dickinson Pearson before being raised to the peerage in 1910) has, of course, been engaged in public contracting work in almost all parts of the globe. To mention one sphere of activity, a recent operation with which Lord Cowdray and his companies were concerned was the development, in conjunction with Dorman Long and Co., of the Kentish coalfields. Of the activities of the firm in the Near East mention may be made of docks at Malta and the Makwar Dam, that prodigious undertaking which has made possible the development of cotton growing in the Gezira on a large scale, and must rank as one of if not the greatest of the many achievements of a famous firm.

Motorships and the Suez Canal.

The figures for the Suez Canal traffic in 1926 show very plainly the great increase that is taking place in the use of motorships. The number of transits of the Canal of motor-

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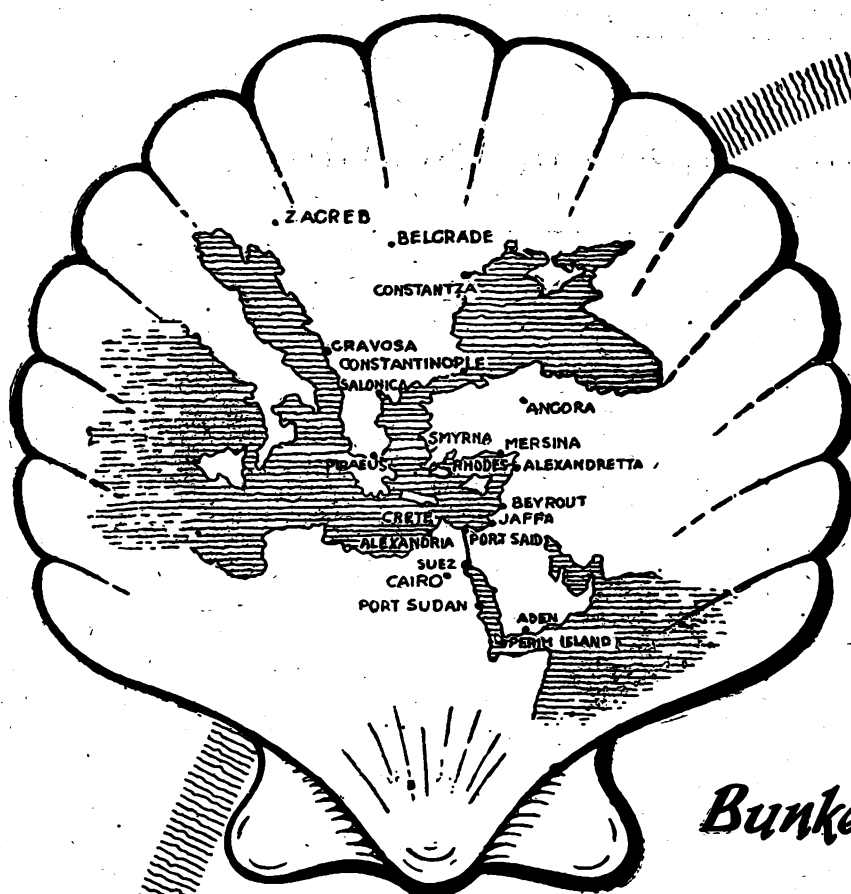
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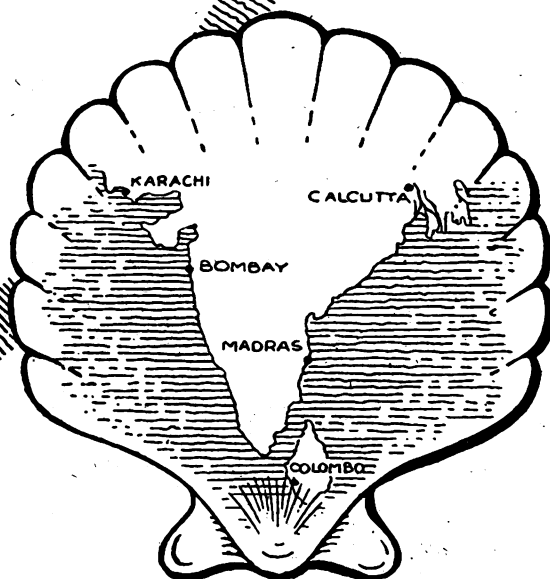
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ships was 455 representing a net tonnage of 2,522,000, while in 1925 the transits were 324 representing a net tonnage of 1,720,000. As recently as 1921 the transits were only 110, the tonnage being 496,000. The number of individual motorships concerned in these transits was 148 in 1926, 118 in 1925, and 44 in 1921. But the figures for 1926 scarcely bring out the full development of the motor vessel. In that year there was a reduction in the total tonnage using the Canal of 702,000 tons, so that the relative proportions of motorships and steamships underwent a much greater change than would be apparent merely from the increase in the net tonnage of the transits of motorships. Equally striking are the figures for the nationality of the motorships: 65 out of 148 in 1926 flew the British flag as against 52 in 1925 and 38 in 1924, and the only other countries with double figures were Norway with 21 ships as against 10 in 1925, Germany with 18 as against 13, and Denmark with 14 as against 18. From this it will be apparent that Great Britain is leading the way in the transition from coal to oil. A further point of interest is the tendency for the tonnage of the motorships to increase. The average net tonnage in 1926 was 5,543 tons as compared with 4,505 net tons in 1919.

Stabilisation of Exchanges.

Signs have been growing of late that the world is gradually settling down to more or less fixed conditions. One indication of this is provided by the increasing stabilisation of the exchanges. In the table we give this week some nine of the twenty quotations are the same as they were a week ago, a large number have undergone minor alterations only, while in a very few cases—the lire and the leu among them—have there been marked fluctuations. Like the Roumanian leu the Italian lire has rapidly improved in recent weeks, though the foundation for the advance was scarcely more substantial (relatively speaking) than for that of the leu whose rise was followed by rapid fluctuations. This week the lire has had a setback, but the efforts made in both countries to achieve stabilisation will no doubt before long have the desired effect.

The New Rubber Restriction.

The reduction in the exportable quota of rubber to 60 per cent. has duly taken place, and at no time in April indeed did there appear to be any prospect that this would be avoided. In the last week, indeed, the market for the commodity developed extreme weakness, at one time a price of 1s. 7½d. being touched, and I believe I am right in saying that the average price for April was below that for March. The outlook is still uncertain, though perhaps less so than it was. The London stocks now amount to over 57,000 tons, and they are likely to be increased for a few more weeks, but within the quarter the reduction to 60 per cent. will begin to have an effect, and when that happens the commodity market will undergo a rapid change. The immediate point of interest is the course of the commodity in the present quarter. If it attains an average price of 2s. it will mean the restoration of the 10 per cent. which is now taken off. The possibility of a price below 1s. 3d., which would mean a further restriction, is unthinkable.

Were it to happen it would mean famine prices for rubber in the very near future.

Indo-European Telegraph Company.

At the meeting of the Indo-European Telegraph Company (a report of which will be found elsewhere in this issue) the Chairman, Mr. H. L. M. Tritton, commented on the great advantage offered to the telegraphing public by direct working with Karachi. This has been in operation for many years, but he pointed out that it does not appear to be generally realised that the actual transmission only takes a fraction of a section. Mr. Tritton touched on the question of wireless telegraphy, and said that he was convinced that in the future there will be room for both wired and wireless telegraphy and that those companies with land lines or cable systems will continue to hold their own.

COMMENTATOR.

NATIONAL BANK OF ALBANIA.

The National Bank of Albania has issued an illustrated brochure giving types of notes and coins in circulation in Albania. The bank was constituted in Rome at the end of 1925, among the banks which participated in its establishment being the Credito Italiano, the Banca Commerciale Italiana, the Banco di Roma, and the Banque Belge pour L'Etranger. The bank, which has the right of issuing notes and coins, carries on the usual banking operations.

The Egyptian Delta Land and Investment Company announces a dividend of 1s. per share, payable May 16.

The Bulgarian Budget for 1927-28 totals 6,993 million leva, as against 6,924 millions in 1926-27 and 6,875 millions in 1925-26. The Budget of 1925-26 closed with a deficit of 741.3 millions.

Bulgaria's trade returns for the first two months of this year were as follows:—January, imports 420 million leva, exports 430.3 million leva; February, imports 402.7 million leva, exports 358.9 million leva.

The Bulgarian census made on December 31 last shows the population to be 5,583,125, composed of 2,748,060 men and 2,735,065 women, or 996 women to 1,000 men.

By a decision of the Council of Ministers of the Serb-Croat-Slovene Kingdom the import duty on copper sulphate has been suspended, and the import duty on refined sulphur and flowers of sulphur has been reduced from 1.50 to 0.75 gold dinars per 100 kilograms.

The following report has been received by Hamilton's Oil Concessions from Bucharest:—"Production for fortnight ended April 29, 350 tons. New Well No. 9 934 metres deep. New Well No. 10 setting up boilers. New Well No. 11 erecting rig." (Office note: Production is given for a fortnight owing to the intervention of Easter holidays.)

In the House of Commons on May 2 Sir J. Power asked the Secretary for the Colonies whether he could state if the lower price of raw cotton had any adverse effect on the acreage devoted to cotton growing within the Empire. Mr. Amery said: It is too early to estimate the effect of the heavy fall in the price of American cotton at the end of 1926, but the matter will be carefully watched. As regards earlier movements in prices, the effect on acreage has not been marked. In Uganda, for example, the area planted in 1926 was 5 per cent. less than in 1925.

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LIVERPOOL

MANCHESTER

GLASGOW

HAMBURG

COLOGNE

THE INTERNATIONAL TOBACCO EXHIBITION.

The International Tobacco Trade Exhibition, which is now being held at Olympia, has as its outstanding feature a wonderful display of the various machines used in the cigarette, tobacco, and cigar industries. Apart from the machinery the exhibition is in a sense disappointing, for the tobacco industry is so important and so universal, and, it may be added, lends itself so well to display, that it is natural to expect a much more comprehensive range of exhibits.

Of the exhibits of machinery, those of the United Cigarette Machine Company are by far the most imposing. Actually the exhibits of this famous company occupy three large stands. On the principal stand amongst other machines two of the new pattern Triumph II cigarette-making machines are to be seen at work turning out popular brands of cigarettes at a rate of 1,000 per minute. This speed is by no means the maximum rate for these machines, but for average factory work it is a speed at which most manufacturers are content to work. A feature of the machines is the cut-off—a straight blade which obviates the use of belts, chains, and the increased cost of circular blades—which is an important factor in the high speed that the machines can maintain. The other exhibits of the company include the "H.M." Tube making Machine, the "St" Tube Filling Machine, and their famous Tobacco Cutting and Tobacco Sieving Mixing and Cooling Machines which are shown working in conjunction with their well-known Filter. By the use in combination of these machines the cut tobacco is automatically transported from the Tobacco Cutting Machine by means of a pneumatic conveyer to the Sieving Machine and then on to the Filter where dust and sand are removed.

One of the most attractive exhibits of the commodity itself is that of the Board for the Protection of Greek Tobaccos, an organisation whose funds are provided by growers, exporters and all interested in the cultivation of Greek tobacco. At the stand is to be seen a most pleasing display of the finest brands of Macedonian, Thracian and other leaf tobaccos. Visitors were particularly numerous at this stand, and it may be that "Turkish" tobacco is again coming into popularity. It may be mentioned here that on Saturday a provisional order was given by a representative of a well-known London store for the whole of the tobacco on exhibition at the front of the stand. There is little doubt that an advertising campaign on behalf of Turkish cigarettes would result in a great development in their consumption once their special attractiveness became widely appreciated. Greece has adopted this method of popularising the currant, and she has equal reason to try the same expedient in regard to tobacco.

Of the other exhibits Cyprus is showing cigarettes and cut cigarette tobacco. Cyprus cigarettes were introduced to a large and appreciative public during the British

Empire Exhibition, and in this case too only adequate advertising is needed to ensure a ready market. Then the Balkan Cigarette Company show their well-known Turkish cigarettes. Finally the Government of India has a stand showing raw tobacco and the manufactured article in the shape of Burma cheroots, and Bahadur and a number of other varieties of Indian cigars.

TENDERS INVITED.

Tenders are invited for the following contracts, and must be made by the dates mentioned.

(Particulars of tenders marked D.O.T. are to be obtained from the Department of Overseas Trade, 55, Old Queen Street, S.W.)

EGYPT.

Electric Lamps, Etc.—The Director of Stores, Department of Public Health, Cairo, invites tenders for the supply of electric lamps and accessories, timber and hardware required for the period from May 1, 1927, to April 30, 1928. May 11.

Oils, Etc.—The Director, Equipment and Finance Department, Ministry of the Interior, Cairo, invites tenders for the supply of oils, paints, etc. May 15.

Calico.—The Surveyor-General of Egypt, Giza (Mudiriya), invites tenders for the supply of 11,700 metres calico for map mounting. May 14.

General Stores.—The Prisons Administration, Cairo, invites tenders for the supply of various articles required for the year 1927-28. The schedule of requirements is divided into the following sections:—(1) Cotton yarn, cloth, clothing, sacks, etc.; (2) buttons, eyelets, needles, threads, etc.; (3) tents, cordage, twines, bedsteads, enamelled articles, cardboard, etc.; (4) metal polish, blacking boot, heel balls, chalk marking, etc.; (5) paints, oils, grease, acids, etc.; (6) leathers, native and English; (7) fibres (Indian and Mexican), rattan, horsehair, bristles, etc.; (8) electrical lamps and articles, etc.; (9) copper hardware; (10) tools (carpenters', saddlers', shoemakers', and smiths'), machines, files, etc.; (11) buckles, nails, ironmongery, fire hose, belting, mild steel, galvanised plates and steel, etc.; (12) timber, sindian wood, sanaa wood, handles shoum, etc.; (13) dyeing of clothing, cloth, etc. May 24. (D.O.T.)

FORTHCOMING SAILINGS.

The following are the sailings for the Near East and India, the ports of departure and closing dates for cargo being given in parentheses:—

Anchor Line.—S.s. Circassia for Bombay (Birkenhead, May 23). (For passenger sailings and dates see advertisement).

Anchor Brocklebank Line.—S.s. Mahratta for Port Said, Colombo, Madras, and Calcutta (Birkenhead, May 14); s.s. Holywell for Port Said, Colombo, Madras, and Calcutta (Birkenhead, May 28).

Bibby Line.—S.s. Leicestershire for Port Said, Colombo, and Rangoon (Birkenhead, May 18).

British India Line.—S.s. Mashobra for Colombo, Madras, and Calcutta (London, May 7); s.s. Dumana for Bombay and Karachi (London, May 14).

Cunard Line.—S.s. Brescia for Gibraltar, Malta, Patras, Piræus, Volo, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza, also Algiers if inducement offers (Liverpool, Glasgow, and Swansea, May 14); s.s. Phrygia for Cette, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Venice, Trieste, and Fiume, also at Corfu, Gruz, and Ancona if inducement (Liverpool May 14, and Swansea May 17).

Johnston Line.—S.s. Jessmore for Piræus, Syra, Volo, Salonika, Smyrna, Constantinople, Bourgas, Varna, Constantza, Sulina, Galatz, and Braila (Liverpool, May 21).

P. and O. Line.—S.s. Kaisar-i-Hind for Bombay (London, May 6); s.s. China for Bombay (London, May 20).

Prince Line.—S.s. Syrian Prince for Tunis, Malta, Alexandria, Syrian Coast, and Cyprus (Manchester, May 7); s.s. Sicilian Prince for Tunis, Malta, Alexandria, Syrian Coast, and Cyprus (Manchester, May 21).

Ellerman and Papayanni Lines.—S.s. City of Lancaster for Gibraltar, Malta, Alexandria, Jaffa*, and Haifa* (Liverpool, May 6); s.s. Bavarian for Algiers*, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza (Liverpool May 7, Swansea May 7); s.s. Assyrian for Malta, Alexandria, Jaffa*, and Haifa* (Liverpool, May 20); A steamer for Malta, Alexandria, Jaffa*, and Haifa* (Glasgow, May 21); s.s. Dido for Patras, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza (Liverpool, May 28); s.s. Manchurian for Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Gravosa, Ancona*, Venice, Trieste, and Fiume* (Swansea, May 28). * Subject to sufficient inducement. Cargo taken on through B/Loading to:—Algerian ports via Algiers; Moroccan Ports via Gibraltar; Tripoli (Barbary) via Malta; Syria and Cyprus via Alexandria; Greek outports via Piræus or other convenient port via Trieste.

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THE WEEK'S FINANCE.

(By Our Financial Expert.)

London, May 3.

This week memories instinctively go back to this time a year ago when we stood on the brink of the troubles from which we have been so painfully struggling to recover. It will be a long time, perhaps, before the last of the effects of those troubles wears itself out. But the financial world may find justification for regarding the recent lowering of Bank Rate as marking the end of a deplorable economic chapter, and the beginning of brighter times. Already the markets are talking confidently of a further reduction in the official rate to 4 per cent. and at the moment this seems a decided probability for the early summer, always provided some untoward development does not turn up in the Far East, or elsewhere. Meanwhile, there is reason for thankful recognition of the favourable factors which the month of April has provided, in the shape of a Budget which observed the proper claims of the Sinking Fund without adding seriously to the tax burden, and of a cheapening of money. It is a little disappointing that markets in general have not responded more actively to the combination of these two factors; for after a brighter interlude most sections of the Stock Exchange relapsed into uninteresting dullness. This may be partly due to the amount of attention paid in the City to two disquieting events—the financial crisis in Japan and the floods in the United States—neither of which ought to produce any serious repercussions over here.

The Markets.

Last week in the Stock Markets opened under fairly cheerful conditions, but this state of affairs has gradually given place to irregularity and quietude. The principal cause, it would appear, has been a considerable volume of profit-taking following the recent rise in prices, but the unsettled political and financial conditions in the Far East still exercise a restraining influence, while the floods in the Mississippi Valley appear to have caused an unusual amount of anxiety in London markets. In the gilt-edged market prices have reacted. Home Rails, though inclined to improve, are still hesitant, while foreign bonds have moved irregularly. In the industrial section the feature has been the strength of the Celanese group, other leaders

in this department being heavy in tendency. The forthcoming cut in the exportable quota of rubber, to which we refer below, has failed to stimulate the share market, while oils are dull on the continuance of the price war and evidence of over production in the American fields. Meanwhile new capital issues of good class continue to attract heavy over-subscription.

The Rubber Outlook.

The anticipated "cut" to 60 per cent. of standard production in the exportable allowance of Rubber from the restricted areas for the quarter beginning May 1 has been made, the average price of the commodity during the past three months having been well below 1s. 9d. per lb. In some quarters it is expected that the 60 per cent. quota will remain in force for some time; at any rate, a further "cut" is not likely, for the average price will have to fall below 1s. 3d. before this is possible. The balance of supply and demand will almost certainly not permit this. London stocks, it is true, stand at over 65,000 tons. But it is considered, to quote the circular of a well-known firm of rubber brokers, "that the March shipments were the peak of supply and from now onwards we shall feel the February 1 "cut" to 70 per cent. The "cut" on May 1 to 60 per cent. is now assured, but shipments will not be affected for at least a month afterwards." It is thus clear that sooner or later supplies will be on a less generous scale. As for the demand side, the key to the position is, of course, America. Sir Eric Geddes, at the meeting of the Dunlop Rubber Company, was optimistic in this connection. Confirmation of this view is forthcoming from the report that the present season appears to be a good one for tyre manufacturers and all factories both at home and in U.S.A. are reported to be working full time. America this year will, it is believed, witness "replacements" on a very large scale. No observer, however, is bold enough to predict the course of prices very far ahead.

In the meantime the share market remains very quiet and rather dull in tone. The supply of stock, however, appears to be small and any material revival of demand is likely to be quickly reflected in an advance in prices. Dividend declarations continue to be on a satisfactory scale and yields at present prices are in many cases very generous.

Popular Investment Trusts.

This week yet another new investment trust has met with satisfactory support from the investor, thus testifying to the continued popularity of these undertakings. Certainly the investment trust offers distinct attractions to the investor, and especially to the less wealthy and less experienced investor. The investment trust, owing to its large resources, applies the principle of diversification in a high degree, while it is able to employ experts in investment. Thus the investment trust may be truly described as an investment specialist. It should be remembered, moreover, that, mainly as a result of the companies' skilful choice of stocks, the ordinary shares of trust companies can generally be bought for capital appreciation.

But, thanks to this expectation of higher capital value or a scrip bonus, the yields given by many of the ordinary shares are somewhat modest. The following are among the more attractive of the moderately priced stocks. The ordinary shares of the Industrial and General Trust yield £4 15s. per cent and those of the Mercantile Investment and General Trust £4 19s. The deferred shares of the Investment Trust Corporation return £4 18s. per cent. The ordinary shares of Traction and Power Securities yield £5 4s. per cent. It should be added that discrimination is necessary when investing in trust companies' stocks.

At the Trocadero Restaurant on April 26 Field-Marshal Lord Allenby presided at the annual dinner of the Egyptian Expeditionary Force, of which he was Commander-in-Chief from 1917 to 1919.

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EAST LONDON—Messrs. Dunn
& Co.
PT. ELIZABETH—Mackie, Dunn
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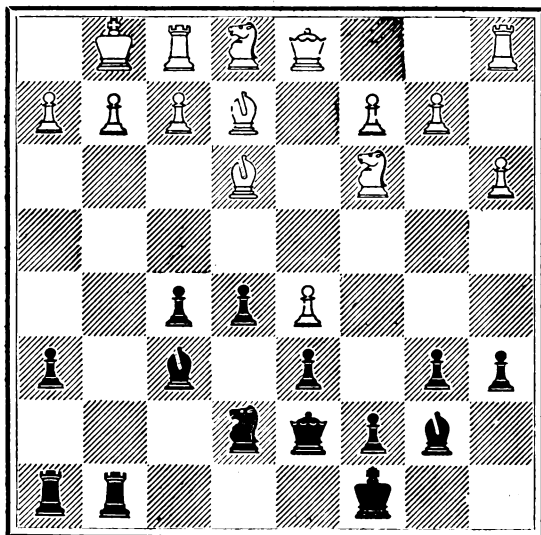
CHESS.

By "CARO-KANN."

The chess world will naturally be greatly interested by the news that the match between Senor Capablanca and Dr. Alekhine for the championship of the world will commence on September 1 at Buenos Aires. It is understood that the match will be six games up and that the games will be limited to 20. The chief point of interest about the match will be its influence on opening strategy. It may be taken almost for granted that there will be some new developments.

I give this week a game from the opening round of the Murton Cup handicap at the City of London Chess Club. The game, in which Black concedes the odds of Queen's Knight and move, is more or less the type of contest that one expects in this competition. The interest of it lies in Black's manoeuvres to avoid exchanges while obtaining an attacking position.

Remove Black's Queen's Knight. 1, P—Q4, P—QKt3; 2, B—B4, B—Kt2; 3, P—K3, P—Q3; 4, Kt—QB3, P—QR3 (1); 5, Kt—B3, P—Kt3; 6, P—K4, Q—Q2; 7, P—Q5, B—Kt2; 8, Q—Q2, P—R3; 9, B—K2, P—K4; 10, B—K3 (2), Kt—K2; 11, O—O, P—B4 (3); 12, PxP, PxP; 13, Q—Q, B—B3 (4); 14, Kt—Kt, O—O—O; 15, P—QR3, QR—Kt;



Position after Black's 15th move, QR—Kt.

16, P—QKt3, P—B5; 17, B—B, P—K5 (!); 18, B—Kt2, Q—B4 (5); 19, R—Kt, P—B6 (!); 20, KtxP, PxKt; 21, BxP, P—R4; 22, Kt—K4, BxB; 23, RxB, Kt—Kt3; 24, Kt—Kt3, Q—B3; 25, R—Kt, P—R5; 26, Kt—R4, Q—Kt4; 27, P—B4, Kt—K4; 28, K—R, RxKt and wins.

(1) This move and P—KR3 at Black's eighth move are essential features in the scheme of development. In a level game these moves would simply represent loss of time which shows plainly how the game has to be modified to meet handicap conditions.

(2) Of course the pawn should have been taken *en passant*.

(3) Now Black has just the type of game he was aiming to get.

(4) To prevent Kt—R4 and at the same time to open the file for the Rooks.

(5) A promising alternative was B—K4. Then if 19, P—B3, P—K6 followed by R—Kt4, KR—Kt., etc.

The solution to last week's end game is as follows:—1, K—B3, K—Q4; 2, K—Kt3, P—R5; 3, PxP, P—B5; 4, Kt—B2, P—B6; 5, P—K4 (ch), K—K4; 6, Kt—K3, K—Q5; 7, Kt—B, B—R6; 8, Kt—R2, P—B7; 9, KxP, KxP; 10, P—R5, KxP; 11, P—R6, B—B5; 12, K—Kt2, K—B5; 13, K—B2, K—Kt6; 14, Kt—B (ch) and draws.

COMPANY NOTES AND REPORTS.

EGYPTIAN MARKETS.

The report of the Egyptian Markets, Ltd., for the year ended December 31 last states that the number of cattle market days lost during the year in consequence of cattle plague was 85 as compared with 134 during the year 1925. The gross receipts from the cattle markets, etc., exclusive of slaughter houses, show a decrease of £13,737 as compared with the year 1925, the total being £60,523 against £74,260. The decrease in cattle market receipts is due to the serious economic situation in Egypt which developed during 1926, and which was caused by a severe fall in cotton prices. This resulted in a shortage of money in the hands of the fellahen, and adversely affected business generally throughout the country particularly during the year under review. The gross receipts from the general markets for the year under review were £34,414 as compared with £35,931 for the year 1925, a decrease of £1,517. The net receipts from the slaughter houses worked during the year were £1,056 against £1,086 during 1925, a decrease of £30. Forty slaughter houses were worked by the company during 11 months of the year. The Government took over two slaughter houses in November, 1926, reducing the number worked by the company at the close of the year under review to thirty-eight. The expenses in the trading account show a decrease of £1,141 under rents, salaries and wages, and maintenance and repairs of markets. The net profit derived from the sale of miscellaneous articles and sundries was £8,840 as compared with £6,603 for the previous year, an increase of £2,237. This increase is due to improved trading in the earlier part of the year under review before business was seriously affected by the economic situation.

The net revenue from all sources for the year 1926 amounted to £57,775 3s. 9d. as compared with £71,320 17s. 7d. during the previous year, a decrease of £13,545 13s. 10d. After deduction of the amount of £22,783 7s. 10d. which it is estimated will be required to meet payment of the Government's share of profits, for 1926, a balance of £34,991 15s. 11d. remains, which, with the amount of £11,954 os. 9d. brought forward from 1925, makes a total of £46,945 16s. 8d. to be dealt with. The fixed charges comprising the annual premia for the amortisation of the share capital and debentures and debenture interest amounted to £6,538 1s. 6d. The sum of £4,685 9s. 2d. has been transferred to general reserve (which includes provision for certain contingent liabilities) and a balance of £35,722 6s. remains available for distribution. The directors recommend the payment of a final dividend (No. 45) on the ordinary shares for the year ended December 31, 1926, of 5 per cent., and a bonus of 1 per cent., making with the interim dividend of 5 per cent. paid in November, 1926, a total of 11 per cent. for the year, absorbing in all £19,217, and in accordance with the terms of the memorandum of association of the company, and subject to the settlement of the proportion of profits due to the Government the payment of a dividend (No. 17) on the deferred shares at the rate of £10 17s. 7 27-100d. per share for the year 1926, which will absorb £3,264 1s. 9d., and leave a balance of £13,241 4s. 3d. to be carried forward, which balance is also subject to the settlement above referred to.

CALCUTTA ELECTRIC SUPPLY

The profit of the Calcutta Electric Supply Corporation for 1926, after making full allowance for depreciation and renewals was £330,240, plus £33,047 brought in. Debenture interest (First Mortgage) takes £3,447, Second Mortgage £27,500 and Preference dividend £48,888. The sinking fund on the First Mortgage Debentures £12,500, and reserves for taxes £15,000. The directors recommend transferring to reserve £50,000, to insurance fund £3,000, to retiring gratuity fund £1,000, dividend on Ordinary shares of 7 per cent. (actual), making 12 per cent., less tax, leaving a carry forward of £31,599. The directors recommend that part of the reserve be capitalised to enable them to issue 126,671 new Ordinary shares for distribution among the holders of 1,366,710 existing Ordinary shares in a ratio of one-tenth of the Ordinary shares standing in the names of such holders respectively, cash at par, however, being paid in lieu of the distribution of fractions of a share. It is proposed to grant to the staff in India a bonus equivalent to 2 per cent. of the Indian net profit in respect of approved service actually rendered in the year 1926.

It is announced that Mr. J. H. Batty has resigned the chairmanship and his seat on the board of the African and Eastern Trade Corporation, Limited, and also of the subsidiary companies. Mr. Robert B. Miller, the vice-chairman, has been elected chairman of the Corporation and Colonel William Nicholl vice-chairman.

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Near East Markets

PALESTINE FRUIT.

The Empire Marketing Board in their report dated April 27 state that the Jaffa orange season closed with the sailing of the Marga on April 11 for Liverpool with 24,245 cases, and the Gitano on April 12 for Hull with 11,593½ cases. Total shipments during the season have amounted to 1,803,368 cases, an increase of about 446,000 over the previous season. Total shipments to the various ports have been as follows:—

	1926-27 cases	1925-26 cases
Liverpool	620,447	485,436
Glasgow	423,804	250,859
Hull	313,432	211,422
Manchester	306,186	291,215
London	54,443	56,860
Other United Kingdom Ports ...	76,056	61,655
Continent	9,000	—
	<u>1,803,368</u>	<u>1,357,447</u>

Shipments to all northern ports have increased, with the exception of Belfast, but shipments to London have decreased, although the proportion going to that port was already small.

Official reports state that gales and hail storms during March caused appreciable damage to citrus groves and fruit trees of all kinds (including bananas, apricots and peaches). The Board's Jaffa correspondents report that in districts around Jaffa, the orange blossom is much inferior to that of last year but that in out-lying districts conditions are satisfactory. An early estimate of next year's crop is given as 1,600,000 to 1,750,000 cases available for export to Europe, but this estimate is, of course, subject to very substantial alteration between now and the beginning of next season.

DRIED FRUIT MARKET.

Messrs. J. C. Houghton and Co., of Liverpool, in their report dated April 30, state:—

Currants.—The active trading period since our last report was considerably curtailed by the interruption caused by the Easter Holidays, and business has been unimportant. The prevailing fine weather should stimulate consumption, and an improved demand is looked for in the near future. The Greek market continues to advance, which explains the underlying steadiness in evidence. Stocks are light for the time of the year, and this is a contributory factor which is not to be overlooked in reviewing the firmness displayed by holders. Further supplies per Gerano were dealt with, lower qualities being mostly in request at slightly higher rates, and some business was reported in cleaned Pyrgos afloat at 42s. Other sales were, cleaned Amalias and Patras, 42s. 6d., 43s.; Gulf, 43s., 44s.; Panariti, 48s. Vostizza has been difficult to move, and where sales have been effected, values were slightly easier, 46s. to 54s., smalls 42s. 6d. to 46s. Phrygia is now discharging with a good assortment of the medium grades, and when samples are available they should meet with a good reception. Quotations: Pyrgos, 42s.; Amalias and Patras, 42s. 6d. to 43s.; Zante, 42s. 6d. to 44s.; Gulf and Panariti, 44s. to 48s.; Vostizza, 46s. to 54s.; Vostizza, small, 42s. 6d. to 46s. The closing days witnessed a spell of active trading, and there was more interest displayed than we have experienced for some considerable time. Cleaned varieties at 42s. 6d. participated principally in the activity, and a fair amount of business was put through.

Sultanas.—Holders of this fruit have for some time past been displaying signs of dissatisfaction owing to the long period of inactivity which has been experienced, and consequently much disappointment was felt when no sign of

renewed life was noticeable on the resumption of trade after Easter, hopes having been entertained that the bright weather throughout the holiday would have proved beneficial. Prices naturally show a downward trend, and with quiet pressure to make sales, reductions of 4s. to 8s. are recorded, buyers, however, remaining cautious in their reduced values.

Sales of Smyrna and Cretans were made at 60s. to 75s., and of Greeks at 67s. to 78s. Australians have also come into line to make progress, and business has been done at 58s. to 64s.

Figs continue to be pressed for sale, and, with buyers quite indifferent, Genuine were sold at 27s. to 27s. 6d.

IVORY IN FAIR DEMAND.

Messrs. Hale and Son report that the quarterly ivory sales, held on April 26 and 27, comprised 41½ tons (against 28½ tons same time last year), viz.: 20½ tons Zanzibar, Bombay, Mozambique, East African and Siam, 4 tons Abyssinian, 6½ tons Egyptian (5½ tons Alexandrian and 1 ton Malta description), 7¾ tons West Coast African and Congo, ¼ ton Lisbon, and 2½ tons land carriage; also 1 ton mammoth tusks, ¼ ton sea horse teeth and boars' tusks, and ¼ ton walrus tusks, rhinoceros horns, etc., total, 43 tons.

The following was the assortment of the East Indian description: 14 tons soft tusks, ¼ ton hard and Siam, 1½ tons billiard ball pieces, ¼ ton bagatelle points; ¼ ton billiard ball scrivellos, ¼ ton bagatelle scrivellos, ¼ ton cut points for balls, ½ ton cut points off large tusks, ¼ ton under-size and defective points, etc., 1¼ tons cut hollows, 1¼ tons scrivellos, and ¼ ton cores and mixed defective pieces. Of the above quantities 6½ tons consisted of lots previously offered or indirect import, viz.: ¾ ton East Indian and Abyssinian, 1¼ tons Egyptian, 1 ton West Coast African or Congo, 2½ tons land carriage, and ¼ ton boars' tusks. During the progress of the sales 6½ tons were bought in or withdrawn, viz.: ¾ ton East Indian, 2½ tons Abyssinian, ¾ ton Egyptian, ¾ ton West Coast African and 1¼ tons land carriage.

There was the usual attendance of buyers and generally good competition. The quantity of all descriptions was moderate. The Zanzibar and East African consisted principally of the soft description, there being a good selection of large and medium tusks. That from the Congo was mostly hard grain. America and the Continent bought freely and the home trade took about their usual quantity. The demand was rather irregular. Soft tusks were steady to £2 to £3 per cwt. lower, whilst hard was firm to £2 to £4 per cwt. dearer.

FOREIGN EXCHANGES.

Country.	Method of Quoting.	Parity of Exchange.	Latest Quotations.
Alexandria.....	Piastre to £	97½	97½
Athens	Drachmae to £ ...	25.22½	363
Belgrade.....	Dinars to £	25.22½	276½
Berlin	Marks to £	20.43	20.50
Berne	Francs to £.....	25.22½	26
Bombay	Sterling to Rupee	18d.	17 27/32—½
Brussels	Belga to £.....	35	84.93½
Bucharest	Lei to £	25.22½	762½
Budapest	Pen to £	27.82	27.86
Calcutta	Sterling to Rupee	18d.	17 27 32—½
Constantinople	Piastres to £	110	940—950
New York	Dollars to £	4.86 2-3	4.86½
Paris	Francs to £.....	25.22½	124
Prague	Kronen to £.....	24.02	164
Rome	Lire to £	25.22½	95½
Sofia.....	Leva to £	25.22½	670—675
Teheran	Krans to £	50½	50½
Viennoa	Sch to £	34.58½	34.50
Warsaw	Zloty to £	25.22½	43—44

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CAPITAL (fully paid) - £650,000 | RESERVE - £470,000
Reserve Liability of Shareholders, £1,000,000.

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Hamadan
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Kazvin
Kerman
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Masjed-Saleiman
Meshed
Mohammerah
Nasratabad
(Seistan)

Chief Office in Persia—TEHERAN.

Branches in Iraq (Mesopotamia):—Bagdad, Basra, Kirkuk.

Branch in India:—Bombay.

The Bank is prepared to transact Banking business of every description in and connected with Persia and Mesopotamia; and in London grants Drafts, Telegraphic Transfers and Letters of Credit, and negotiates or collects Bills on Persia and the Near East.

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IONIAN BANK, Ltd.

Established 1839.

Capital Authorised - £1,000,000
Capital Paid up - £600,000
Reserve Fund - £235,000
Total Assets - £5,663,445

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GREECE.

EGYPT.

Central Office:

Central Office:

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CALCUTTA, BOMBAY, MADRAS

Managing Governors in India:—

Sir Norcott Warren, K.C.I.E.

Sir N. M. Murray.

Manager in London:—

Sir S. A. H. SITWELL.

Authorised Capital Rs. 11.25.00.000

Paid-up Capital - Rs. 5.62.50.000

Reserve - Rs. 5.00.00.000

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Registered in London under the Companies Act of 1862, on the 23rd March, 1866

Established in Calcutta, 29th September, 1863.

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AUTHORISED CAPITAL ...	£4,000,000	Paid-up Capital ...	£2,000,000
Subscribed Capital ...	£4,000,000	Reserve Fund ..	£2,900,000

HEAD OFFICE: 26, BISHOPSGATE, LONDON, E.C.2.

BRANCHES.

Aden	Calcutta	Colombo	Lahore	Rangoon	Eldoret	Kenya Colony (Brit. E. Africa)	Entebbe	Uganda
Aden, Steamer Point	Cawnpore	Delhi	Madras	Tuticorin	Kisumu		Jinja	
Amritsar	Chittagong	Kandy	Mandalay	Zanzibar	Mombasa		Kampala	
Bombay	Cochin (S. India)	Karachi	Newera Eliya		Nairobi, Nakuru			

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The Bank purchases grants, advances against or collects Bills payable in India, Burma, Ceylon, Aden, Zanzibar, British East Africa, Uganda, etc., on current terms.
The Bank issues Drafts on its Branches, as well as on its Agents in the principal towns of India and Burma, Africa and elsewhere, and also sells Telegraphic Transfer on all its Branches, at the exchange of the day.

The Bank, on behalf of its Constituents, undertakes the collection of Furlough Pay and Pension from the India and Colonial Offices, the Custody of Government and other Securities, and the receipt of interest and Dividends thereon.

Powers of Attorney or other forms and any information required may be had on application to the Bank in London or any of its Branches.

The Bank receive Deposits for fixed periods not exceeding one year at rates to be obtained on application.

LLOYDS BANK LIMITED.

HEAD OFFICE:
LONDON, E.C. 3.

Capital Subscribed - £73,302,076
Capital Paid up - £15,810,252

Reserve Fund - £10,000,000
Deposits, &c. (31st Dec., 1926) £347,653,458

EASTERN DEPARTMENT:

14, KING WILLIAM STREET, LONDON, E.C. 4.

LLOYDS BANK now has the following Offices in INDIA and BURMAH, and can offer special facilities to merchants and others for transactions with those countries. It issues Drafts, Mail and Telegraphic Transfers and Letters of Credit, negotiates and collects Bills of Exchange, conducts Exchange operations, and transacts Banking and Agency business generally.

INDIA & BURMAH.—BOMBAY, CALCUTTA (2 Offices), KARACHI, RANGOON, DELHI, SIMLA, RAWAL PINDI, MURREE, SRINAGAR (Kashmir), GULMARG.

Company Meeting.

INDO-EUROPEAN TELEGRAPH COMPANY.

Dividend and Bonus Maintained.

Mr. H. L. M. Tritton's Speech.

The sixtieth ordinary general meeting of the Indo-European Telegraph Company, Limited, was held on April 28 at the offices, 28, Old Broad Street, London, E.C. Mr. H. L. M. Tritton (chairman of the company) presided.

The Secretary (Mr. John I. Bethell) having read the notice convening the meeting and the report of the auditors,

The Chairman said:—Gentlemen,—I presume it to be your pleasure to take as read the report and accounts for 1926 which are in your hands. (Agreed.)

I am glad to say our relationship with all the Governments through whose territories our line passes continues to be on a satisfactory basis. The close co-operation between ourselves and our friends and partners, the Indo-European Telegraph Department of the India Office, as well as the Government of India, completes the chain which enables us to transmit messages to all parts of India and beyond.

The company's lines have fully maintained their reputation for accuracy and speed, and on the basis of existing traffic show a considerable margin of carrying capacity.

You will expect me to make mention of a subject much to the fore at the present time—namely, wireless telegraphy. The use to which the discoveries in radio transmission have been put are indeed remarkable, but I am convinced that as the telegraphic habit grows, as grow it does, there will still be room for both systems, wired and wireless telegraphy, and in my opinion those companies with land-line or cable systems will continue to hold their own. Accuracy and reliability, combined with speed, are our mottoes, and efforts are continuously being made to effect further improvements. By reliability of service, I mean that we work from morning to night and from night to morning, in fact, our lines, like our offices, are always open and dealing with traffic.

Direct Working with Karachi.

I feel that I cannot remind shareholders and others too often of the advantage which our direct working with Karachi in India offers to the telegraphing public. Although in operation for many years, it does not appear to be generally realised that, owing to the fact that there is no intermediate retransmission, the actual time of transit of telegrams between here and Karachi is practically nil, by which I mean merely the fraction of a second. Thus the total time of transmission from sender to addressee consists of a certain irreducible delay in the booking office, plus time of transmission within India over Indian lines and delivery.

Towards the end of the year we introduced *via* Indo a service with India and beyond of daily letter telegrams in plain language at cheap rates, as well as Christmas greeting facilities. These two classes of

traffic are, we find, much appreciated by the public. We have also introduced a week-end telegram service with Australasia.

The Black Sea Cable.

When I addressed you a year ago I expressed the hope that the difficulties attending the reopening of the Black Sea cable would be overcome. I regret to say, however, that, in spite of every effort on our part, factors over which we have no control have again intervened to prevent the consummation of that much to be desired object.

I can only say that no stone has been, or is being, left unturned to give effect to our earnest desire to restore direct communication between Odessa and Constantinople. With this end in view, one of my colleagues on the Board, Mr. F. J. Brown, took the opportunity which a conference in Berlin last autumn offered of meeting delegates from Russia and Turkey, when the terms of an agreement were drafted. Since that time we have had a representative continuously in Constantinople, for the negotiations have not yet reached finality. I fear also that the efficient repair of a fault known to exist in the cable will not be without difficulty, owing to the paucity of facilities available locally.

It is also with regret that I have to refer to a strike on the part of the company's Russian employees, which took place in the early autumn. I do not propose to discuss the reasons which led up to this unaccountable action by a body of men many of whom have served the company over a long period of years; it is sufficient to say that an agreement was come to, which it is hoped will prevent the recurrence of such an eventuality.

Chairman's Visit to Russia.

In December last I paid a visit to Moscow, and there, accompanied by Mr. Martin Cunningham, the company's representative, whose unflinching tact and unremitting attention to the company's affairs are worthy of special mention, I had the opportunity of meeting the heads of the Russian Government telegraph and telephone services, as well as the chiefs of the Professional Telegraph Union. I take this opportunity of placing on record my appreciation of the courtesy that was shown me by all those whom I met during my short visit, and I should like to express the hope and belief that the opportunity I had of making the personal acquaintance of those who control the Russian telegraph system may prove to be to our mutual benefit.

I also visited the company's headquarters in Russia, at Odessa, and was particularly glad to have the opportunity of meeting on the spot members of the British and Russian staff on both the commercial and maintenance sides, and of making myself acquainted at first hand with prevailing conditions.

There is one matter to which I should like to refer before passing to the accounts.

The provisions of our retirement trust fund, which were drafted in 1904, are not quite in accordance with modern requirements, and are at present in the hands of counsel for redrafting. When this is

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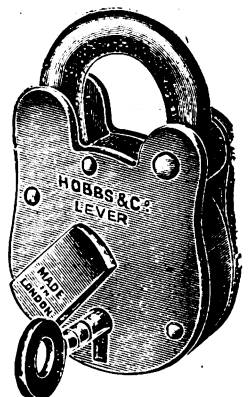
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concluded the directors will lay before you certain proposals and ask your consent to the alterations.

The Accounts.

Passing now to the accounts for 1926, the receipts on revenue account show an increase of £3,662, and the expenses an increase of £9,035. The latter is wholly under the heading of maintenance account, and is due to the fact that as reconstruction of the line nears completion more of the expenditure falls under the heading of maintenance. The expenditure on reconstruction of the line for 1926 was £9,549, or £12,740 less than in 1925. The directors have this year set aside a further sum of £45,000 under this heading, which now stands at £122,375. They have also provided £5,244 in reduction of the Persian section of line.

Income-tax shows an increase of £6,561; this is due to the incidence of the three years' average. During the current year this will again be augmented.

The company's interest in the Radio Communication Company, which stood in the balance-sheet at £25,000, has been disposed of on satisfactory terms. This sale has also enabled us to delete from the balance-sheet the item of £5,860 in respect of Galletti's Wireless Telegraph and Telephone Company, Limited, now in liquidation.

Sundry debtors and debit accounts call for no special comment; sundry creditors and credit accounts are normal. The provision for investment fluctuations shows a surplus over the amount required.

Dividend and Bonus.

While the directors recommend the maintenance of the dividend at 7 per cent., they also feel justified in again recommending the payment of the same bonus as last year of 15s. per share actual, free of tax, equal to 3 per cent., making a total distribution for the year from all sources of 10 per cent., free of tax, the same as last year.

A payment to the retirement trust fund of £15,000 is proposed, and will, I am sure, have your approval. This fund requires important additions to enable it ultimately to meet the corresponding increases of salaries and wages obtaining as a result of the War.

The directors' recommendations as above leave a balance of £11,669 to be carried forward to the credit of the year 1927.

I now beg to move: "That the directors' report and accounts for the year 1926, duly audited, as presented to the meeting, be and are hereby received and adopted; that a dividend for the year ended December 31, 1926, be and is hereby declared of £1 2s. 6d. per share (making, with the interim dividend already paid, 7 per cent. for the year), and a bonus of 15s. per share, both dividend and bonus free of income-tax, and payable on May 2, 1927, to shareholders registered on April 7, 1927; also that £15,000 be handed to the trustees of the retirement trust fund."

Sir Rayner C. Barker, C.I.E., seconded the resolution, and there being no questions or comments it was put to the meeting and carried unanimously.

The retiring directors, Mr. F. J. Brown, C.B., C.B.E., and Mr. H. L. M. Tritton, were re-elected on the motion of Sir Rayner C. Barker, seconded by Mr. Claude H. Tritton, O.B.E., and the auditors, Messrs. Kemp, Chatteris, Nichols, Sendell and Co., were reappointed on the proposition of Mr. Bryan Phelan, seconded by Mr. E. J. Waldron.

Mr. Phelan proposed a vote of thanks to the chairman and directors for their able conduct of the company's business during the past year and also to the staff for their services.

Mr. Waldron seconded the vote, which was unanimously accorded. The Chairman briefly acknowledged the compliment and the proceedings terminated.

The value of Roumania's exports in 1926 was 38,011,269,388 lei, that of the imports being 34,100,778,859 lei.

The directors of the Peninsular and Oriental Steam Navigation Company announce a dividend at the rate of 5 per cent. per annum on the preferred stock (less income tax), and an interim dividend at the rate of 10 per cent. per annum on the deferred stock of the company (free of income tax) for the half-year ended March 31 last. Warrants will be payable on May 12.

NEWS FROM ALL SOURCES.

Bankruptcies in Bulgaria in 1926 numbered 113 as compared with 59 in 1925 and 60 in 1924.

The traffic receipts of the Egyptian Delta Light Railways for the ten days ended April 10 amounted to £E7,093.

The issue is to be made in New York shortly of a three-year 6½ per cent. loan of the Municipality of Belgrade for an amount of £800,000.

The lowest tender for the construction of the Nag Hamadi barrage was that of Sir John Jackson, Ltd., London, at £E1,976,621 (£2,026,036).

Roumania's receipts and expenditure for the first quarter of this year were as follows:—Receipts, 6,218,939,627 lei; expenditure, 5,494,540,641 lei.

Steaua Romana (British), Ltd., are advised that the production of the Steaua Romana Company, Bucharest, for the month of March was 40,240 tons.

The directors of the British India Steam Navigation Company, Ltd., announce interim dividends at 2½ per cent. on the 5 per cent. preference stock (less income tax) and 4 per cent. (free of tax) on the ordinary shares, for the half-year ended March 31 last. Warrants will be payable on May 12.

State Mortgage Bank of Yugoslavia 30-year 7 per cent. Sinking Fund Bonds to the amount of 12,000,000 dollars have been sold in New York at 92. A substantial amount of the issue has been reserved for sale in Europe.

The Federation of British Industries has passed a resolution declaring that the maintenance of many of the functions at present undertaken by the Department of Overseas Trade is essential, as their abolition would seriously prejudice industrial and commercial interests, and in particular that it is essential that adequate arrangements should be made for the collection and recording by the Government of information regarding such subjects as foreign tariffs, customs regulations, etc. Furthermore, they express the strongest hope that the services of Commercial Diplomatic Officers and Trade Commissioners abroad should be retained. They realise, however, the need for the strictest economy in Government expenditure, and will do their utmost to co-operate with and to help the Government to secure such economy with the least possible injury to national interests.

The total value of the imports and exports of Cyprus during 1926 was £1,572,682 and £1,052,786, while re-exports amounted to £50,785. In the import list the United Kingdom occupied the first place with £421,786. Australia was second with £168,184, while other totals were: France £121,622, Italy £107,150, the United States £106,750, British India £74,970, Greece £90,502, and Egypt £58,105. As regard exports, the principal countries were:—Egypt £269,938, Italy £154,066, the United Kingdom £94,151, Palestine £57,223, Belgium £65,406, France £70,909, Germany £90,850, Greece £66,042, and Spain £76,417.

As a result of recent modifications of the Turkish Customs Law imported goods cannot be retained in Customs sheds for more than one year, and travellers' effects cannot be retained therein for more than three months. On the other hand, goods in transit depot may remain for three years. Proprietors of goods which remain in Customs sheds or transit stores for longer periods than those qualified lose all rights on the goods in question. On the expiration of the specified periods the Customs authorities sell the goods, and the proceeds of such sale, less the amount claimed by the Customs in respect of storage and other expenses, together with any claims in respect of freight, quay dues, landing charges, insurance, etc., will be held at the disposal of the owner of the goods for one month only, and if no claim is presented within that month will be passed into Treasury receipts.

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Cotton and Cotton Goods.

THE EGYPTIAN MARKET.

The Alexandria Commercial Company, in their report for the week ended April 21, state:—

Since our last report the futures market has been rather more active and the tone is firm, especially for Uppers. The week's summary of price movements is as follows: Sakellaridis: May, 26.77 dollars, 0.40 dollars up; July, 27 dollars, 0.40 dollars up; November, 27.71 dollars, 0.47 dollars up; January, 27.56 dollars, 0.42 dollars up. Ashmouni: April, 19.47 dollars, 0.48 dollars up; June, 19.67 dollars, 0.48 dollars up; August, 19.91 dollars, 0.56 up; October, 20.30 dollars, 0.52 dollars up.

Sakel.—The market has been firm during the whole week but the turnover has not been large. No new factors are apparent and the firmness must again be put down to the absence of sellers.

The demand from abroad has not shown any signs of improvement; on the other hand, reports from the consuming centres are unanimous in complaining of the poor quality of the present crop and anticipating the employment, as far as possible, of other growths in place of Egyptian Sakel.

New crop Sudan Sakel has now been available for about a month on the Liverpool market and the quality of the cotton has been found quite up to last season's standard. The last Sudan crop has now practically all gone into consumption, which means that the mills have taken about 500,000 kantars of Sudan Sakel and the Egyptian cotton now has to face the competition of a new crop possibly slightly larger than that of last year.

Uppers.—This market has been active and the tone is firm. Prices show a considerable improvement on the week; the better tone of New York is, in some measure, responsible for the rise but the principal factor is the revival in the demand by American spinners, who have taken quite a fair amount of cotton during the last few days. Spinners, generally, have shown considerably more interest in Ashmouni than in Sakel during the present season and all indications are for a continuation of this state of things during the remaining months.

The week's receipts amount to 105,662 krs. against exports 217,921 krs; the stock in Alexandria stands at 3,015,294 krs.

The official figures of arrivals and exports for the period September 1, 1926, to April 14, 1927 are as follows:—Arrivals: Lower Egypt, 4,418,000 krs, Upper Egypt 2,707,000 krs. Total 7,125,000 krs. Exports: Sakel 2,263,653 krs. Ashmouni 2,727,140 krs. Various 349,942 krs. Total 5,340,735 krs.

Spot.—Minet el Bassal has only been open three days during the past week, owing to the Easter holidays. A moderate business has been done, with a slight improvement in the demand from abroad, and sales for the three business days amount to about 8,500 bales, of which we estimate 4,000 bales Sakellaridis, 4,100 bales Ashmouni and Zagora, 250 bales Pilon and 150 bales other varieties. The spot situation is about as last week in respect of cotton offered.

Sakellaridis: has been in rather more demand than last week and a fair business has taken place. All styles except the best have changed hands. Spot differences are without much change from last week but with a tendency to harden.

Ashmouni and Zagora.—A fair business has been done covering all grades; the medium qualities once more have attracted most attention. Spot differences are generally a little dearer than last week and holders are firm and difficult to deal with.

TEXTILES.

IF you are dealing in Textile goods, you will be well advised to try K. JEBARA, 52, Princess Street, Manchester. (Established 1887).

Pilon.—A somewhat improved business has taken place. Spot differences are rather dearer than last week.

Brown, etc.—A small business has been done in Brown and spot differences are rather higher than last week. A few bales of Fouadi have also changed hands.

White: has been in fair demand at about last week's differences.

Up-country.—Business up-country is dwindling daily. Contrary to the reports current last month, the newspapers now announce that the Government will not permit the ginning factories to work after the end of this month. We are very sceptical whether any such decision will be taken in view of the quantity of unginned cotton still remaining in the villages. New crop business is slow.

Crop 1927.—Weather conditions have been, generally, favourable during the week and the crop is progressing normally. Re-sowing has, so far, only been necessary on a small scale. Water is in ample supply and complaints are few.

THE LIVERPOOL COTTON MARKET.

Messrs. Reynolds and Gibson report as follows for the week ended April 27:—

Egyptian Futures.—Sakel Contract.—For some time past this contract, on account of the narrow fluctuations ruling and absence of any decisive feature, has failed to attract outside interest; however, during the current week, the rather serious position that has arisen in America through the floods in the Mississippi Valley and the sharp advance in the New York market have revived to some extent speculative activities, with the result that values have appreciated 61 to 90 points for near and 85 to 91 points for distant positions since our last report. In the earlier days of the week, the Alexandria market showed a firmer tendency, but during the more recent sessions a further sharp advance has taken place. Apart from the inherent "bullish" sentiment always in evidence on these occasions on the other side, we believe that quite a considerable measure of support has been received in the shape of buying orders from America, probably on the assumption that the future prospects of a normal supply of extra staple cotton in the States has been seriously jeopardised by recent events there. So far as our own market is concerned, prices have moved up to the existing level without meeting much opposition, and at times buyers have experienced difficulty in getting hold of contracts; as we pointed out in our recent report, there is little or no inducement for fresh selling to be attracted here owing to the abnormal parity at which we have been running recently with

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Cairo: M. Avatis, 1, Faggala.

Express Book and Stationery Store, P.O. Box 1113.

Port Said: English Agency, P.O. Box 240.

SUDAN.

Port Sudan: The Egyptian Library, Post Office Box No. 44.

PALESTINE.

Haifa: Newspapers Agency Steimatzky, Jaffa Street.

Jerusalem: B. Y. and W. A. Said, 23-24, Jaffa Road.

Newspapers Agency Steimatzky, Jaffa Road.

SYRIA.

Beyrout: Sarrafian Bros.

IRAQ.

Basrah: Jashanamal, Bridge Street, Ashar.

BULGARIA.

Sofia: Librairie Francaise et Etrangere, 48, Bvd. Tsar Ostvoboditel.

CYPRUS.

Nicosia: Dick Soultanian, P.O. Box 6.

GREECE.

Athens: Messageries de Journaux et Publications Etrangers, 24, Rue du Stade.

TURKEY.

Constantinople: The Anglo-American Book and Newsagency, 18, Rue des Petits Champs, Pera.

AMERICA.

New York: Brentano's, Fifth Avenue and 27th Street.
Boston (Mass): Smith and McCance, Ashburton Place.

Alexandria, so that offerings have been practically restricted to those who have been taking their profits on earlier purchases. New crop positions continue to be favoured by operators, and with a consistent demand for these from both Continental and local speculative sources they have again appreciated in comparison with the nearer months. Owing to fears of re-tenders of undesirable cotton, Mays have depreciated to 32 points under July; this tendency to run away from actual cotton can hardly be construed as a "Bull" point, but on the first signs of any active trade support, we think that the ruling difference would quickly show a radical change. So far, trade interests do not appear to have adjusted themselves to the level now obtaining; there has been some slight increase in the offtake, but not to the extent sufficient to hold the market should the American values commence to reveal a reactionary tendency.

"Bullish" sentiment, at the moment, appears to be growing in intensity, and this being the case we would hardly like to oppose the market at the present juncture; however, those purchasing to-day must realise that the substantial appreciation that has latterly taken place is mainly the result of speculative enterprise, and only in the event of more serious news from America coming to hand, or a definite buying movement by the trade, would we recommend purchases with any degree of confidence.

Upper Contract.—This option has displayed considerable strength during the past week, and under the influence of strong American markets prices have advanced 79 to 84 points for near and 84 to 90 points for distant positions from the level ruling at the time of our last report. A steady trade demand for the Upper varieties has been in evidence, and reports from Alexandria indicate that American buyers have been operating on a fairly heavy scale, especially in the medium and lower qualities.

Egyptian Spot.—The past week has been marked by a substantial all-round advance in the price of the raw material. The origin of the advance has been the serious floods which have occurred in the

Mississippi Valley, and which are threatening the world's supply of staple cotton for the ensuing season. Up to date, the spinning trade have acted very cautiously in face of the new situation created, but signs are now beginning to appear that a keener interest has been aroused and, unless the situation shows an immediate and marked improvement, it is highly probable that the effect of increased trade support will soon be felt by markets which hitherto have been swayed very largely by sentiment.

Until to-day, when a considerable broadening in the inquiry took place, the local demand for Egyptian cotton has ruled on very moderate lines. Sakel has continued to move off very slowly, and the lower grades have been asked for rather than the better ones. In Uppers, a brisk inquiry has been witnessed for cotton at from 10d. to 10.75d., and bargains within this range have now become exceptional, the market having been well swept. Some revival in the Pilon inquiry has been observed, but we doubt if much business has resulted from it. The popular range appeared to be 10.50d. to 11.50d. For Sudans, a good inquiry has been evidence, although the White cotton has attracted rather less attention than has recently been the case. Sudan Sakel has met with a very fair offtake, both for old crop and the new. The latter, when first put on the market a few weeks ago, was at first regarded as being somewhat overvalued by spinners. However, the recent advance in all markets has altered the complexion of affairs considerably, and the new crop now bids fair to become as popular with the trade as was its predecessor.

C.i.f. business for Egyptian cotton has remained very quiet. Forwardings to spinners for the week ending the 22nd inst. were returned as 4,116 bales Egyptian and 1,803 bales Sudan; low figures accounted for by the Easter holidays. Estimated sales, 1,300 bales Egyptian and 2,850 bales Sudan. Quotations of Sakel have been advanced 65 points and those of Upper 90 points on the week. F.G.F. Sakel, 14.30d. F.G.F. Upper, 11.60d.

Stock and Share Markets.

LONDON EXCHANGE		Prices on Apr. 29	Railways.		Prices on Apr. 29	Coal.		Prices on April 13 Rs
Government Stocks.			Rubber.			Cotton.		
Egyptian 4 p.c. Unified Debt ...	...	84½	Assam-Bengal ...	...	82½	Baraboni ...	...	3½
Do. Pref. 3½ p.c. 1890 ...	...	72½d	Bengal Nagpur ...	...	95	Bengal ...	...	450
Do. Turk 4 p.c. 1891 ...	...	83½d	Egypt Delta Light Rly. ...	...	4½	Burrakur ...	...	16½
Do. 3½ p.c. Eg. Trib. Bonds '94 ...	...	77½d	Southern Punjab ...	...	192½	East Indian ...	...	22½
Greek 5 p.c. 1881 ...	...	51	Shipping.			Equitable ...	...	18½
Do. 5 p.c. 1884 ...	...	51	Anchor 5½ p.c. Prt. ...	...	7½	Pench Valley ...	...	24½
Do. 4 p.c. Rentes, 1889 ...	...	41	Cunard ...	...	24 9	Raneegunge ...	...	29½
Do. 5 p.c. 1890 ...	...	51	Furness Withy ...	...	38½	Standard ...	...	52½
Do. 5 p.c. Funding Loan, 1893 ...	...	51	Khedivial Mail Ord. ...	...	1	Jute.		
Do. 4 p.c. Rents, Loan, 1902 ...	...	51	P. and O. Deferred ...	...	270½d	Alliance ...	...	666
Do. 4 p.c. Loan, 1910 ...	...	53	Tea.			Barnagore ...	...	245½
Do. 5 p.c. Loan, 1914 (Lon. issue) ...	...	66½	Assam Co. ...	...	40½	Budge Budge ...	...	611
Do. 7 p.c. 1924 ...	...	99½	Bengal United Tea Ord. ...	...	2½	Clive ...	...	44½
Persia 5 p.c. 1911 ...	...	82½	Bramapootra ...	...	35½	Dalhousie ...	...	52½
Roumania 4 p.c. Ext. ...	...	70	British Indian Tea Ord. ...	...	2½	Fort Gloster ...	...	1,056
Do. 4 p.c. Consolidation ...	...	48½	Cachar and Dooars Tea Ord. ...	...	315½	Gourepore ...	...	80½
Sudan 5½ p.c. Guar. Bds. ...	...	106½	Ceylon Tea Plantations Ord. ...	...	68½	Howrah ...	...	51
India 3½ p.c. ...	...	71	Consolidated Estates ...	...	4½	Kamarhaty ...	...	78
Do. 3 p.c. ...	...	61	Darjeeling Co. ...	...	21½/32	Kankarrah ...	...	52½
Do. 2½ p.c. ...	...	50½	Dimbula Valley (Ceylon) Ord. ...	...	3½d	Kinnison ...	...	1,193
Do. 5½ p.c. ...	...	103	Dooars Tea Ord. ...	...	325½/32	National ...	...	36½
Do. 4½ p.c. ...	...	90½	Doolookram Tea ...	...	1½	Standard ...	...	526
Turkish 4 p.c. Unified ...	...	26½	Doom Dooma ...	...	4½	Union ...	...	742
Banks.			East Assam ...	...	37½	Miscellaneous		
Agri. Bank of Egypt ...	...	7½d	Empire of Ind. ...	...	213½/32	British India Corporation ...	...	4½
Bank of British West Africa ...	...	3½	Halem Tea ...	...	2½	Bengal Paper Mills ...	...	37½
Bank of Roumania ...	...	80½	Jhanzie Tea Association ...	...	43½	Bengal Timber Trading ...	...	167
Barclays Dom. Col. Pl. ...	...	29½	Jokai (Assam) Tea Ord. ...	...	4½	Burn and Co. ...	...	28½
Lloyds ...	...	63½/32	Lanka Plantations Ord. ...	...	25½	Cawnpore Sugar ...	...	28½
P. and O. Banking ...	...	9½	Lungia (Sylhet) Tea Ord. ...	...	17½/32	Champaran Sugar ...	...	12½
Eastern ...	...	6½d	Nuwara Eliya Tea Estates Ord. ...	...	513½/32	Howrah Oil Mills ...	...	15½
Chartered Bank of India ...	...	19½	Pabbojan ...	...	7½/16	ALEXANDRIA		
Ottoman Bank ...	...	10½	Scottish Assam ...	...	125½/32	Prices on April 21, supplied by G.L. Mortera, Alexandria & Cairo.		
Imperial Bank of Persia ...	...	9½	Upper Assam ...	...	217½/32	Agricultural Bank of Egypt ...	...	273½/16
Land Bank of Egypt Ord. ...	...	13½	Insurance.			Alexandria Water Co. " Fond. ...	...	2600
Westminster ...	...	18½	General Accident Fire and Life (£5, £1½ paid) ...	...	81½/16d	Alexandria Water Co. ...	...	£14 11/32
National Bank of Egypt ...	...	35½d	London & Lancs (£5, £1 paid) ...	...	24	Assoc. Cotton Ginners ...	...	£1
National Bank of India ...	...	48½	Royal Exchange (£1) ...	...	7½d	Behra Ord. ...	...	£8 16½
Land.			Sun Fire £10 (£2 paid) ...	...	24½	Ciments d'Egypte ...	...	Frs. 125
Kassala Cotton ...	...	9½	Trade Indemnity (£10) ...	...	13½	" Div. ...	...	£163
Sudan Plantations ...	...	4½xr	Miscellaneous.			Comptoir Fin. & Com. d'Egypte ...	...	£5 6/16
Mines.			Alexandria Water Co. ...	...	14½d	Credit Foncier Egyptien ...	...	Frs. 1,012½
Balaghat Gold Mining ...	...	4/3	Associated Cotton Ginners ...	...	16½	" Fondateur ...	...	£2,250
Burma Corp. ...	...	14½/32	Egyptian Hotels ...	...	7½	Crown Brewery Priv. ...	...	Frs. 100
Champion Reef Gold ...	...	11½	Do. Markets Ord. ...	...	25½	Filature Nationale d'Egypte ...	...	£54
Mysore ...	...	15½	Do. Salt and Soda ...	...	22½	Frigorifique d'Egypte ...	...	£61
Nundydroog ...	...	11½/32	Mortgage Co. of Egypt 5 p.c. Pref. ...	...	83½/16	Immeubles d'Egypte Soc. An. des. ...	...	£15 9/16
Ooregum Gold Mining Ord. ...	...	17½	INDIAN EXCHANGES.			Land Bank of Egypt Actions ...	...	£13 7/16
Oil.			Government Loans.			" Parts de Fond ...	...	£147
Anglo-Egyptian B. ...	...	1½	3½ Government Paper ...	...	78½/16	Menaleh Canal Navigation ...	...	Pt. 325
Anglo-Persian Ord. ...	...	4½	Banks					
Do. 8 p.c. Cum. 1st Pl. ...	...	26 9	Imperial Bank of India ...	...	1,505			
Do. 9 p.c. Cum. 2nd Pl. ...	...	28 6	Bank of India ...	...	78			
Do. 5 p.c. Debs. ...	...	95½	Central Bank of India ...	...	29½			
Brit. Burmah ...	...	9½/32						
Burmah Oil Co. Ord. ...	...	6½						
Do. 8½ Cum. Pref. ...	...	27½						
Phoenix Oil and Transport ...	...	23½/9						
Steaus Romana ...	...	13½						

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City of Alexandria	4,712	June 10	

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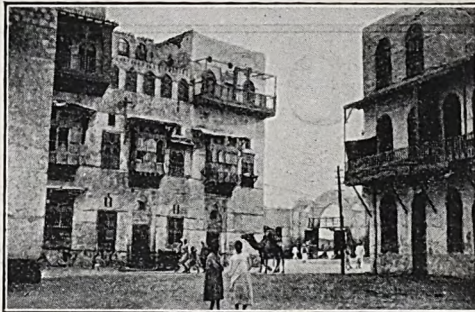
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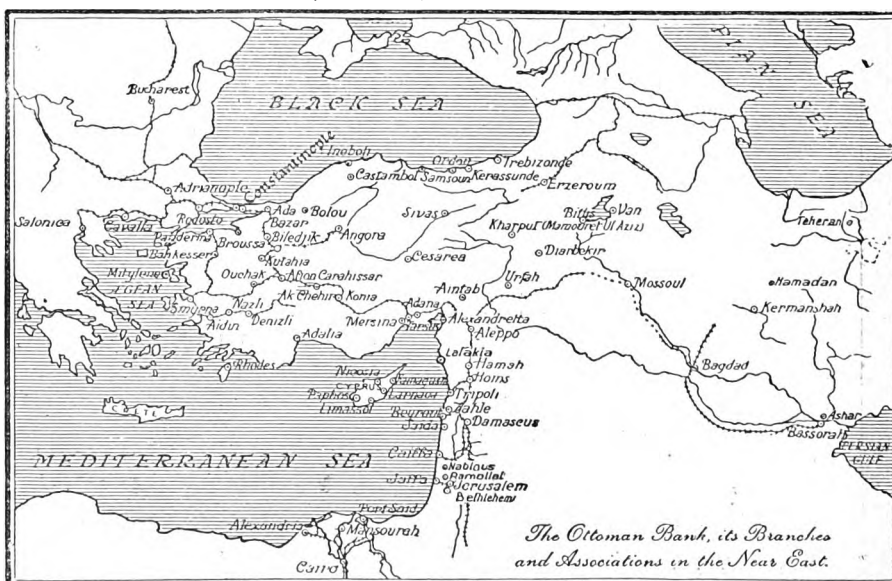
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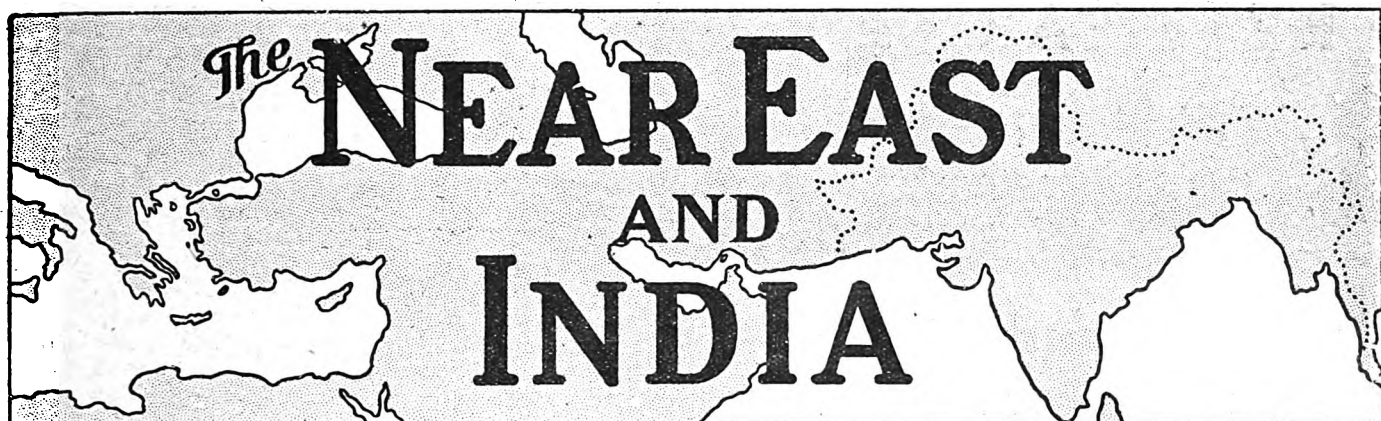
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THURSDAY, MAY 12, 1927.

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The British Empire: Servant of Palestine.

To those who were profoundly stirred, both in their admiration and in their hopes, by the magnificent performances of the mixed troops under the command of General Allenby during the Palestine campaign, the subsequent indifference which the British people has appeared to show in the ordering of the Holy Land has sometimes been a disappointment. There is no sense in burking the fact: the present generation of Englishmen does not interest itself as it should in the land which was freed of the Turk by so mighty and so memorable an Imperial effort. Not that the War has been forgotten; not that the long campaign of suffering and loss and ultimate triumph which began in Egypt and ended in Syria can ever slip into oblivion; but there has unquestionably been a tendency to regard post-War Palestine as being no very intimate concern of the British Empire, as being, rather, one of those queer remote places whose future belongs to a foreign people whom the average Briton never meets.

This unimaginative attitude is more than deplorable, and it is because of the chances of its being quickened into vitality by the ceremonies, on May 6 and 7, at Ramleh and Jerusalem, that we would here refer to Lord Allenby's return to Palestine in order to unveil the Stone of Remembrance in the War Cemetery at Ramleh and the War Memorial which has been erected on the west side of Mount Scopus. The men whose memory Field-Marshal Lord Allenby and Field-Marshal Lord Plumer, together with some hundreds present with them and some millions absent yet also with them, saluted at Ramleh and Jerusalem, died, indeed for the British Empire. Simply that this Empire might conquer the Turk and his German collaborators they endured to their end. We, at any rate, do not care to repeat the cant phrase that British soldiers died for any political end other than that the Empire of their birth should be preserved inviolate.

But, unless their duties ended completely with them, it is

for those of their kin who survived the Great War to carry on in the land of their sacrifice the British ideal. We choose here to speak not of any materialising of the Allied victory in Palestine, but rather of the necessity of spiritualising the British ideal in the Holy Land. Blake has written of building Jerusalem in England: may not we, who, through the ardours of Allenby's men, have the opportunity, also take England to Palestine? The Holy Land is not, in the ordinary sense of possession, possessed by the British Empire—it can never be possessed by one people—but there exists the opportunity of imprinting for ever on this historic land the stamp of British conceptions. Can it be said that Britain is making the fullest use of her chance? This is not a religious matter, though it has some of the force and significance of religious emotion; nor is it a material matter, though to some extent it may express itself in material things. Rather, we should say, it is a moral opportunity. And, seeing the divided counsels from which the Empire has suffered and upon which it has acted in the Near East since the War, we say it is a moral responsibility. Finally, harking once more to the Palestine War Memorials, we say it is a moral obligation.

The time is fitting for a revision of Britain's task in Palestine, by which we mean not a new vision, but rather a return to the vision in which Lord Allenby, and, we believe, the whole Empire which he represented, was steeped in when he entered on foot "the mystic city many gated." Too much we have heard of the visible, material side of the Holy Land, too much of "political" rights, too much of local squabbles. Cannot the peoples of the Empire for a moment concentrate, and turn from the local, the transient, the partial, re-glimpse the eternal which lies behind and continually suffuses from Palestine, and then, in greater humility and perhaps in greater pride, re-assume the task, which British soldiers made possible and inevitable, of sweetening, with British reverence, the Land of the Three Faiths?

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THURSDAY, MAY 12, 1927.

THE PROBLEM OF ABYSSINIA.

The visit of the Duke of the Abruzzi to Abyssinia may be regarded as an indication that some at least of the soreness created in Addis Ababa last year by the publication of the economic agreement between Italy and Great Britain in regard to Abyssinia has passed. The Abyssinians, with their long record of independence, are a proud people, and there may be something in the visit of the near relative of the Sovereign of a Great European Power that appeals to their national pride and prompts them to take a more philosophical view of the action of the British and Italian Governments, which at first evoked genuine resentment. They are, indeed, so constituted that they are more likely to think of the Italians in connexion with events of thirty-one years ago than with the Anglo-Italian Agreement of December, 1925. It will flatter their *amour propre* that the Italian Duke should have come all the way to Addis Ababa to return the visit of their own Regent, and Italian prestige will during the Duke's stay stand high outwardly in Addis Ababa. If it serves at the same time to strengthen the position of Ras Tafari, Italy will have done good service not only to Abyssinia, but also to those European Powers whose interest in the country is confined to its moral and material advancement. The sight of a nation seeking to keep itself shut off from the world and living its own life, undisturbed by the feverish activities of modern civilisation, necessarily commands some sympathy; but it is an anachronism that must contrive its own undoing, even if the world at large stands resolutely aside. Abyssinia, indeed, would resent the suggestion that she is not moving with the times. The Abyssinian Note to the League of Nations protesting against the Anglo-Italian Agreement declared that, although they had only recently been "introduced to modern civilisation," the people of Abyssinia "are anxious to do right, and we have every intention of guiding them along the path of improvement and progress." In other words, the Abyssinians have put their hand to the plough and must not look back. They are right in claiming that their rate of progress should be determined by their own free will; but the problem which really confronts them has not to do with any thrust from without, but with the attempt of a section of the community to hold back the wheels of progress from within.

In the interesting article which we published last week on the outlook in Abyssinia, the writer, Mr. C. F. Rey, who has taken full advantage of his opportunities for studying the country and for the sympathetic understanding of its people, drew a striking picture of the difficulties besetting the enlightened Regent, who stands almost alone among the ruling class in the self-imposed task "of trying to introduce administrative reform, decent government and modern institutions." On the one hand are

those with whom rest to-day power and influence, for the most part hopelessly reactionary, uneducated themselves and refusing to give their children a modern education for fear the latter's eyes should be opened to the deficiencies of their parents; on the other hand there is an increasing number of Abyssinians of humbler station who, by hook or by crook, some by sojourn abroad, others by the limited educational resources available in Abyssinia itself, are beginning to appreciate the disabilities under which the country labours with its incubus of ecclesiasticism and a reactionary aristocracy. Under such conditions, it would be thought, one of two alternatives must happen; either a serious social upheaval will take place with the attendant risk to Abyssinian independence of civil war, or reaction will so assert itself that a collision with the outside world becomes inevitable. The best that can happen to Abyssinia to-day is that Ras Tafari Makonnen, who has the great advantage of being still young, should be spared to direct the gradual progress of the nation. If ever there was a one-man country it is Abyssinia at the present time. The outlook for this reason must remain obscure, until there are more general signs that a definite section of Abyssinian opinion supports the Regent.

In these circumstances it is unfortunate that Great Britain should have chosen this stage of Abyssinian development to testify in an unmistakable way to the exhaustion of her patience, so sorely tried for a generation or longer by the Abyssinians. The conclusion of the agreement with Italy was liable to be regarded as an admission that the British Government despaired of making headway in Addis Ababa, and preferred to stake out claims beforehand for preferential treatment in the event of Western Abyssinia's falling under Italian control. We are far from saying that this was the motive behind the Agreement, or that it can legitimately carry this interpretation. It is admitted that the construction of a dam at Lake Tana is overdue; but reliance on any change in the status of Western Abyssinia offers no short cut to its authorisation. The immediate effect of the Anglo-Italian Agreement was to neutralise Italian intrigue against Great Britain at the expense of strengthening Abyssinian recalcitrancy through the suspicion and alarm engendered by the Agreement. That consent for the construction of the Tana works is thereby brought any nearer must appear very doubtful. Experience has shown that in all international relations, particularly in the East, Great Britain fares much better when she relies exclusively on her own diplomacy and does not identify herself in any way with the interests of another Power. It is the moral of the story of British relations with Persia and of those with Greece in the early stages of the War, and it bids fair to hold good in the case of Abyssinia also. The only peaceful short cut to any goal in the East lies in personality. The problem of British relations with the Abyssinians presents peculiarities that, possibly, are not to be met with in any other country. Its solution, therefore, is not likely to be prescribed for in any diplomatic text-book; but must be sought at first hand by means of complete understanding of and sympathy with the people and full appreciation of their difficulties. If the Regent constitutes for the time being the only hope for the country, it is clearly unsound to weaken his position *vis-à-vis* the reactionaries by enabling them to suggest that his policy must entail the final surrender of Abyssinia to foreign control. From the point of view of any ultimate bearing on the principle of Abyssinia for the Abyssinians the Lake Tana project has nothing in common with an Italian railway across the whole length of the country, linking Italian possessions on the north and south. The former is immediately feasible, the latter futurist, if not fantastic. For the Abyssinians, however, the two schemes now stand linked together, conjuring up identical alarms. If the visit of the Duke of the Abruzzi causes the Abyssinians to moderate their anxiety regarding Italian designs, it is to be hoped that advantage will be taken of the circumstance to represent once again the Lake Tana project in its true light.

Notes of the Week.

The Albanian Dispute.

Negotiations between Italy and Yugoslavia are expected to begin this week in Rome. In spite of Signor Mussolini's veto on any discussion of the Tirana Treaty, it is supposed that opportunity will be found by the Italian Government to lay stress on the harmless character of its relations with Ahmed Beg Zogu. Whether these declarations will entirely reassure the Yugoslav nation remains to be seen; but it is evident that for any definite and lasting improvement in the relations between all three parties to the dispute Yugoslavia must rely on direct negotiations with Albania. Further information regarding the genesis of the recent scare testifies to the genuineness of the alarm felt in Albania over the alleged activities on the Yugoslav side of the frontier. The reports that reached the Tirana Government satisfied it that the Yugoslav authorities were carrying out an elaborate scheme for setting *komitajis* in motion. The frontier zone, so the reports ran, had been divided into sections under committees and sub-committees, and each unit was in close touch with officers of the regular army. The Albanians knew of no actual military movements, and the statements regarding the latter were an Italian amplification of the Albanian reports, which, as the event proved, could not be substantiated. Italy, indeed, made no attempt to do so, nor did she show the least readiness to have any unbiased inquiry into her allegations, which must have revealed the discrepancy between the Albanian Intelligence reports and the Italian version on which the Italian Government based its scare Note to the Great Powers.

Yugoslavia and Albania.

There are two obvious weaknesses in the Albanian case. In the first place, in spite of the Yugoslav and Albanian Governments being represented respectively at Tirana and Belgrade, no steps were taken by Ahmed Beg Zogu to protest to the Yugoslav Government against the alleged activities across the frontier; secondly, he submitted to the grave indignity to Albanian independence entailed by allowing an outside Power to act as spokesman for Albania with the Great Powers. Ahmed Beg Zogu went even further in his subservience, by thanking Italy subsequently for having usurped the functions of his own Government. It is unnecessary to-day, so long after the event, to inquire into the accuracy or even plausibility of the secret service intelligence that reached the Tirana authorities. Without doubt, the reports alarmed the Albanians; they seem to have made no attempt to consider what ultimate object Yugoslavia could have in view in stirring up trouble in Albania, and in his inexperience Ahmed Beg Zogu simply placed himself in Italy's hands. A wiser Government would have tried to look farther ahead. Even if it be granted that Yugoslavia is disappointed with the pro-Italian attitude of the Albanian President, the fact remains that the latter has made some attempt to discharge his obligations by handing over Sveti Naoum, and it is not very clear what the Yugoslavs would hope to gain by risking a collision with Italy at a time when the economic situation in their country is unsatisfactory and money is scarce. To provoke a war with Albania without the shadow of justification is a very different matter from declaring war on Italy in defence of the principle of the Balkans for the Balkan peoples. The moral of the whole incident is that the Yugoslav and Albanian Governments should lose no time in coming to an understanding. Albania is nervous regarding Yugoslav designs, and Yugoslavia is afraid of Italy's policy in regard to Albania. If the Belgrade Government can reassure the Albanians, the latter will have less reason to place themselves in Italian hands. It is generally believed by those who have first-hand knowledge of Albania that Ahmed Beg Zogu is the only Albanian who has shown himself able to protect the country from chaos; there is no need to doubt his patriotism, even if force of circumstances or inexperience has made him appear

subservient to Italy. The remedy rests largely in the hands of the Yugoslav Government, and should be one of the first tasks to be taken up by the new Minister for Foreign Affairs in Belgrade.

Greek Political Parties.

The appearance of another political party in Greece would be less significant, if it did not happen to be the National-Republican party of General Kondylis. It was General Kondylis who overthrew the Dictatorship of General Pangalos and then, when he had re-established the constitutional republic with Admiral Koundouriotis as President and had held a general election, withdrew from politics, after having disbanded the political group that accepted him as its leader. That within six months of this dramatic act of self-abnegation General Kondylis should reappear on the political stage and join the ranks of the Opposition is somewhat ominous. During his tenure of office from August to December, 1926, he created the impression that he was actuated entirely by patriotic motives in all that he did, and that he was singularly devoid of self-seeking propensities. His present action suggests that either he is excessively impatient or that he finds the situation in Greece worse than it is represented abroad to be. The President of the Republic has already shown that he is dissatisfied with the dilatory methods of the Coalition Government in regard to the passing of the Constitution and has been with difficulty persuaded to remain for the present in his office. General Kondylis appears to be less exercised over the Constitution than he is over the Government's attitude towards General Pangalos and towards the financial situation. The former matter is at best a negative one, although it were better to have the fate of the ex-Dictator removed from the country's agenda. The financial situation, on the other hand, is a serious matter. It was hardly to be expected that the Cabinet of M. Zaimis would put Greece's finances on a sound footing in six months; but others besides General Kondylis will have wished that more headway could have been made in this direction.

Capitulations in Persia.

The fact, which we noted last week, that the Shah of Persia has just drawn attention to the so-called capitulatory régime in Persia, refers one to the history of special privileges for foreigners in Persia. It is worthy of note that these date, and derive solely, from the Treaty of Turkomanchai, which was signed between Russia and Persia in 1828. The circumstances of this origin deserve attention. At that time Persia, under the avaricious Fath Ali Shah, had been decisively beaten in war by Russia, and the demands that the Tsar's representatives made, on the attainment of victory, were not light. In Article VII. of the Treaty of Commerce which is annexed to the main Treaty of Turkomanchai, it is provided that differences between Russian and Persian subjects shall be examined or judged only in the presence of a dragoman of the Russian Legation or Consulate. Now the insertion of this Article may be alternatively construed as implying the existence at that time in Persia of maladministration of justice or of the complete untrustworthiness of Persian judges, or merely as a piece of Tsarist vindictiveness and dictatorial temper. Its bearing on the present position in Persia is, however, profound.

Europeans and Persia.

Actually, this Article is the only legal basis of Capitulations in Persia, although it is the ground on which all Western nations have subsequently conducted their intercourse with Persia. The extra-territorial privileges introduced by this Treaty of Turkomanchai have been extended to other Europeans, and are largely in force to-day. Russia, of course, made at least nominal renunciation, in 1921, of her special privileges in Persia; but the majority

of other nations have continued to enjoy "most favoured nation" treatment. It is, therefore, fairly obvious that Persia is making no very monstrous claim in seeking the abolition of a régime which was introduced by Tsarist Russia, followed by other nations, and then renounced by Bolshevik Russia. Recently, she wholly reorganised her Ministry of Justice, under Davar, and if the good results that are hoped for from this reform are realised, it is possible that the present Shah may see the special privileges of foreigners renounced in Persia. Persians themselves, however, will not be unwilling that the new Ministry of Justice should be given an extensive trial, before foreigners are asked to yield, to what is admittedly one of the most hospitable if still backward peoples, privileges that have been naturally if not very formally conceded. To have the Western model of Justice is much; but it is the Western interpretation and execution of law that will give confidence to Europeans in Persia. The progress of the demand for the abolition of the present régime should be watched by foreigners in Persia at once with vigilance and with sympathy.

Brigands in Palestine.

The hold-up by brigands, on May 5, of a motor-car containing, among others, the Anglican Bishop in Jerusalem and Mrs. MacInnes, is one of those regrettable and happily decreasing incidents that remind one that the Holy Land is still a primitive and picturesque country. The ambush took place about twenty miles north of Jerusalem on the Jerusalem-Nablus Road. One man, an Arab chauffeur, was fatally wounded. For the rest, all the money and valuables of the passengers were confiscated. This sort of thing does not happen often in Palestine, and, while every sympathy may be extended to all of the ambushed, it need not be supposed that the incident was due to laziness on the part of the police. Brigandage, despite what the Good Templars may think, is not necessarily the result of prolonged drinking; it is, in fact, a habit of the East which possibly antedates the discovery of spirituous liquor. Nor, of course, is it a monopoly of the British mandated State of Palestine. The very word "hold-up," in fact, suggests that the crime is not unknown in the more civilised West.

The Voice of the Croaker.

The pertinacity of the campaign which is indulged by a certain section of the English Press for the evacuation of the Middle East by Great Britain is really remarkable, and is an interesting sidelight upon the methods of modern journalism. "Clear out of Iraq and Palestine," once

said these croakers of the *Daily Mail* type. That was in the days when both the internal and external condition of British mandated territories in the Middle East gave rise to considerable anxiety. But this slogan is still, when the situation is wholly altered, on the lips of these unthinking choralists. What matters it to them that peace has been made with the Turkish Nationalists and with the Nejdian Wahhabis; or that the Arabs of Iraq and Palestine would be the first to cry out were these countries to be abandoned, by the hand which delivered them from the Turk, in favour of another European Power? And yet the *Daily Mail*, in its leading article of May 2, cynically suggests that the mandate for Palestine and Mesopotamia be handed over by Britain to Italy! Does this journal really imagine that the scorpions of Italy would be less hurtful than the whips of Britain? Has it ever given one single thought to the wishes or the welfare of the Arab inhabitants of the Middle East? Of course it cares not two straws for the Arabs and Arabia: so that Britain escapes from lands which it persists in regarding as useless desert (and presumably it would have used the same arguments years ago about the retention by the British of influence in Egypt), and that the "strong man of Europe," Signor Mussolini, be afforded lands wherein to plant his surplus population, all sorts of twisted arguments may be used. Surely no worse form of heartless *Realpolitik* has been suggested since the War than this proposal to hand over the destinies of a people whose institutions were destroyed during the War, and for which, since the Armistice, the British have been endeavouring to find substitutes acceptable to that people. It is fortunate indeed that our country is ruled by men whose conceptions extend a little more widely than the mere consideration of immediate profit. With the problems and progress of Italy Great Britain may have every sympathy; but to suppose that such progress must be achieved at the expense of Great Britain is indeed a curious form of vicariousness. The Mesopotamia and Palestine campaigns were not fought in order to solve the subsequent problems of the Fascisti.

The Crisis in Palestine.

The Executive of the Zionist World Organisation has issued an important statement upon the general position of the Jews in Palestine. It points out how strained the financial resources of the Zionists have lately become, owing to the collapse of the boom period in Palestine. As is known, things were so bad for the colonists that weekly doles had to be granted. The statement continues: "The Executive are pleased to refer to the readiness of the Mandatory Government to aid in connexion with the emergency. . . . It will be our duty, as always, to negotiate for a greater degree of direct support of the development of the Jewish National Home on the part of the Mandatory Power, but we reject as pernicious doctrine the suggested policy of a persistent formulation of illusory political demands when the larger burden of responsibility obviously rests upon us." This declaration is particularly interesting in view of the fact that Mr. Louis Lipsky, who, incidentally, is one of the signatories to this statement, recently took exception to some remarks which we made on this subject. We note, too, that the *Palestine Weekly* rallies to the side of Mr. Lipsky in this matter. But, surely, if the truth had been that it was the Mandatory Power which was chiefly to blame for the "crisis" in Palestine, some mention or hint of it would have been made in this statement of the Zionist Organisation? Can it be that Zionists in council are not prepared to go as far as Zionists in an individual capacity?

Under the auspices of the Anglo-Hellenic League a meeting took place at 5, Queen's Gate Gardens, on May 3, at which Mr. C. M. Sleeman, of Queen's College, Cambridge, described his experiences in ascending Mount Olympus. The Greek Minister was present.

Mirza Hussein Khan Alai, who became Persian Minister in Washington in November, 1921, has been appointed Minister of Public Works in the Persian Cabinet, in succession to Nahdigirli Khan Hedayat, the Mokhber-es-Sultaneh, who has been promoted Lord Chief Justice of Persia.

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The Near and Middle East*

From Our Own Correspondents.

EGYPT



Cairo, April 30.

The New Cabinet and the Chamber.

The crisis is over, not, however, without a last-minute hitch, which threatened to wreck the whole combination. The Sarwat Cabinet is now in the saddle, but it is by no means certain that all trouble is passed. The Chamber, if its humour on the day when the new Cabinet made its bow is any criterion, is far from contrite, and there are distinct signs that it is not satisfied with the manner in which the crisis has been resolved. There is, it is plainly evident, great disappointment that a purely Wafd Cabinet was not formed, and this feeling of disappointment extends to those deputies who aspired to portfolios and have had to return empty to their seats in the Chamber. These dissatisfied candidates do not intend to remain quiet, and may be expected to heckle the Cabinet at every opportunity. On the other hand, Sarwat Pasha means to stand no nonsense, as his replies on the first day of his appearance as Premier to certain deputies plainly showed, and it is quite possible that the bulk of the Chamber, having had a fright, will not be inclined to resume in a hurry the tactics which led to the crisis. Many shrewd observers believe that there will not be any incident until after the vacation, when a recrudescence of the trouble is confidently expected. At the same time there are not a few who confidently anticipate fireworks before Parliament rises. The Chamber is indeed such a sensitive and impulsive body that it is impossible to say what it will do in any given circumstances, and I doubt whether Lloyd's, if it were asked, would find it easy to quote a rate for the life of the present Cabinet.

Increase in Crime.

An alarming increase in crime is indicated by the latest statistics which show that during March crimes rose from 511 to 616 cases and during the first five months of the judicial year from 2,370 to 2,773, the lower figures being for the corresponding period of the preceding year. To a certain extent the economic situation may be responsible for the increase. But it is evident from the fact that murders and attempted murders increased by 13 per cent.—during March the number was as much as 7 a day—that there must be some other important reason for this rise in the curve, and this reason is to be found undoubtedly in the fact that, owing to the encroachment on, and persistent interference with, the executive by the political element, the authority of the provincial personnel, responsible for the preservation of public order, has been completely undermined. It is no secret that the Provincial Mudirs and their staff have the greatest difficulty in the world in carrying out their duties owing to the manner in which, as in 1924, the deputies and their friends interfere directly with them or pull strings through Cairo. This state of things is responsible for the loss of respect

for the Government which is reported from all over the country, and it is not surprising that the administration should be deteriorating at a rapid rate and that this should translate itself into a general increase in crime. It may be added that the official statistics merely give the number of crimes reported and that many others are committed but concealed, since there is this notorious interference with the execution of justice, it follows that the state of lawlessness is even more serious than the figures themselves reveal.

The Prince of Arab Poets.

A wonderful meeting was held yesterday at the Royal Opera House, where litterateurs from various parts of the Arabic-speaking world as well as leading Egyptians met to do honour to Ahmed Bey Shawky the celebrated poet. "The Prince of Arab Poets," as he is called, is renowned wherever that language is spoken for his poems and songs which peculiarly appeal to the oriental mind by their loftiness of thought and their beauty of expression. Many of them have in fact been translated into French. King Fuad extended his patronage to this meeting, which was in reality but the beginning of a series of ceremonies in honour of Shawky Bey, and was graciously pleased to delegate his first Chamberlain Ahmed Hasanein Bey to represent him. The meeting was attended, in addition to the leading Egyptians, by delegates from Palestine and Syria, by the Chief of the Cabinet of King Ibn Saoud, and by Sidi Kaddur Ben Kebrit, the Moroccan statesman, and numerous speeches were delivered and poems, specially written for the occasion, were read. Shawky Bey was accorded an enthusiastic ovation, and his new verses, which a friend recited for him, completely carried his audience off their feet. He has been the recipient of many presents, the most beautiful of these being a palm-tree made of pure gold with pearls in the place of dates the whole reposing on an amber base, the gift of admirers in Iraq, of which the palm tree is the symbol.

HIJAZ.

Jidda, April 19.

The King's Movements.

His Majesty the King has not yet arrived in the Hijaz and, as there is no definite news of his movements, it is scarcely probable that he will reach Mecca before the beginning of May. This will leave him only a month before the actual ceremonies of the pilgrimage. Meanwhile, as a counterblast to the attempts of interested parties in India to discourage the pilgrimage on the ground of imminence of hostilities between the Hijaz and the Yaman, the Amir Faisal has issued a categorical denial of the existence of any such danger. Common sense should be sufficient to show them that, even if the parties concerned were disposed to war, they would not select the heat of a Red Sea summer for active hostilities in the Tihama. But common sense is a quality which for some reason or another has been conspicuously lacking in the critics and enemies of King Ibn Saoud ever since the earliest days of his governing ascendancy over Arabia.

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*Under this heading appear weekly or at regular intervals, communications from correspondents in Egypt, the Sudan, Roumania, Yugoslavia, Greece, Bulgaria, Albania, Turkey, Cyprus, Palestine, Iraq, and Persia.

To such critics and enemies the present peace and tranquillity of the Hijaz are the only and sufficient answer, and that answer seems to have satisfied Islam in general, to judge by the facts that some 70,000 pilgrims have already passed through Jidda from overseas and that the Egyptian Government has declared booking for the pilgrims open to its subjects. The contract for the conveyance of Egyptian pilgrims, who are expected to exceed 15,000 in number, and the "Holy Carpet" has this year been given to the Italian "Transatlantica" line, in preference to the Khedivial Mail Company, which had it last year.

Help to Pilgrims.

The solicitude of the Hijaz Government for the comfort of the pilgrims is evidenced by the progress made in the paving of the hitherto dusty way between Safa and Marwa, which pilgrims have to traverse to and fro seven times in commemoration of Hagar's frantic search for water for the infant Ishmael. The pavement, begun recently under the direct orders of the King, is now nearly complete, and the attention of the authorities is now being directed to a project for recovering over the court of the Great Mosque itself with a removable awning to protect the praying multitudes from the heat of the sun during the day time. Apart from these improvements, actual and projected, it is under contemplation to remove all booths and temporary wooden structures from the main thoroughfares of Mecca for the greater convenience of the pilgrims, while their medical needs are being amply catered for by the division of the city into medical wards with special clinics and doctors in attendance. The number of motor cars available for the transport of pilgrims is officially given as 87.

The Hijaz and Italy.

The following official notice is published in the *Umm al Qura*: "It has come to the notice of the Government that certain individuals claim to represent the Government of His Majesty the King at the court of His Majesty the King of Italy and arrogate to themselves an official status to which they have no right. The Government accordingly announces that it has no representative at Rome." It will be remembered that ex-King Husain and his successor were represented at Rome by the Amir Habib Lutfallah in the capacity of Ambassador, but the arrangements of the Hashimite Foreign Office ceased to be effective with the overthrow of the Hashimite Government in December, 1925.

Health Conditions.

The Health Department publishes the vital statistics for Mecca, Madina, Jidda and Taif for the week ending April 8. Deaths from infectious diseases during this period numbered 69, of which 17 were due to smallpox; there were in addition 368 deaths from ordinary causes (205 men, 93 women and 70 children). The weather conditions are still springlike, though during the last day or two there have been mild reminders that summer is not far off.

GREECE.

Athens, May 5.

Political Incidents.

The only noteworthy political incidents of the last few weeks have been:—(1) The threatened resignation of the President of the Republic, (2) the dispute over the appointment of the Chief of Gendarmerie, (3) the interception of correspondence between General Pangalos and his friends.

The first incident is now closed, and as the Chamber has resumed its sittings after the Easter vacation, there is a prospect that the interminable discussions will at last bear fruit and the President's justifiable irritation will have had a beneficial result. The limitation of discussion, now enforced by decree, is a step in the right direction.

The second incident, one of the periodical squalls that ruffle the calm of the Cabinet's deliberations, has also blown over—for a time.

The third incident shows that the late Dictator continues to be a thorn in the side of the Government. There is naturally no serious popular demand for his return to power, but as long as he remains in prison and untried, he is likely to receive a certain amount of sympathy, and, if he is allowed to communicate with disaffected elements outside, may be a real source of danger.

The cumulative effect of these incidents is bad for the Government, which is bound to lose prestige, as long as every really important question is shelved. The military problem, and the question what is to be done with General Pangalos, seem as far off settlement as ever.

According to a communication of the Ministry of the Interior, the British mission which is entrusted with the duty of re-organising the gendarmerie will arrive in Greece in two months' time.

General News.

Of non-political events, one may mention the enthronement of the new Catholic Archbishop—a Greek, Mgr. Philipouses—the meeting in the Stadium between Greek athletes and representatives of the Achilles Club, which was a great success—the purchase by the British Minister of a race-horse from the Copais Company's stables, which will shortly appear on the race-course at Phaleron.

The most interesting archaeological news comes from the Argive Heraeum, where the American School has discovered a very striking piece of bronze revetment, destined for a chair or a chest, which shows in *repoussé* work, scenes from ancient legends—perhaps from that of the House of Atreus.

The question of drains is not always a savoury one, but in a place like Athens it is of some interest and importance. Up to last year, the whole of the western part of Athens was served, apart from the cess-pool which almost everywhere possesses, by two open drains, which united and flowed into the Kephissos, by which, such of their waters as were not diverted to irrigate the market-

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gardens of Athens, were conducted to the sea at Phaleron. In spite of this primitive system, or absence of it, the general health of Athens has been good, and epidemics almost unknown. An attempt is now being made to modernise the drainage, by constructing pipes which will conduct the sewage, after being passed through a cleaning machine, 200 metres out to sea, so that bathing at Phaleron will lose some of its terrors. It is good news also, to learn that the rain water that pours in cataracts off the sides of Lycabettus after a heavy storm, turning streets into raging torrents, and burying tram-lines under mountains of debris, will be partly controlled and conducted into the bed of the Ilissos. All these things show that the municipality of Athens is seriously grappling with the problem of how to adapt Athens to the new requirements and to its position as the leading Balkan capital.

ROUMANIA.

Bucharest, May 3.

The King's Illness.

Public interest during the month of April centred chiefly round two events, viz. :—during the first half of the month, the illness and almost miraculous recovery of King Ferdinand, and, during the second half, the new Customs Tariff on imports, which came into force on April 24.

The illness of the King caused great anxiety, not only because of the great popularity of His Majesty, but also on account of the special circumstances surrounding the succession to the Throne. It was feared that the country might not be unanimously willing to accept the Regency arrangement instituted over a year ago, and precautions were taken to deal with any disturbances which might take place. Fortunately, no such contingency arose, and to the great joy of all King Ferdinand has recovered so far as to be able to go about, and even attend to some of his many duties.

The Government and the Liberals.

In the field of politics the most interesting development of recent date is the friendly understanding which has apparently been come to between the Government and the Liberal Party. Having tried for many months without success, to come to a working agreement with the Nationalist Party of M. Maniu, the Government has once more turned towards the Liberals for support. It may therefore be expected that, on broad lines, the financial policy of the Liberals will continue to be pursued by the present Government, especially where they do not interfere too much with the reforms in the interests of agriculture, instituted by M. Garoflid, the present Minister of Agriculture and Domains, to which the Government is now committed.

EGYPTIAN MINISTRY OF EDUCATION. APPLICATIONS are invited for POSTS of ASSISTANT MASTERS to teach English in Egyptian Government Secondary Schools.

Candidates, who should be between 24 and 34 years of age, must have University Degree (preferably in Honours) and should have experience of teaching in Secondary Schools. Diploma in Education desirable. Initial salary £E.450 (about £461) with biennial increment of £E.45. Non-resident. Contract three years. Allowance for journey to Egypt. Full particulars and form of application may be obtained from the Director, Egyptian Education Office, 39, Victoria Street, London, S.W.1.

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For posts (a) they should have University qualifications and Diplomas in Teaching, and for posts (b) the Higher Certificate of the National Froebel Union.

Initial salary £E.300 (about £307). Biennial increment £E.30. Contract three years. Quarters provided or lodging allowance in lieu thereof. Allowance for journey to Egypt. Full particulars and forms of application may be obtained from the Director, Egyptian Education Office, 39, Victoria Street, London, S.W.1.

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Liubliana, May 5.

The Position on the Adriatic.

To all appearance, the difference between Italy and Yugoslavia has latterly become less acute, and public opinion in Europe is evidently under the impression that the situation has improved and that the tension between the two States has lessened.

As a matter of fact, one has to be very cautious in taking an optimistic view of the position, because nothing new has happened which might improve matters in essentials or eliminate the causes which lie at the root of the ill-will between the neighbours on the Adriatic. The most trifling incident would suffice, and relations would again be strained to breaking-point.

It would be an excellent thing if foreign journalists would more frequently visit Yugoslavia and so become convinced by first-hand evidence that the country is really all for peace; that no one dreams of embarking upon war-like adventure, be it against some weaker Balkan neighbour or against any other State. The judgment of Europe is greatly biased, and indeed at fault, if it persists in regarding the Balkans in the light of views that held good ten years ago and more, when the interests of the various Great Powers clashed in the Peninsula and the Balkan nations allowed themselves to be used as pawns in the

game. The Balkans have outgrown the period of their minority; they are hard at work to-day in their efforts to make up for what they have lost in time and opportunity during the long age of a barbarous Asiatic rule, and they are anxious to play their part in the constructive work of the world's civilisation and culture. The Balkan States have no desire to perpetuate their reputation as the storm-centre of Europe, whence a baneful breeze may at any time fan a European conflagration. It is true that there are certain differences between individual Balkan States—differences which have their origin in the comparatively recent past and are not more serious than those existing between other European Powers, and far less of a danger to peace. The Balkans have had a longer and more bitter experience of war than the rest of Europe, and for this reason alone the disinclination for further wars and an earnest desire for peace are at least as great in the Balkan States as in any of those which already enjoy a reputation for pacifism.

The Balkan States desire, therefore, as long a period of peace as possible, so that they may devote themselves to the work of internal consolidation and set about healing the countless wounds they sustained during the wars from 1912 to 1918. *Rapprochement* has begun between the various States, notably even between Yugoslavia and Bulgaria. On both sides it is regarded as a good thing that it should come to a definite understanding between these two essentially Balkan States. And everywhere public opinion is in favour of a peaceful solution of all still outstanding questions. The Balkans, in fact, are nearer to their Locarno than is generally supposed in Europe.

In view of this, there is no need in the Balkans for the interference of outside Powers. The Balkan States are determined to arrange their affairs without foreign tutelage, convinced that the Balkan Peninsula will be definitely pacified as soon as outside Powers withdraw their protectorate from it.

Yugoslavia and Italy.

This is to-day the view of the general situation that obtains in the Balkans, and especially in Yugoslavia. For this reason Yugoslavia has co-operated with Italy, although the Yugoslav minority in Italy—a minority numbering over half a million—fared so badly under the Fascist régime. The definite misunderstanding dates from the moment when the Treaty between Albania and Italy was concluded at Tirana. This Treaty invests Italy with the virtual protectorate over Albania and gives her the right to interfere for the protection of the existing régime in Albania. Signor Mussolini's defence is that the Treaty was concluded between two sovereign States and that it concerns no other parties. But this point of view is not so simple in practice, because no Balkan State can afford to be indifferent if the troops of a non-Balkan State may at any time be landed in the middle, as it were, of the Peninsula. And least of all can Yugoslavia remain indifferent. Over and above this, it is known to what extent Ahmed Beg Zogu is financially and economically the debtor of Rome; wherefore the claim as to the sovereign States offers quite a problem by itself.

If Signor Mussolini declares that the Tirana Pact cannot be the subject of negotiations between Belgrade and Rome, then here is a highly significant fact. It means that Italy intends to stick to her rôle of protectress of Albania, and that although Italy at one time made an agreement with Yugoslavia for joint procedure in matters regarding Albania. On this basis alone could direct negotiations prove fruitful. But so long as the Tirana Treaty in its present form and with its present contents remains taboo, the very foundation for any kind of real and sincere understanding is lacking. The Nettuno Conventions cannot be a serious obstacle to a fresh *rapprochement*, because it is more than likely that they will be ratified by the Skupshtina—in spite of the vigorous objection of all ranks of the Opposition.

In view of all this, public opinion in Yugoslavia is very sceptical of the achievement of an understanding by direct

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negotiation between Rome and Belgrade, because Signor Mussolini's restriction in regard to the Treaty of Tirana means that these negotiations are debarred from dealing with the very problem from which arose the misunderstanding between the two States.

So the situation remains far from clear. But let us repeat once more and insist upon the point that Yugoslavia does not desire any warlike adventures, either on the Albanian, or on any other frontier. Public opinion in Europe may seek proof of this at any time. Indeed, Yugoslavia would welcome investigation to this effect. As far as the Kingdom of Serbs, Croats, and Slovenes is concerned, the peace of Europe is in no danger.

CORRESPONDENCE

The columns of THE NEAR EAST AND INDIA are open for the discussion of subjects of general interest to its readers. The publication of such letters must not be taken, however, as indicating that the views expressed by the writers are those of THE NEAR EAST AND INDIA.

AN ANGLO-WAHHABI ALLIANCE.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—To-day, more than ever, consideration of Islamic affairs forms a significant part of the British Imperial concerns, not only because under the English flag dwell by far the greatest number of the Muslims, but also, because that this country is being increasingly drawn closer to the higher diplomacies that are now agitating the world of Islam. This contention is reinforced by the report that Sir Gilbert Clayton is re-opening Anglo-Arab negotiations with the Wahhabi King of the Hijaz. The desert Conference will not fail to leave a moral of great political force, inasmuch as a British alliance with a Puritan Islamic section would give practical denial to Britain's alleged anti-Islamic views.

In considerations of this nature the sentiments of Indian Muslims must obviously loom large, for in any attempt at handling the tangled skein of Indian politics the importance of the Muslim elements there can scarcely be exaggerated; and a Muslim—in China, India or Arabia—has, essentially, in virtue of his faith, an international perspective. Neither the greatest Himalayan heights nor the span of the Seven Seas can circumscribe his political vision or cultural affinity. All Muslims are brothers, all bow their heads towards the Sacred Mecca, all strive to visit at least once during their lifetime that wonderland of mystery—the Cradle of Islam—where Ibn Saoud sits enthroned in his mighty glory surrounded by his desert warriors waiting to shed their blood in a religious cause to reap the life eternal under the Celestial bowers of Allah's garden. With such an element England now seeks friendly dealings. This bodes well for the peace of the world. And the West may well gulp down its fears, for nothing is nearer to the heart of Ibn Saoud than peace—peace long and continued.

In the meantime, however, storm rages high in India at the hands of those who, to use the Arab saying—are as consistent in the political ideals as is an egg steady on a revolving tray. First they disliked King Husain because he basked under English friendship; and then circumstances placed Mr. Mohammed Ali on a pedestal to represent the power and arrogance of a class that does not grow old, and therefore wise, that will never emerge from the thrall and gloom of brazen agitation into the free air of rational outlook.

The great Wahhabi is subjected to abuse now because he holds what he has won and above all is drawing nearer to "England, the arch enemy of Islam." The Ali Brothers, although detesting the Western impact, yet advocate a republic for the Hijaz, and forget that the ideas of kingship are inseparable from the Asian mentality, for a monarchical rule is the last fortress of racial traditionalism of the hoary East. And with venom in their tongues they harangued the unsophisticated through the length and breadth of India till they actually

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The Scotsman. "Makes a welcome addition to the works of reference at the disposal of publicists and students in general of contemporary affairs. . . A real want has been uncommonly well supplied."

The Daily News. "An extremely valuable work of reference."

The Times, in the course of a half-column notice (under "Books of the Day") says: "With best part of 1,000 pages at his disposal, Mr. Montague Bell is able to deal with them (the Balkan States) very thoroughly, and to find room for ample and detailed information about every form of political, financial, economic, commercial, and educational progress. . . Mr. Bell is not content to limit the information he imparts to the geographical details and statistics of all sorts usually to be found in books of reference. He deals very fully with finance, debts, banking, commerce, shipping, insurance, and industry, and provides useful historical summaries, complete with lists of past Prime Ministers and the present strength of parties in the various Legislatures. Indeed, even those who are well acquainted with Balkan and Near Eastern affairs will be surprised at how much there is to learn about those countries; and Mr. Bell himself seems to hope that if the Near Eastern nations can be persuaded to take a greater interest in the present, and its multitudinous and important interests and activities, they may begin to forget about that unpleasant past which has hitherto been such a drag upon their progress. He has certainly provided them and their friends with ample means for taking that interest."

The Morning Post. "A long-felt want is supplied . . . For purposes of reference his book is invaluable. . . Good maps and detailed information regarding every sphere of the activities of these countries are provided in a clear and accessible form."

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forced the steps of otherwise quite balanced men into perilous by-paths bestrewn with holders of Sectarianism, and an influential landlord of Oudh was persuaded to beat his way to the Delhi Durbar appealing to Lord Irwin against the ruler of Mecca.

The fact of Maharaja of Mahmudabad's leading an anti-Wahhabi delegation the other day to the Viceroy makes it appear that despite considerable opportunities of both official and unofficial leadership human frailties must beset the path of the best of us. This Maharaja seemed to possess that happy blending of Eastern and Western cultures which makes the bosom of an Oriental swell with pride. But just when in heroic adoration we prepared to fold our knees before what seemed to us a cynosure of Muslim India, the idol fell from its niche and crashed to a thousand fragments; for else how can the situation be explained that a Muslim delegation should appeal against Muslims, and in so doing manifest an ignorance of most rudimentary knowledge of international law? The Viceroy of India can no more interfere in the Hijaz affairs than the Spanish Government direct the fashioning of a Buddhist temple in China. The matter is all the more appalling when we consider that the Maharaja till quite recently has been an important member of his Government.

But despite the hysterical outcries of irresponsible persons urging the Arab King not to have dealings with Great Britain, he has very clear ideas regarding the benefits which may accrue from such a *rapprochement*.

The question of the Hijaz railway, to say nothing of the other matters, is of sufficient merit to command his urgent consideration. Ever since its completion in 1908, the railway has filled a pressing commercial need, as it linked the desert city of Madina with Damascus marts, and added greatly to the comfort of thousands of Syrian and Egyptian pilgrims on their way to Mecca. The War not only interrupted its running, but also divided the line between the French and the British mandated territories of the Near East. The situation was further complicated by a section of the railway crossing from Palestine into Syria and back again into Amir Abdullah's territory; while the whole stretch beyond Maan to Madina awaited ownership for years till the rival desert chieftains had fought it out between themselves. Now, of course, the issue lies between the Sultan Ibn Saoud and the British Empire, and the day is not far distant when Anglo-Arab treaty will definitely seal the peace of the world, for an English Alliance with Islam is a more potent factor towards this end than the enemies of both are inclined to own.—I am, etc.,

IKBAL ALI SHAH.

LIGHT ON "OBSCURITY."

To the Editor of THE NEAR EAST AND INDIA.

Sir,—“Thus were the most modern discoveries of civilisation employed to save the lives of two *obscure* Orientals,” is the phrase which ended the message of March 31, 1927, of your Baghdad Correspondent in telling the story of the accident which took place half-way between Damascus and Baghdad, and of the help of the hospital aeroplane which came from Baghdad and took over the two injured persons.

This phrase certainly did not add anything to the whole story, and it would seem that so long as European correspondents and writers insist on honouring the Orientals with such phrases there is very little hope for a better understanding between the Occident and the Orient. It is sometimes these unnecessary phrases which cause serious troubles.—I am, etc.,

J. ESTARABADI.

American University, Beyrout, Syria.

April 28.

[We regret that the expression to which our correspondent takes exception should have caused him offence. The word “obscure” was not used in any derogatory sense, but to heighten the effect of the verbal contrast in the application of the discoveries of the West for the benefit of the East. Two lives were in danger, and at once the resources of the R.A.F. were brought into

requisition, as readily for two unnamed passengers as would have been the case if the victims had been among the great ones of the earth.—Ed.]

PALESTINE'S NEEDS.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—Palestine is in need of an administrator to be given free hand for ten years to organise it, and prepare it for a larger population of agriculturists. The present arrangement is too costly, and unsuitable, for that country.

The post of High Commissioner being one for five years, it should be reinforced by an administrator of ability, imagination and sympathy with the inhabitants, Muslim; Jews, and Christian, who would control all branches of the administration.

Much of the present machinery of government is out of place and out of season in the present state of the country. It is, in fact, ridiculous.

Reclamation of land, its sanitation, and preparation for settlers, are the *most urgent duty* of the Government and the Jewish societies who wish to help the colonists of their race. Industries are premature, and education, which is sectarian, is less than useless for spending money upon by the Government!

Roads and facilities of communication, town-planning and sanitation, a *safe harbour* for passengers and cargo steamers, are things that should be taken seriously in hand, while agriculture is preparing to provide freight, and offer occupation and profit to more settlers.

Nearly one million a year is now spent on ruling this small, poor country, simply to keep it stagnant and passive, because no one on the spot can feel responsible for the consequences. There is nothing to say against Jews or British officials, individually; but what is virtually wanted is a dictator with a vision!

From my knowledge of the country and people, I should say that an able administrator would find a quarter of a million ample for his administrative requirements.

While it may amply provide for economic administration, I must say that I consider £3,500 a year for salary of the High Commissioner, is a piece of high parsimony! Three times that amount might with advantage, I think, be spent by him merely on representation! But with all our knowledge, very few of us understand the East, although they think they do.

Meanwhile, neither Jews nor Arabs can be satisfied, nor our commerce benefited!—I am, etc.,

A. SEFI.

Buckingham Gate.

May 5.

CAPITULATIONS IN EGYPT.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—Your readers may not be aware of the fact that foreigners in Egypt are not under the same laws and penal code as Egyptians and cannot, therefore, be punished for many grave offences. The Egyptians are at present trying to remedy this state of affairs and to hold foreigners equally responsible for their actions with Egyptians. For those who are opposing the Egyptians in their efforts to attain this object, I, as an Egyptian brought up in English Universities, will instance the following as an example of how these privileges are abused by some. *Al Ahram*, the leading Egyptian daily paper, reports a case in which a foreigner while riding a bicycle at night without a light near Opera Square, Cairo, knocked down and hurt an old man. When the point duty policeman tried to stop him, it is reported, he shouted “Don't raise your hand to me, and don't you dare to touch me; I am an Italian and privileged.” What would your English readers think if a German, say, knocked down at night an old man in Piccadilly Circus, while not carrying a light, and successfully evaded arrest on the ground that he was a foreigner: and how could we, learned Egyptians, who had lived abroad on terms of equality, bear to see such a drama when we return home?—I am, etc.,

I. HELMY AL SA'ED MATTER (B.Sc.).

Manchester, May 9.

(Chemical Engineer).

PERSONAL AND GENERAL

TO-DAY

May 12, 1927 (New Style).

April 29, 1927 (Old Style).

Julkaada 10, 1345 A.H., of the Muslim Calendar.

Iyar 10, 5687, of the Jewish Calendar.

The Roumanian Minister returned to London last week.

The Aga Khan left the Ritz Hotel on May 3 on his return to Paris.

Prince Jean Ghyka left Claridge's Hotel last week after a fortnight's stay in London.

Viscount and Viscountess Elveden have returned to 11, St. James's Square from India.

The Hon. Harold and Mrs. Nicolson have arrived in England from the British Legation, Teheran.

Lieutenant-Colonel and Mrs. Stewart Patterson have arrived from India at 23, Alexander Square, S.W.3.

The Earl of Lytton was received in audience by the King, upon relinquishing his appointment as Governor of Bengal, on May 7.

The Earl and Countess of Lytton subsequently had the honour of being invited to luncheon with their Majesties at Buckingham Palace.

M. N. Stancioff, the former Bulgarian Minister in London, and Mme. Dimitri Stancioff have left London for their summer residence—"Villa des Trois Sources," Varna, Bulgaria.

Viscountess Inchcape, who has now recovered from her long illness, arrived in London on May 5 from Glenapp, and left two days later, with Lord Inchcape for Paris, where she will spend a few weeks.

Lieut.-General Sir Peter Strickland (upon his appointment as General Officer Commanding the British Troops in Egypt) had the honour of being received by the King at Buckingham Palace on May 7.

The King has given Mr. Oliver William Verner authority to wear the insignia of the Third Class of the Order of the Nile, which decoration has been conferred on him by the King of Egypt in recognition of valuable services.

LEBANON HOSPITAL FOR MENTAL DISEASES.

The twenty-eighth annual meeting of the Lebanon Hospital for Mental Diseases, Asfuriyeh, Beyrout, Syria, will take place at Friends' House in Euston Road on May 19 at 3 p.m. The meeting will be presided over by Dr. E. W. G. Masterman, Dr. H. Watson Smith, Director of the Hospital, will present his Report, and other speakers will include: Major S. W. Mackinnon, Archdeacon Beresford Potter, Pastor Hoffman de Visme, W. W. Haviland, F. H. Edwards, Lt.-Col. H. G. L. Wortabet, and Mrs. Alfred Moorhouse. It is hoped that all who are interested in the work of the Hospital will attend.

The Egyptian Parliamentary War Committee has recommended the suppression of the Sirdarate, as it considers that under the Constitutional régime the Minister for War fulfils the necessary duties.

According to the Constantinople Correspondent of *The Times*, Sir Maurice Amos, the former Judicial Adviser to the Egyptian Government, arrived in Constantinople on May 7. With him were Mr. Owen Wells, the British agent on the Anglo-Turkish Mixed Arbitral Tribunal; Mr. Fitzmaurice, his junior counsel; and Mr. Orme, Clerk of the Treasury. Sir Maurice is acting for the British Government in the case which has been brought against it by Abbas Hilmi Pasha, the last Khedive of Egypt, who is claiming nearly £3,000,000 for properties and possessions seized in Egypt at the time of his deposition in 1914.

NEWS IN BRIEF.

Ibn Saud, King of the Hijaz and of Najd, arrived at Mecca from Riyadh on May 6. Sir Gilbert Clayton landed at Jidda the previous day.

According to the Turkish Press, the negotiations for the purchase of the Anatolian Railways by the Turkish Government has been adjourned. The representatives of the shareholders are said to have asked for a sum of £T.73,000,000 (gold).

The Bulgarian Government has paid 1,900,000 gold francs (£76,000) to Yugoslavia, representing the last payment due under the Agreement of 1923 as to requisitions made by the Bulgarian troops during their occupation of Serbian territory during the War.

The Greek Government has submitted to the Chamber a motion providing that the Constitution be passed before the end of May, limiting speeches to fifteen minutes and adopting without discussion 25 out of the 215 articles.

Colonel Henry Travers Lugard, late R.A., who died in London on April 30, at the age of 78, served in the Afghan War, 1878-80, and was present at the Battle of Ahmed Khel. He also served in the Mahsud Waziri Expedition, 1881, and the Burma campaign, 1886-87.

Mr. J. B. Payne, Chairman of the American Red Cross, presided at the annual meeting in Paris of the Board of Governors of the League of Red Cross Societies on May 4. All the national societies affiliated to the League except the Austrian and Albanian societies were represented.

The Vice Chancellor of Cambridge University publishes a letter which he has received from the secretary of the Managing Committee of the British School at Athens, who offer a special studentship of £100 for the session 1927-28, or, if deemed advisable, the studentship might be divided into two of £50 each.

Colonel Herbert James Mills, C.B., late R.A.O.C., died at his residence in Maida Vale on Monday in his 91st year. He served with the Egyptian Expedition of 1882-4, being mentioned in dispatches and receiving the Order of the Medjidieh. In the Sudan in 1884 he was Senior Ordnance Officer.

In reply to a protest sent to the Archbishop of Canterbury by the Greek clergy, the British Minister in Athens, Sir Percy Loraine, has conveyed to Mgr. Chrysostomos, the Archbishop of Athens and Primate, the assurances of Lord Plumer, the British High Commissioner for Palestine, that there is no intention of interfering with the status of the Patriarch of Jerusalem.

Field-Marshal Viscount Allenby on May 6 laid the foundation stone of the St. Andrew's Chapel and Hostel in Jerusalem, erected by the Scottish Churches to commemorate the liberation of Jerusalem from the Turkish armies during the Great War, and also to commemorate Scottish soldiers who fought in the campaign, and their Imperial comrades.

The death occurred on May 1 at Kensington of Brigadier-General Hugh James Alexander Mackey, C.M.G., D.S.O., late R.F.A., from pneumonia at the age of 51. He left France for Mesopotamia in December, 1915, to take part in the operations for the relief of Kut. From May, 1916, to April, 1919, he was Colonel, R.A., 14th Division, Mesopotamia, and took part in the battles of Hai and Shumran Bend and in the crossing of the Tigris, being also present at operations at Baghdad and Shatt-el-Adhaim.

On May 15 the Simplon-Orient express, which runs daily from Calais and Paris to Trieste, Belgrade, Sofia, and Stamboul, will be extended from Constantinople with connexions to Angora, Yenije, and Aleppo (Syria), while at the same time it will be accelerated by about two hours between Calais and Constantinople. The extension, say *The Times*, is the first step into Asia in connexion with the through journey to Baghdad, which is intended to be the eventual destination of the service. The journey from London to Constantinople (leaving Victoria by the Southern Railway's 11 a.m. Continental express) at the present time takes 78 hours over the total distance of 2,178½ miles. This is 24 hours quicker than any other railway service, and comprises what is the longest "through" carriage run in Europe—namely, 2,075½ miles, from Calais to Constantinople.

Where to stay in the East

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WALKING IN GREECE.

(From Our Athens Correspondent.)

Greece is an ideal country for walkers. Roads are still scarce, and a large part of the country, and that the best, can be visited only by means of the mule tracks. As the roads that do exist run mostly from north to south on either side of the central mountain range and there are none that cross it from east to west, either in Northern or in Southern Greece, the best parts of the country still lie away from them. Now to tramp, carrying one's luggage on one's back, has many disadvantages. The paths are steep and rough, and have a way of disappearing; the distances between villages are great, and one has to accept chance hospitality for the night—an experience not to be faced lightly—especially in the summer. Food is heavy to carry and often extremely difficult to obtain locally. It is, therefore, only the very strenuous and hardy who can tramp, carrying their own luggage. It is better to hire a mule to carry your things: you can then take a supply of food for several days, while a valise and sleeping bag will make you independent of hospitality, as it is possible to sleep out of doors during six months of the year. It is true that you are dependent to some extent on the muleteers—an obstinate and difficult race, who will try to take you to some place you don't want to go to, who are often quite ignorant of the road more than a few miles beyond their own village, although they will have confidently assured you that they know every inch of the country. For this reason, they should always be engaged for one day only, and when you reach your destination at night, a fresh one should be engaged for the following day. This involves protracted bargaining in the village shop, with the whole population looking on—and an animated discussion about the route. Insuperable objections are raised, and the muleteer will try to persuade you that you must pass through some village or other, where he perhaps has business, or friends whom he wishes to see. However, with some knowledge of the language (quite indispensable) and a knowledge of the map, (this always creates a great impression), and a firm determination to get to your destination, and not be put off by imaginary difficulties, you can generally carry out your programme. Of the many admirable qualities of the Greek peasant love of truth is not one, and if you put yourself unreservedly in his hands, you may find yourself taken in a quite opposite direction to that in which you want to go. In fixing the price, the muleteer's return journey is taken into account, and they have an unpleasant habit of trying to hurry you up, so as to make you reach your destination early, and get back themselves the same day, thus economising a day at your expense. This is a nuisance, as, if you wish to halt a long time in the middle of the day (which in summer is necessary), they get restless, and it requires a struggle to enforce your wishes. The most tiresome are those that have been in America: and their company can be tolerable, only if you steadfastly refuse, even to the point of rudeness, to understand the curious jargon which passes for English, and which they will try to work off on you. It is sometimes a good plan to pretend to be a Frenchman or a German, but it seems that they too have a good deal to put up with in the same way, as a smattering of French is taught in secondary schools, and one often meets Greeks who have been prisoners of war in Germany.

Among minor nuisances must be reckoned mosquitoes, which infest nearly all low-lying parts. A mosquito-

net is, therefore, indispensable, and this, tucked round one's sleeping-bag, will also keep out the numerous ground insects, especially ants, that seem to haunt every square-inch of ground.

I have so far emphasised the dark side of this method of travel in Greece. Now for the other. When evening comes, instead of in some stuffy cottage, or indifferent hotel, you lie down under the stars, perhaps by the side of a stream, with a whispering plane-tree above your head, or on some sandy beach with only the sound of the sea in your ears, to rise before the short night is over, cook your own breakfast and take the road again in the twilight of dawn. You may walk all day through country that is always changing, and nearly always beautiful; through gorges overpoweringly grand, through cool oak woods where the bracken keeps the dew in the hottest days of summer, and to climb the steepest ridge will have its reward in one of those incomparable panoramas of sea and sky and mountain, which make Greece the most beautiful country in the world.

But, as occasions arise where one cannot sleep out of doors, a word about hotels. The ordinary hotel in a provincial town does not pretend to cater for tourists. It is just a place where commercial travellers pass the night. They expect no comforts—not even clean sheets. In some hotels one sheet is changed for fresh arrivals, but never both. There are usually several beds in each room, and, if you want to be alone, you must take them all. In the summer they abound with bugs, and with fleas all the year round. There are, of course, hotels, which are exceptions, but, generally speaking, these provincial hotels are only clean, when they are new. In places visited by tourists, such as Olympia, Delphi, Nauplia, there are quite good hotels. Strangely enough, at some of the places, most visited by tourists, the hotels are still very bad. Corinth has no good hotel, and visitors now stay at the watering-place of Loutráki, rather than Corinth. The hotels at Sparta are primitive and dirty, and the place has such a bad reputation that people will not stay there. Until lately, it was the same at Candia, the place from which Knossos is reached. Andritsena, where all travellers stay the night on their way to the famous temple of Bassae, had, until 1926, no hotel, and the accommodation which was offered to the stranger, unprovided with an introduction, was unspeakably filthy and verminous. The place could also show the dirtiest restaurant in Greece. In 1926 three small hotels were opened simultaneously, one of which (Ambariotis) at any rate, is clean and comfortable.

In remote parts, the monasteries take the place of hotels, and are usually clean. The monks are hospitable and receive the stranger with a charming courtesy. To the traveller toiling over blazing mountain-tracks, their very names sound like music. Aéloni on Parnon, Megaspélaion on Chelmós, Makarítissa on Helikon, Eikosi-phoinisses on Pangaeon, Varnákova or Vourkáo call up pictures of green trees and gardens and cool running water. And such, when he reaches them, they prove to be.

In travelling about Greece in this way, the foreigner will discover how much the people vary from place to place. But amid the widely-differing types that he encounters, Albanians, Maniotes, Epirotes, Vlachs, or whoever they may be, he will find that hospitality and kindness to strangers are unfailing characteristics. He will be the object of curiosity, but he will never be molested. As a stranger he is the care of the community, and, if anything happened to him, it would be a reproach to the whole district. Two ladies travelling in Thessaly a year or two ago, had stones thrown at them by school-children. On returning through the same village a few hours afterwards, they were met by the schoolmaster at the head of his pupils and a public apology was offered. For the same reason no one who wishes to travel in remote parts of Greece should be deterred by the fear of brigands. Greece is, for a foreigner, even in the wildest parts, as safe as any country in Europe.

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Book Reviews

THE NEW PALESTINE.

"PALESTINE AWAKE: THE REBIRTH OF A NATION." By *Sophie Irene Loeb*. (London: Sampson Low. 7s. 6d.)

As an introduction to the study of post-War Palestine this book is to be commended, for it is enthusiastic and not so one-sided. The tang of the work may be gauged from the facts that Mr. Nathan Straus, the eminent philanthropist whose work for Palestine recently won editorial praise in *THE NEAR EAST AND INDIA*, has written a "foreword" to Miss Loeb's pages; and that he says therein "To-day the Holy Land bids fair to become again the 'land where milk and honey flows,' for the benefit of all its inhabitants—Arabs, Christians, and Jews alike."

Miss Loeb, who is engaged in welfare work and is, therefore, specially interested in the problems of the primitive or pioneering inhabitants of Palestine, writes of such things as the municipality of Jerusalem, of Tel Aviv, which she calls "the miracle city of the Eastern world," and "the Miami of Palestine" (she was writing before the crisis in that city, and also for American readers principally), of the zeal and the resources of the colonists, of orphan asylums, of the revival of Hebrew, of "England's Job," and so on. There is not very much connexion between her various essays, which, indeed, are rather little sketches than serious examinations of the problems of which she is writing. On that account, therefore, one need not be troubled overmuch by slight slips. It does seem a pity, however, that she should have left in her book such unconsidered statements as "statistical records show that every-year the population of settlers is doubling"; "Jerusalem with its hundred thousand inhabitants has every tongue and creed"; "We fly almost daily from here to Baghdad, Damascus, and other places. Palestine, with its great valleys and hills, lends itself beautifully to aeroplanes," (this somewhat misleading statement is actually put into the mouth of the Mayor of Jerusalem); and so on.

Details apart, however, this little work is a quite readable one. One ought to mention that it has been decked out with appendices relating to the work of the now defunct Pro-Jerusalem Society, and with numerous photographs.

"SANS PEUR ET SANS REPROCHE."

"THE LIFE OF LT.-GENERAL SIR PARTAB SINGH." By *A. B. van Wart*. (Oxford University Press. 12s. 6d.)

It is not given to our poor humanity to produce more than a very few individuals to whom the beautiful words quoted above can safely be applied. Maharaja Partab Singh Rathor, Prince of Jodhpur and Chief of Idar was one of them. He knew not what fear was and he never did a dirty or dishonest act in his life. On the contrary he played the game steadily whether circumstances favoured him or whether, as so often happened, they were dead against him. His loyalty to King, Country, State and friends was almost beyond belief. He was a true sportsman in every sense of the word and at the same time an unusually able administrator and judge of men. Unselfish to others, strictly Spartan in his treatment of himself, clean-minded, clean-living, and deeply religious he was, though not content to follow blindly in the way marked out for him by the priestly caste.

He was ever a picturesque personage, in *grand tenu* or in the weird and wonderful nondescript garments which his friends knew so well, or in holding forth in his own special and most curious brand of the English language which he used so aphoristically and efficiently. His virtues made him a figure outstanding among his contemporaries. So far, then, Mr. van Wart started with an advantage. And he brings out this side of his hero's character well. The book is full of good stories, well told. But it was less easy to make a reader interested in

things which, after all, were essentially revelations of the real man, specially in the hard and thankless tasks of administration which he seemed periodically fated to have to undertake, putting them through successfully in spite of countless difficulties and personal danger. That the author has succeeded in doing so means that his book is thoroughly satisfactory. The only fault that the present writer can find with it is that it keeps on calling his old friend "Partab" by a form of his name, which may be more linguistically correct but is entirely unfamiliar. The book is well illustrated and is a fitting memorial of a very great gentleman.

C. S-W.

THE MARATHA DISASTER AT PANIPUT.

"THE LAST BATTLE OF PANIPUT," By *H. G. Rawlinson*. (Oxford University Press for the University of Bombay. 3s. 6d.)

Mr. Rawlinson has done good service in rescuing this very interesting contemporary account of the eighteenth century battle of Paniput from the obscurity of the 1799 volume of "Asiatic Researches" where it had become practically inaccessible. The great battle between the army of the Maratha Confederacy and that of Ahmad Shah Duranni was one of momentous importance to the former and was the last of the great series of armed contests which, through the history of India, had Paniput as their field. Not only is Cazi Raja Pundit's account a valuable contribution to the understanding of an important historical event, but it is also in itself a work of literary interest which well deserves reading for its own sake. We could have wished that Mr. Rawlinson had considerably extended his introduction by going into the series of events which led to the final contest much more fully and with dates. Nowhere in the book have we been able to find a record even of the date of the battle. But we are grateful for what is given us and congratulate the University of Bombay on publishing it. Incidentally we would congratulate the Wesleyan Missionary Press, Mysore, on its excellent workmanship.

C. S-W.

The Freedom of the City of York was conferred on May 3 on General Sir Charles Harington, who is relinquishing the Northern Command to take over command at Quetta. He has been four years at York.



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NEAR EASTERN PRESS.

Turkey's Debt.

A period of reconstruction in the Balkans and Near East demands a period of peace. Yugoslavia is busy consolidating a new Government under the shadow of a watchful neighbour, and the warlike spirit abroad is confining itself to duelling in the Italian and Serbian Press. Turkey with the balancing of her Budget is continuing to turn her mind to internal improvement and external defence. There is much talk of future improvement in the efficiency of the Army and Navy, of better Civil Service conditions, of encouragement given to agriculture and industry. The discussion, therefore, in Paris of the settling of her debt has raised her fears, and she considers her hopes of prosperity as threatened. *La République* writes:—

The discussion is taking place, in Paris, at this moment, of the modality of payment of our external debt transferred from the old Public Debt, and at Angora of the re-purchase of our Anatolian railway. If, as we think, these discussions end this time in a positive result, both new schemes will entail an immense amount of Turkish money going out of the country. This state of affairs will obviously alter our economic balance in proportion to the amount of money going out, and it seems that instead of thinking exclusively as at present of the amount of our debt, we should consider the question of the value of our money. . . .

For if the amount which we shall have to pay were to effect a debasement of our currency, we should be unable to continue those payments. . . .

These payments would certainly influence considerably the economic situation of the country according to the modality which will be settled, and the first effect would be upon the currency of the country. It is, therefore, evident that the Government will consider very seriously in the course of discussion all the possible consequences, and we are sure that H.E. Ismet Pasha will show the same vigilance and skill in this new phase of the affairs which he exhibited before during the first discussion of the question of the Public Debt at Lausanne. . . .

Agricultural Shows in Turkey.

To stimulate the zeal of the population in the care and improvement of their horses, cattle, and general live-stock, the Turkish Government are about to instigate race meetings and agricultural shows. It is interesting to note that a special race to be run in the spring meeting at Angora will be reserved for horses of English thoroughbred stock and is worth £T.2,000. *La République* reports:—

Our Correspondent in Angora gave us yesterday the résumé of a telegram addressed to the Governors by Ismet Pasha, giving them instructions with regard to the races and shows which will be organised this year under the patronage of the President of the Republic. A Commission for racing and the improvement of live-stock has been instituted at Angora under the patronage of Ghazi Mustapha Kemal Pasha with Ismet Pasha as president.

The telegram intimates that Spring and Autumn race meetings will be held from this year onward, in seven of the principal towns: Angora, Constantinople, Smyrna, Erzeroum, Sivas, Adana, and

Konia; and shows of domestic animals will be organised at nine principal centres: Angora, Smyrna, Erzeroum, Constantinople, Adana, Broussa, Diarbekir, Sivas and Konia. The sum of the prizes allotted to each race meeting will be two thousand pounds and to each live-stock show five thousand pounds. . . .

La République then draws attention to the industrial value of wool and hair, of milk and its products, as well as to the agricultural transport value of animals. It urges that stock be increased not only in number but also in condition and quality, that in time of war the country may be self-supporting.

The prize of two thousand pounds awarded to the Ghazi Mustapha Kemal Pasha race, for horses of thoroughbred English stock, has a particularly clear significance; it shows us the height to which we must attain in the improvement of our breeding stock. Agricultural machinery which we have had on trial has shown us already how poor are the advantages which we can derive from it. We have ended, it would seem, by realising that ploughs drawn by tractors cannot give us entire satisfaction compared with those drawn by good animals. . . .

The Turkish Navy.

The visit of the French Fleet has fired Turkey with enthusiasm and desire for a "small but strong navy." It has inspired three articles in *La République*, one describing a visit to the Naval College on the island of Halki.

The article alluded to the perfect orderliness of the school, the discipline and the marvellous up-to-date curriculum, complete with games and physical training. Two other articles glow with surprised amazement at the efficiency of the crew of the Cruiser Hamidje, and the last one concludes:—

The result of my impressions of the visit to the Hamidje can be summed up as follows:—The need of Turkey for a powerful fleet is as great as the need for an army and air force to assure the defence of the country.

Turkey, although possessing but a limited number of naval units, sees with joy the immense progress made by our sailors day by day. . . .

We must at all costs endow our valiant sailors with modern equipment, and propose a law dealing with naval construction realisable within ten years. The Republic needs and certainly will possess a fleet capable of defending her shores.

The Yugoslav Cabinet.

One reads with amazement of the numerous appointments in the Yugoslav Cabinet. As can be expected, with so many Ministries, a split has occurred in the Radical Party chiefly owing to the inclusion of certain members of the Club and the exclusion of others. The *Morgenblatt* reports:—

A lively discussion took place yesterday and to-day in the Club of the Democratic Party, concerning the unity of the party in the new Government, in which were heard discontented voices condemning the manner in which the new Government had been formed, and the choice of Democratic representatives in the Cabinet. Among the dissatisfied members was Dr. Slavko Setzerov, who shares with the reporter the objection to the new Government and withholds his support. Dr. Setzerov states that the Democratic Party had taken good part in the Government together with Radicals, but that the mode of entry into the Government could not be sanctioned. Hitherto every advance of the party had been followed unanimously by the whole Club. This time, however, the Democratic Party, without consulting the Club, or their Leaders, had been included in the Cabinet, a thing which is quite unheard of. So the Leader of the Party, Liuba Davidovitch, does not uphold any of the members who accepted office in the Cabinet. M. Voukitchevitch demands that Drs. Kumanudi, Miyovitch, and Sumenkovitch be in the new Cabinet without conditions.

If one knew how Dr. Marinkovitch had come into the Government, it would be clear how little the Club has had to do with it. . . .

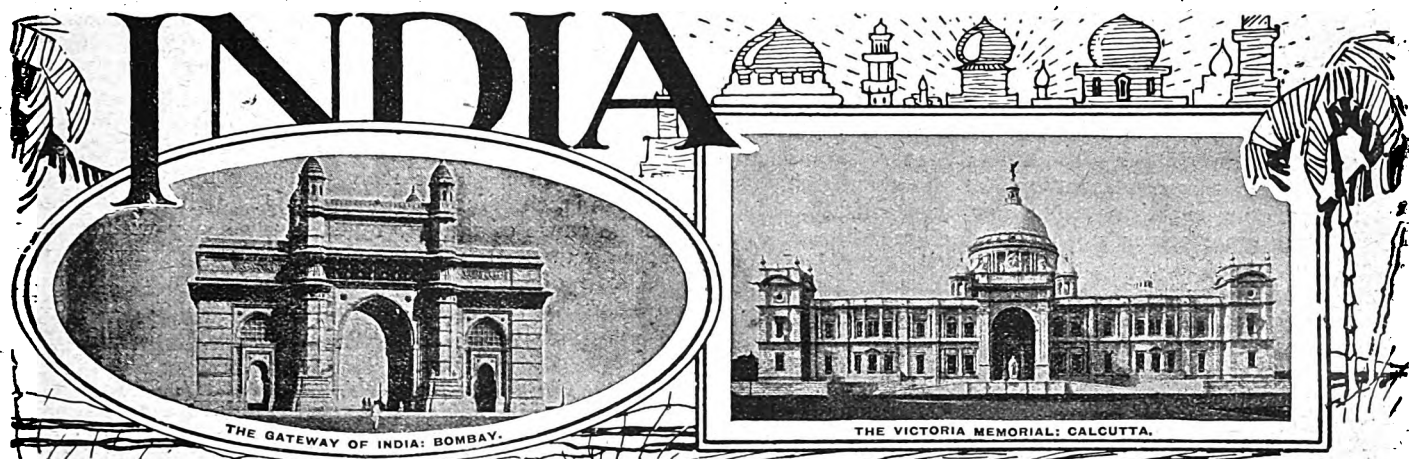
The resignation of the Ouzounovitch Cabinet was caused by the weakness of the political combination, which the President hoped to strengthen in the formation of a new Cabinet. Speaking of the resignation of M. Ouzounovitch the *Morgenblatt* says:—

His one wish is that, owing to the step he has taken, there might arise a better combination, of greater use to the people and the State. In his request to retire M. Ouzounovitch declares that after the acceptance of the Budget and the Finance Bill, together with the conclusion of the thirty million dollar Loan, his aim and object for the State, with a broader and more successful control of State business, must be a stronger, brighter and firmer foundation. To make possible the formation of such a Government he had the honour of handing in the resignation of the Cabinet.

M. J. A.

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INDIA AT GENEVA.

The reported eleventh-hour protest by the Indian Merchants' Chamber of Bombay and other Indian commercial bodies in that country against the personnel of the Indian delegation to the International Economic Conference, which opened at Geneva on May 4, has raised anew the question of India's place in world economics. During the course of 1925 the League of Nations issued a table designed to compare, on a gold basis, the total foreign trade of all the countries of the world in 1913 and 1924, respectively. According to the figures in that table India stood in 1913 eighth on the list of countries in the matter of total value of foreign trade. In 1924 she had risen to the fifth place and there is little doubt that, in spite of the fall in prices of her staple exports and the depression in the textile industry, she has maintained that position throughout the two succeeding years. As, however, we have been forcibly reminded by the experiences of the post-War period, the foreign trade of a country is difficult to maintain if the finances, currencies, and above all the fiscal policies, of other participating countries are unstable and subject to violent fluctuations or sudden changes, whether the variations tend continuously in one direction or not. Europe and India are closely linked together in international trade; the exports from India to the Continent in 1925-26 were more than 46 per cent. of the total exports and the imports into India originating in Europe formed, in the same period, about 68 per cent. of the total imports. After the War, therefore, the stabilisation of European currencies was a matter of the greatest importance to India's seaborne trade, but the process of reorganization, now virtually complete, has brought in its train a host of new problems in the solution of which India is as vitally concerned as in the more spectacular question of the domestic constitutional issue. Although she buys from the United Kingdom one-third as much again as she sells in this country, her position *vis-à-vis* other countries is exactly the reverse. Her purchases from Japan and the United States are between one-third and one-half of her sales to those countries and, in the case of the Continent, she sells just two and a half times the amount of her imports from the countries concerned. The fact that India's exports are either necessities of life, which her customers cannot produce in sufficient quantities themselves, or else raw materials of industry which they frequently do not produce at all, converts what would otherwise be a very weak position in to one of exceptional strength, but does not alter the fact that India's interest in the proceedings at Geneva is both direct and practical.

The idea of the Conference, it will be recalled, originated with the French delegation at the sixth assembly of the League of Nations held in September 1925. The intention underlying the proposal was that there should be a general international discussion of world economic conditions, but more especially those of post-War Europe, with two main objects in view—namely (a) to explore every possible means of reducing the opportunities

for economic friction between nations and (b) constructively, as another aspect of the problem, to consider the most effective means of restoring general economic prosperity in the interests of international trade. The preliminary arrangements for the Conference were drawn up by a representative committee, upon which India's interests were ably represented by Sir Atul Chatterjee, the High Commissioner in London, and in the host of preparatory memoranda written under its direction, representing the collaboration of merchants, bankers, economists and both official and private trade and industrial organizations throughout the world, the special needs and resources of the Indian Empire have been kept prominently in view. The time chosen for the full Conference, from India's standpoint, is particularly opportune, coinciding as it does with the final stabilization of the rupee on a gold basis and the return of the Royal Commission on Indian Agriculture to prepare the first part of its momentous report, a task in which it will, no doubt, be very greatly assisted by the work of the special Commission appointed by the Conference to review the agricultural position, to discuss the causes of its present difficulties and to examine the possibilities of international action, particularly as regards the development of the purchasing power of primary producers. The selection of Dr. L. K. Hyder, a member of the Royal Commission, as one of the three delegates from India to the Geneva Conference is especially appropriate, ensuring that India's peculiar needs receive adequate recognition at the hands of a body primarily concerned with the satisfaction of European requirements, and, at the same time, enabling the Commission, in the framing of its recommendations, to enjoy the advantage of first-hand knowledge of the practical obstacles which at present surround the distribution and sale of India's produce in the world's markets. Although objection is taken to the appointment of Sir Campbell Rhodes, the only European member of the delegation, on the grounds that it is contrary to the recommendation of the Preparatory Committee that "the delegates should be chosen for their personal qualifications and should not be spokesmen of official policy," presumably in view of the fact that he is a member of the India Council, commercial interests, both Indian and European, could scarcely find a better or more experienced advocate. The cotton textile industry, which will inevitably figure prominently in the discussions on the industrial situation, is no less adequately represented by Sir N. N. Wadia, who has an intimate knowledge of the conditions of the trade, both in India and Lancashire.

It is pertinent to recall at this juncture exactly what India's responsibilities are to the rest of the world and, secondly, how the great consuming markets of the West stand in relation to India. Briefly stated, India finds herself in the position that her manufacturing industries have been developed under War conditions and cannot now be allowed to die out under the pressure of dumped goods from abroad. She has, therefore, adopted a policy of discriminating protection which is, as a matter of fact, very moderate both in principle and in effect. It

must not be forgotten that other nations, meanwhile, have so adjusted their tariffs as to facilitate the imports of raw materials, while excluding manufactured goods. Thus many countries have raised barriers which keep out cotton and jute textiles while admitting raw cotton and raw jute from India. India has never shown any resentment of this treatment but, at the same time, she insists on the right to apply her own raw materials more and more towards the satisfaction of her own requirements by local manufacture. Primarily, however, India is an agricultural country and she suffers from the serious fluctuations of prices which are so marked a feature of post-War trade. No middleman dare hold stocks and, thus, when over-production occurs, surplus products are left on the hands of the cultivator. India is aiming, therefore, at the progressive improvement of her agricultural methods in order that she may be enabled to produce the quantities and qualities of agricultural goods which are required in both local and overseas markets. The chief difficulty, however, in India is the serious discrepancy which has developed between the prices of raw materials and those of manufactured goods. By attempting to develop her agricultural resources on the most efficient lines with the aid of the Royal Commission's recommendations, both the quality and volume of her produce is being steadily improved, and prices kept at a reasonable level. The manufacturing countries of the world must not forget that India is one of their best and biggest customers, but, if she is to buy their goods on the pre-War scale, they must see that their costs are reduced to a minimum. Otherwise India will be forced to convert more and more to her own requirements the raw materials which she possesses in such abundance; and thus to rely less and less on manufactured goods from abroad.

CURRENT TOPICS.

The Mississippi Floods.

It is an ill wind that brings good to nobody and, however sincerely we must regret the enormous losses of life and property caused by the vast floods near New Orleans, it seems likely that Indian cotton growers and dealers will receive considerable benefit from the conditions which must result therefrom. The price of cotton in India follows the price of American cotton in spite of differences in staple and in the uses to which the raw material is applied. Last year's bumper crop in the United States of nineteen million bales caused a very marked depression in the Indian prices. The latter have already materially improved in spite of some setback due to the unsettled conditions in China. The destruction wrought by the floods in America must entail a further rise in Indian values, which is likely to be maintained as it is not only a question of the loss of one year's crop over the areas that are swept by the water; the damage done may, it is understood, prove to be almost irreparable so far as the American fields are concerned. The reason apparently is that the deforestation which has been going on for several years past in the mountainous districts surrounding the cotton fields is likely to cause the soil, in which the cotton has hitherto been growing, to be swept away into the bed of the Mississippi, causing the silting of the river channel. In any case large areas of land will remain out of cultivation until the embankments that have been destroyed can be repaired. The Karachi market, already a serious rival to Bombay, is likely especially to benefit, in view of the high grade of cotton which is being, or will be, cultivated on the land under the Sutlej Valley and Sukkur Barrage projects.

Swadeshi Banking.

The failure of the Bengal National Bank is an event of comparatively little significance as, though it was the largest native bank in Bengal, all the native banks there are small and fill no definite role in the commercial life of the city. If an Indian commercial house fails, the

disturbance to conditions is much more serious. There is the case of Mr. Sangidas Jesiram, whose failure disturbed conditions in Bombay for months. The Bengal National Bank, which was started at the height of the Swadeshi movement, went through a crisis shortly after the War, and since then it had not showed signs of vigorous health. That it has been compelled to close its doors is, therefore, not surprising. It has been stated that the cause of the failure was very heavy withdrawals following upon the appointment of Mr. Chakravarti, the Chairman of the Board of Directors, as a Minister of the Bengal Government. That is interesting. It would appear, therefore, either that membership of the local Government is enough to destroy a man's credit (which, we hope, cannot be true), or, alternatively, and perhaps more probably, that Mr. Chakravarti's former friends have marked their disapproval of his responsive co-operation by withdrawing their deposits. The banking public in India puts its faith rather in the personnel of a Board of Directors than in the balance sheets, because it has no confidence that a joint stock company would ordinarily be conducted on business-like lines. Too many joint stock companies have failed through sheer mismanagement and the neglect of the most elementary rules of business.

The weakness of banks and industrial enterprises in India is that they have seldom more than one or two directors who really enjoy the confidence of the public. We can look forward to a change only when there is an increase in the number of public men who have established high business reputations. The outstanding success of the Central Bank of India is largely due to the confidence in Mr. Pochkhanawala, the Managing Director, but Mr. Pochkhanawala is probably India's best advertiser, and he has succeeded in giving the public faith in the facts of the balance sheets. There is another danger confronting indigenous banking in India; and that is the general inability of the directors to resist demands for credit from a single quarter, because of the comparatively limited field which is still open to Indian banks. As most Indian commercial houses indulge to a very large extent in pure speculation, there is always the danger of a run on a bank known to be financing a particular house, which has had losses on the Stock Exchange. The failure of the Bengal National Bank is regrettable, because it is certain to prove a discouragement to the expansion of Indian banks, but there is no hope of much progress being made unless it is recognised that an Indian bank must follow a very cautious policy and consequently cannot aspire to paying high dividends. Investors in India have lost so heavily in industrial enterprises during the past six years that there would be no difficulty in raising capital for Indian banks were the impression created in the public mind that, if banks afford only small dividends, stability at least is assured.

The Simla Conference.

His recent visit to Kashmir has given the Viceroy yet another opportunity of touching upon the "unique and profoundly absorbing problem" of the future relationship between the Indian States and British India. His Highness the Maharaja of Jaman and Kashmir might indeed almost have been accused, in his address of welcome, of trying to draw some statement of policy from the Viceroy, but beyond emphasising the need for devoting serious thought to that very delicate question Lord Irwin naturally refused to commit himself, or even to disclose whether he has any definite proposals in his own mind. It has, however, long been a matter of common knowledge that plans for what His Excellency describes as "clearing the ground before we can begin to build" have already been made, and the Conference of Indian Princes, which was held last week at Simla, is no doubt one of the first steps in the direction indicated. Although the cabled reports lay emphasis upon the informal nature of the conversations, or, as *The Times* Correspondent more discreetly puts it, they "are in no sense to be regarded as a conference between the Princes and the Governor-General in Council,"

it is significant that the Viceroy was accompanied by certain members of the Government of India. So little has been said of the position of the Indian States in relation to any possible grant of a further measure of self-government in the area directly under British administration that it is hard to believe that this aspect of the whole question of the reforms has received the attention that its importance merits. The working of the reformed constitution may not as yet have affected to any great degree the position of the rulers of the Indian States, but if the Maharaja of Kashmir was looking a long way ahead when he referred, indirectly, to the time when British India's political aspirations will be fulfilled in their entirety, the time is definitely approaching when the Statutory Commission will be required to examine the constitutional position in the light of our experience of the progress made to date. Whatever may be the outcome of the deliberations of that body, its decision will have to take into the fullest account the views of India's ruling princes that will, no doubt, be laid before them. If their case is to be properly presented no time should be lost in its preparation, and if the present discussions do no more than clear the air and help to clarify the real issue they will have served an eminently useful purpose.

Another Swarajist Victory.

Contrary to general expectation, the voting for the election of Councillors to the Municipal Committees of the Calcutta Corporation resulted in a decisive victory for the Swarajist candidates, all of whom were successful, by 44 votes to 27. The result, following upon the re-election of Mr. J. M. Sen Gupta, is yet another instance of the advantage which their superior organisation and strict party discipline give to the Congress followers in the municipalities and other local bodies. As the "Times" correspondent points out, the work done by the Committees in question is so important that the Swarajists may be said to have regained their former control of municipal administration, although the Coalition of other parties has a nominal majority in the Corporation itself. The immediate outcome of the aldermanic election, it will be recalled, was that the non-Swarajists—consisting of the Muslim, Independent Hindu, and European groups and the new Councillors nominated by the local Government—now number 48, as against the 42 adherents of the Congress creed. The combination is, however, a loose one and, as we explained in these notes a few weeks ago, the issue on the occasion of every real trial of strength depends upon the attitude of the 15 Muslim councillors who have received a definite mandate to make the interests of the community their first consideration. That the Swarajists again relied upon Muslim defections from the Coalition—at least eight members of the group have indicated their conditional acceptance of the Congress programme—is evident from the report that attempts made before the election to compromise on agreed lists of candidates proved fruitless. The writer recalls many occasions in the Bombay Corporation, where the opposition to the Swarajist, or Nationalist, party is similarly loosely organised under the style of the "Progress" party, on which a precisely similar situation has resulted, notwithstanding the often very considerable numerical advantage enjoyed by the opponents of the Swarajist policy.

In reply to a question by Lieut-Commander Kenworthy in the House of Commons on April 28, Mr. Locker Lampson stated that the difficulty which had arisen with regard to the Cairo-Karachi air route was due to a recent and sudden reversal of policy of the Persian Government, who decided not to allow an international airway along the southern coast of Persia. A written agreement, which had it entered into force would have secured the opening of this route to international traffic, had in fact been signed by the Persian Minister for Foreign Affairs and His Majesty's Minister at Teheran, on behalf of Imperial Airways, Limited, in September to October, 1925. Further negotiations with the Persian Government, the Under-Secretary of the Foreign Office stated, were in progress and he did not accept the suggestion that the difficulty had arisen owing to the British Government's refusal to allow Persian aeroplanes or machines belonging to a Persian company to fly to Baghdad.

CALCUTTA LETTER.

(From Our Own Correspondent.)

Calcutta, April 21.

Sir Stanley Jackson.

The French very wisely say that "*on ne peut pas contenter tout le monde et son père.*" True. No one can please the world and his father. The new Governor of Bengal will have experienced that before he is quite settled and *au courant* of Indian affairs. On his arrival he was expected to reply to a score or more addresses; what could be expected of a man who had just arrived, and was already overwhelmed with problems that years of previous study had not yet solved? The *Tribune* of Lahore unkindly says that "His Excellency appears to be an apt disciple of the Secretary of State, to whom doubtless he owes his appointment." On the important question of the Bengal *détenus*, he was "as vague and indefinite as his predecessor ever was": what else could he be? The same papers asks "if it is for the repetition of such platitudes that this great cricketer has been translated from the playground to Government House?" The *Indian Daily Mail* of Bombay thinks that "if Sir Stanley Jackson desires to inaugurate an era of mutual trust and confidence between himself and the people of Bengal, he must have the courage to revise the mistaken policy of his predecessor. No amount of verbal sympathy for the *détenus* will improve matters." *Forward* says that Sir Stanley Jackson, after hearing all the addresses, and weighing the grievances of the various loyalist bodies, could not fail to detect where lay the secret of the present degradation of the people, and how foreign domination was possible in India. In an editorial the same *Forward* gives Sir Stanley a lesson in statesmanship: "Real statesmanship consists in establishing the supremacy of eternal moral laws, which even an imperial nation cannot long violate with impunity." Barking dogs seldom bite.

Indian Princes and Reforms.

What Sir John Strachey wrote more than forty years ago about the Rulers of the principal Native States is true even to-day. The Indian Princes are indeed, in most cases, as foreigners to the people they govern, as are Englishmen. The Ruler of many a native state is as autocratic, as indifferent to the welfare and progress of his subjects as any foreign ruler could be. There are about seven hundred states, and millions of people live in them. They begin to feel the need of protection from the oppression and misrule of the Princes. The policy laid down by Lord Lytton in 1879 does not seem to have been followed by the succeeding Viceroys, except in Kashmir. The position of the Ruling Princes in relation to constitutional developments in British India was the subject of a speech by the Maharaja of Kashmir, at a State banquet in honour of the Viceroy last week. Sir Hari Singh said: "There are matters which concern us jointly with British India, in which at present we have no voice. We ask a voice in such matters." The Indian Press points out that the policy of non-intervention of the Government of India is intended as a shield against the legitimate demands of the subjects of the Native States for responsible government. The true fact is that the history of the Native States under British rule is one of intervention, at the will and pleasure of Government. The conditions enforced on the Maharaja of Mysore, for instance, were a valuable precedent, and what is desired is that the Government of India should, in future, deal sympathetically instead of occasionally with similar questions of reorganisation and reforms in the administration of the Native States.

The Bengal Detenus.

The *Rangoon Mail* understands on reliable authority that Mr. Subhas Bose has declined the offer of conditional release recently made to him by the Government of Bengal. He is said to be considering the offer as a humiliating and even cruel joke, inasmuch as it amounts to asking him

to choose between a slow death in prison or a voluntary banishment for an indefinite period. Mr. Bose's health is in an alarming condition. His transfer to another, and healthier, jail is contemplated, but no place has been as yet definitely selected. The *Statesman*, commenting on this piece of news, lightly states that the matter is now of small consequence. Mr. Bose is free to go. His friends ought to persuade him to go, now that they cannot make any political capital out of his illness: the way to recovery is open to him. The *Statesman* goes one further. It adds: "The man who insists on remaining in gaol when the gates are open, and when everybody in authority would be only to glad to see him depart, becomes a figure of mere perversity." At a crowded meeting, the formation, at Nagpur, of a Bengal Détené Release Committee was explained. The main object is to resort to peaceful, constitutional and legitimate individual civil disobedience of laws, such as the Arms Act and the Explosive Substances Act, as a protest against the detention of the Bengal *détenus*. The Committee will not countenance violence in any form, and will not authorise any member to make use of arms or explosives in any manner, so as to cause injury to any individual or to any property. Meetings will be organised, that is all.

Broadcasting in India.

Lately many wireless amateurs in India have picked up American and European stations and succeeded in re-transmitting the programme on a different wave-length for the benefit of those in their immediate vicinity. The Dutch Station which has been heard last week in Calcutta (P.C.J.J.) was fairly clear, and sometimes very loud. The programmes have been of such a quality as to indicate the possibilities of the near future. The Afghan Capital is alive with radio. The listeners-in were tuning their sets to Moscow, London and Paris last week, when the Consul-General for Afghanistan was at Kabul. He said that the messages from Moscow are easier to pick up than those from London or Paris. Many improvements have been introduced in Afghanistan lately. It is proposed to install a giant aerial on the mountain. The inauguration of that powerful wireless station will mark the opening of an era of closer relations with other centres of the civilised world. When His Majesty the Amir has recalled all the Afghan moneylenders, and given them some work in their native land, Afghanistan will become an ideal country.

Here and There.

During the National Week a procession was arranged, led by some prominent Bengalis, starting at 7 a.m., and reaching the place where the ashes of the great leader, Chittaranjan Das, have been placed more than four hours after. Many portraits and mottoes were carried by the processionists. One read "Who can save the country? We." Many took the solemn vow not to use anything manufactured in England, as long as the political prisoners were kept in jail, and as long as the national demands were not responded to.

According to an Indore message, Dr. Kitchlew was deported a few days ago. The order of deportation states that Dr. Kitchlew is a violent agitator, and that his activities have always resulted in some disturbance. He and some others are alleged to have carried on propaganda of a subversive kind. Dr. Kitchlew, who has been motored to Palia, a station fourteen miles away from Indore, has left a message to the Muhammadans, telling them not to lose heart, and to work courageously to defend the helpless men implicated in the riot case, some of whom he was engaged to defend in court.

The Maharaja of Mysore has placed a bungalow at Mr. Gandhi's disposal. The Nandi Hill Sanatorium is thirty-five miles from Bangalore. Mr. Gandhi will remain there for two months in complete rest.

The Bombay Corporation has arranged for a central clearing-house to receive the beggars. The religious fakirs, however, those who are not lepers or professional beggars, will be given a licence; but the difficulty is to

decide whether a beggar is really a religious man doing a penance or choosing a low living, or a professional, made up into a pitiful, underfed, or crippled fellow.

The Ranchi sailed the other day with a number of interesting passengers. Among them were several members of the Royal Commission on Agriculture, who were pleased with the way the Indian legislative bodies have tackled the problems of rural reconstruction. H.H. the Gaekwar of Baroda and the Maharaja of Cooch Behar, the Maharao of Cutch and the Tikha Raja of Kapurtala were in the same boat. Sir Victor Sassoon was there too, and Sir Henry and Lady Wheeler shared the comforts and dangers with Comrade Saklatvala. If Comrade "Sak" had been asked: "Are you not uncomfortable in such superior company?" he might have said, like Gilbert, "I feel like a lion in a den of Daniels!"

The Calcutta Aldermen have been elected. Only one is a Swarajist, the retiring Mayor, Mr. Sen Supta. The election of the new Mayor will be the test of strength between the two groups in the Corporation, the Swarajists (self-government party) and the non-Swarajists. The election of Mr. J. N. Basu is likely. He is among the men put forward by the non-Swaraj party. There is strong opposition to Mr. Sen Gupta's re-election.

BOMBAY LETTER.

(From Our Own Correspondent.)

Bombay, April 22.

Sweated Labour.

It would seem almost impossible that sweated labour should be found in as progressive an industrial city as Bombay, and yet that is the condition of the *bidi* makers here, however much we try to disguise the fact. The *bidi* is not only the vilest smoke imaginable, but is also the cheapest, and the latter probably accounts for its universal popularity. These are principally manufactured by women, who herd together in most unsanitary surroundings and labour away for an unlimited number of hours a day. Now a measure of reform has been suggested, which will make it obligatory for the capitalists who control this industry to allow breathing room for each worker before he can secure a licence. Needless to say, the proprietors of these establishments have protested very forcibly against the new ruling, but the Municipal Commissioner's insistence succeeded in getting it before the Corporation; only for it to be held up there by, what on the face of it appears to be, a wholly unnecessary reference to the Public Health Committee, to make the law less irksome in its application. Most laws are irksome to someone, but of general benefit, so that it is difficult to appreciate the Corporators' intention. The only bright feature of the problem is that the reform, even though late, will ultimately be introduced—and it cannot be too soon.

Sentiment and Sanitation.

Sentiment plays a part in Indian public life quite out of proportion with its value. An instance of this is afforded by Ahmedabad. Never was the need for improvement more evident in any city than it is in Ahmedabad at the present day; indeed, not long since it was proclaimed by a leading research scholar of Bengal to be the most insanitary city in the whole country. Yet, sheer sentiment is holding up all schemes for removing this blot on Ahmedabad's fair name. Time after time town-planning schemes have been drawn up, but up to the present they have never been put into operation. The hitch is the fact that the city wall, erected many centuries ago when the future prosperity of the city was never dreamed of, has so many historical associations, that the local Muhammadans simply refuse to allow it to be demolished. Fortunately the Municipality have at last decided to really get a move on with the demolition and:

expansion, and it is to be trusted that the authorities to whom the Muhammadans intend to submit their protest will take their cue from the Viceroy, who had no hesitation in suggesting that the historic wall of even famous Delhi should fall before the march of progress.

Better Cholera Outlook.

The immediate measures taken by the Public Health Officers to suppress the cholera epidemic that broke out in the Karnatak recently have met with a certain measure of success, and the latest reports indicate that a check has been made. Not only do the figures indicate a diminution of both cases and deaths in each district, as compared with the previous week, but 345 villages have been absolutely cleared, and hundreds of others show merely the slightest of traces of the dread disease. Despite this success, however, many lives have been lost already, and are still being lost. Near Madura a day or so ago, a similar outbreak occurred, and the fair which was its immediate cause, was immediately dispersed and the scourge brought under control before hardly a score of people had paid the penalty. This was the kind of action that was wanted in Bombay, and had it been adopted earlier we might now be in the comparatively happy position of Madura.

Railway Travel.

Complaint has recently been made to the B.B. and C.I. Railway against overcrowding in third-class compartments. We have most of us seen the heterogeneous collection of human beings to be found cooped up in the cage-like third-class carriages on the Indian Railways and it will therefore come as something of a surprise to learn that there actually is no overcrowding. The B.B. and C.I. Railway has carried out more than one census, and the figures returned indicate this remarkable fact. It is rather hard to believe, unless of course the census is based on an average, including both the busy and slack seasons. But it seems very necessary for some further travelling facilities being provided for the third-class passengers, including the provision of lying down accommodation for long journeys instead of their having to sleep almost standing.

Kathiawar Ports.

We seem to be doomed to disappointment in all our endeavours to secure our just rights. Thus, the agitation set on foot in the Assembly over a month ago regarding the free transshipment of merchandise at Bombay and Karachi for Kathiawar ports, which evoked from the Finance Minister a promise at first to order that the principle should cease from April 1 and later to amend this to an undertaking to instigate an immediate inquiry, has so far not borne fruit. India loses a considerable amount of customs in this fashion, and Bombay is particularly hard hit, so it is up to someone to raise the question once again so as to refresh the Central Government's mind, and to keep on raising it. A job for our Chamber of Commerce!

Market Conditions.

The money market has maintained a steady tone throughout the week with call funds in good demand at 6½ per cent., and the trade demand continues. In spite of money conditions Government securities are firm and fractionally higher, owing chiefly to rumours that a sterling loan and not a rupee loan is to be issued. Government's decision to purchase sterling in India by tender has produced no noticeable effect on exchange, but the move is generally considered as a step in the right direction. Gold and silver are steady and cotton prices have been remarkably firm in the face of selling by Japan in view of the financial crisis there, which otherwise has had little or no effect on local markets. Mill shares are dull and miscellaneous in demand.

THE LATE SIR JAMES WALKER.

Mr. Pat Lovett, the veteran Editor of "Capital," pays a characteristic tribute to the memory of the late Sir James Walker in "The Diary of a Ditcher," in the current issue of that well-known Calcutta journal. "There are few people left in Calcutta," he writes, "who were on terms of intimacy with Sir James Walker, this once well-known Punjab capitalist and captain of industry, who died in Switzerland last week at the great age of 82 years. By most of the present generation of Ditchers, he will be remembered as the Life Director of the Alliance Bank of Simla, the failure of which dealt him a blow from which he never recovered. The son of a Punjab policeman, he laid the foundation of his fortune by participation in the brewing industry which ensured the Tommies of the Army in India unlimited supplies of excellent beer. Thereafter Sir James became connected with some of the most important companies in northern India, among others the newspapers "The Pioneer" and "The Civil and Military Gazette" whose policy he controlled for many years." Referring to the great personal interest which Mr. Walker, as he then was, took in "The Pioneer" in particular, Mr. Lovett reminds us that "it was at Mr. Walker's suggestion that the late Mr. Shirley Tremeane started to write "Commerce and Companies" and continued for many years to make it the most lively and critically sound review of Calcutta commerce and industry published in any paper in India. When Mr. Tremeane founded "Capital" he took leave of "The Pioneer" but not of Sir James Walker who seldom failed to drop into "Capital" office on his frequent visits to Calcutta." Mr. Lovett concludes "Before Boulton Brothers fascinated him everything Sir James Walker touched turned to gold. When I met him more than thirty years ago the clarity of his intellect and the geniality of his disposition conquered my worship. *Requiescat in pace.*"

INDIAN MAIL.

Income-Tax Anomalies.

The latest report of the Central Board of Revenue at Delhi shows that India has far to travel before her receipts from income-tax, or her machinery for assessment and collection, in any way approximate to the standard prevailing in, say, this country. The gross income-tax demand in 1925-26, which reflects the conditions of the previous year, was better than in 1924-25, but there was a falling off in the super-tax assessment, accounted for, largely, by the depressed state of the cotton industry in Bombay. But for the improvements effected in the machinery of collection in recent years the revenue, says the report, would have been still smaller. Two main problems face the Income-Tax Commissioners with much of their old insistence. One is to discover new assesseees, who have hitherto escaped taxation, and the other is to "educate assesseees" to the need of making honest returns. Moderate progress only is to be recorded in each case, the one of which calls for considerable vigilance and honesty on the part of the staff, as the authorities in India do not pay rewards to informers, and the other for a change in human nature. Calcutta, the Punjab and Burma apparently enjoy an unenviable notoriety for concealing tax-payers who are liable to income-tax, no fewer than 1025 new assesseees being discovered in the former city alone during 1925-26, while the Punjab delinquents numbered 2,609. The progress made in educating assesseees to the necessity of rendering accurate returns varies in different provinces. In the City of Bombay, according to the Commissioner of Income-Tax (who has recently retired after long and conspicuously successful service in that office) 40 per cent. of the cloth dealers, although making much better profits than in previous years, filed no returns "trusting to the chance of income-tax officers' under-assessing them." In the province as a whole "only 21 per cent. of the returns could be described as correct"

and it is not therefore surprising to find that Mr. Hartley is of opinion that in the majority of assessment cases relating to business an examination of accounts is absolutely necessary." In the Punjab we are told that "at least one out of every three assessee concerned failed to submit a return, or to produce accounts, and of those who produce accounts only one in four could be accurately assessed. . . . Excluding salaried assessee, only 4,073 persons declared themselves liable. 17,951 had to be taxed who presumably wished it to be supposed that they were not assessable." The Board piously repeats the same advice as last year—namely, that honest assessee have everything to gain and nothing to lose by the submission of accurate returns and the production of true accounts. At the same time it must be admitted that whatever improvement is achieved in that direction is to some extent obscured by the gradual raising of the standard set by the income-tax officers.

The Taxation Inquiry Committee, which reported last year, dealt in the main with questions of machinery and not, unfortunately, with broad principles. The *Englishman* goes to the root of the matter when it points out that the real points in connexion with Indian income-tax, with which the Committee failed adequately to deal, are that it is a tax paid in the main by the small European community, while Indians are able to practise evasion on a wholesale scale. Furthermore incomes derived from agriculture are free from tax except apparently where tea companies are concerned. Although the Todhunter Committee admitted that the exemption of agricultural incomes could not be justified by any process of reasoning, the Committee, on which the Indian and the landed element were strongly represented, were able to discover strong political arguments against any change being made at the present juncture. The Government of India has apparently displayed equal timidity. Administrative reports rarely discuss fundamental principles, but the Calcutta paper argues with some reason, that "with Government evincing a distinct tendency to strain income-tax regulations unduly against European companies operating in India, it is time to emphasise that there is equal need for removing anomalies in Indian income-tax imposition as for improving the machinery of collection."

The 1926-27 Trade Returns.

A revival of the import trade, and the unusually small volume and value of exported merchandise, are the two outstanding features of the provisional sea-borne trade returns for the past fiscal year. Although the value of imported merchandise shows an increase of approximately 3 per cent. as compared with the 1925-26 return, exports fell away by nearly 20 per cent. over the same period, and the contrast with the record figure of the preceding year is even more pronounced. Last year, it will be recalled, the position was radically different, the slight decline in the value of the export trade being accompanied by a very much more marked contraction of imports. As, in the period under review, an increased demand for silver, stimulated by the lower prices, was more than offset by the smaller purchases of gold, imports of treasure were also upon a reduced scale and the transformation accordingly finds its most complete expression in the visible trade balance, which declined from 109 to 40 crores, or the lowest point touched since 1923, when the adverse balance of the two previous years was again converted into a modest surplus in India's favour. Cotton manufactures still account for more than a quarter of the total imports, and, while the improvement under the latter heading is, no doubt, mainly due to the remarkable expansion of the motor trade, the rise in sugar prices and, in a lesser degree, the increasing popularity of artificial silk goods, Lancashire's staple shipments to its largest market, appear to have been fully up to the level of the previous year, although admittedly that is not a very high standard of achievement. The marked falling off in the value of exported merchandise, including re-exports, is, of course, mainly, if not entirely, due to the fall in cotton and jute

prices, tea values having remained fairly constant throughout the period. The failure of the wheat harvest, for the second year in succession, and the uneven distribution of the rains were no less important contributory factors, the effect of which is likely to be even more apparent in the current year.

Sir Abdur Rahim has been re-elected to the Bengal Legislative Council in the Calcutta North (Muhammadan) constituency.

Official confirmation is now given of the appointment of Mr. Srinivasa Sastri to be the Agent of the Government of India in South Africa.

Sir F. D. Couchman, late member of the Railway Board, India, has been appointed to fill the vacancy on the board of the Madras and Southern Mahratta Railway Company, in place of the late Mr. George Deuchars.

An India Office *communiqué* states that the King has been pleased to approve the appointment of Mr. Tiruvalangadu Rajusastri Venkatarama Sastri to be Advocate-General of Madras, in succession to Mr. Chettur Madhavan Nayar, who has been appointed a Puisne Judge of the High Court.

The *Statesman* understands that the Eastern Bengal Railway has drawn up a revised and comprehensive scheme for the electrification of the suburban lines of the system and submitted it to the Railway Board for approval and sanction, prior to its presentation to the Secretary of State in Council.

News has been received from India that Lieutenant-Colonel Richard Humphrey Tyacke, late 1st Battalion, The Border Regiment, died suddenly of heart failure, on April 24, at Naggar, Kulu, and that Mrs. Tyacke died at the same place on the following day. Lieutenant-Colonel Tyacke received his first commission in 1869, and retired in December, 1888, on promotion to the rank of lieutenant-colonel.

It is announced in the *Gazette of India* that Mr. P. P. Ginwala has been confirmed as President of the Tariff Board, consequent on the appointment of Sir George Rainy as Commerce Member of the Government of India. Mr. Mathias has been confirmed as member of the Board. It is understood that Mr. Ginwala is shortly proceeding to England on leave, and that Mr. Mathias will act for him during his absence.

The War Office announces that the following officers vacate their appointments in India on the expiry of their present leave:—

Major E. J. Atkinson, 15th Lancers, Commandant, His Excellency the Governor-General's Bodyguard.

Brevet Major C. M. Maltby, M.C., 3rd/9th Jat Regiment, General Staff Officer Second Grade at Army Headquarters.

Lieutenant A. G. L. Maclean, The Queen's Own Cameron Highlanders, A.D.C. to the Viceroy.

During the absence on leave of Lieutenant-General Sir Andrew Skeen the duties of Chief of the General Staff in India will be performed by Major-General W. M. St. G. Kirke.

The death is announced from Nagpur, at the advanced age of 87, of Sir Bezoni Dadabhoy, one of the pioneers of the Indian cotton textile industry. Originally a Goods Superintendent on the G.I.P. Railway, Sir Bezoni joined the late Mr. J. N. Tata in 1876 and after two years was installed as manager of the Empress of India Mills at Nagpur. Under his control the original enterprise was expanded into a great and prosperous concern, which is a model of efficiency and care for the welfare of the workers. After Mr. Tata's death in 1904 Dadabhoy was offered a directorship in the Tata firm but preferred to remain in his old position. He received his Knighthood on the occasion of King George's Durbar Tour in 1911 and only last year rendered service in connexion with the Tariff (Textile) Board's inquiry into the depression in the Bombay mill industry.

The inclusion of Sir Campbell Rhodes in the Indian delegation to the International Economic Conference, which opened at Geneva on May 4, is severely criticised by the Indian Merchants' Chamber, Bombay, and other Indian Chambers of Commerce, on the grounds that the appointment of a member of the Secretary of State for India's Council is opposed to the spirit, if not the letter, of the rule that the delegation should be chosen for their personal qualifications and not be spokesmen of official policy. A formal protest has been lodged with the Indian Government and the authorities at Geneva. The personnel of the Indian delegation was announced in a recent issue of THE NEAR EAST AND INDIA as under:—Sir Campbell Rhodes, C.B.E., member of the India Council and a former President of the Bengal Chamber of Commerce and of the Associated Chambers of Commerce of India and Ceylon; Sir N. N. Wadia, C.I.E., late Chairman of the Bombay Millowners' Association; and Dr. L. K. Hyder, Professor of Economics at Aligarh University, at present serving as a member of the Royal Commission on Indian Agriculture.

Commercial and Financial Section.

NOTES AND NEWS.

170, Strand, London, W.C.2,
Tuesday Morning.

Oil Developments in Iraq.

A further stage in the development of the oil resources of Iraq is marked by the recent opening of the Alwand refinery in what are known as the Transferred Territories, on which occasion the interesting statement was made by King Feisul that it was hoped shortly to give news of the construction of a pipe line from Iraq to the Mediterranean. At the last general meeting of the Anglo-Persian Oil Company Sir Charles (now Lord) Greenway, referring to the Naft Khana area, said that the wells drilling in that field extended over a length of $5\frac{1}{2}$ miles, and that the object was to determine whether the oil deposits in the region were so extensive as to justify the large expenditure that would be involved in the construction of a pipe line to the sea-board. From King Feisul's remark it is to be assumed that developments in that region have been most hopeful, for, as has already been pointed out in these columns, a pipe line to the Mediterranean will be an extremely expensive undertaking.

The Nag Hamadi Barrage Contract.

It is excellent news that Sir John Jackson, Ltd., the famous firm of contractors, have secured the contract for the Nag Hamadi Barrage with a tender of £E1,976,621 (£2,029,300). The work is an immense undertaking, as will be gathered from a few particulars. The length of the dam and barrage which will be of masonry will be about 2,500 ft. i.e., wider than the Thames at Gravesend. The total number of sluices or gates for allowing the water to pass through will be 100. The time allowed for completion is in the neighbourhood of three years. Virtually a new town will have to be set up for housing the large number of men required on the works, and this will necessitate the provision of electric light, water, fuel, hospital accommodation, etc. Cableways will be employed spanning the whole width from bank to bank, amongst the largest ever constructed. Three large quarries for stone and granite will be required for the works, and these will have to be established and set to work, and will involve the employment of a large fleet of river craft for transporting, from quarry to site, some of them from up-stream, viz., Assuan and some from below. The engineers are Messrs. Coode, Fitzmaurice, Wilson, and Mitchell.

Bridge over Euphrates.

This is not the only contract which Sir John Jackson Ltd., have recently obtained in the Near East, for the Crown Agents for the Colonies, on behalf of the Government of Iraq, recently placed a contract with the firm for the construction of a new road bridge across the Euphrates at Falluja. The bridge will consist of five spans, each being 180 ft. in length, supported by cylinders which will have a diameter of 12 ft. in the lower section and 8 ft. above, and the clear width of the bridge between kerbs will be 12 ft. The bridge has been designed with a view to accommodating, for example, a 15-ton tractor drawing two 12-ton trailers, with a pedestrian load of 80 lb. per sq. ft. on the remainder of the bridge. Falluja town is about 43 miles from Baghdad, and is on the desert route from Damascus to Baghdad. So far a floating bridge, capable only of carrying vehicles of a gross weight of

4 tons, has done duty, and the fact that it was always liable to damage by floods combined with its low carrying capacity made a more permanent structure essential. The new bridge will be erected about 200 yards from the floating bridge on its down-stream side, at a site where there is now a ferry.

Ottoman Debt Negotiations.

The hopes raised by the news of the pending resumption of the negotiations on the Ottoman Debt question, have not been justified, for the meeting with the Angora delegates in Paris last week was without definite results and the negotiations have again been suspended. It would appear that the difficulty on the present occasion was whether the initial annuity was to be immediate or not. It is understood that it was proposed to reduce the first annuity from the £T2,500,000 which was originally asked for to £T1,980,000, but the conditions attaching to this reduction was that the payment should be immediate. However the Turkish delegates insisted on the initial annuity dating from the commencement of 1928. The fact that the difference of opinion over this point has led to the suspension of the negotiations once more is not regarded as an unduly serious development, for it is believed that the Turks are now sincerely desirous of a settlement of their outstanding obligations, and it may be assumed that the delegates will obtain fresh introductions from Angora which will result in a renewal of the negotiations at no distant date.

Roads in the East.

It was, I think, Sir Arnold Wilson who once said that the Nairn Transport Company had done more to unite Arabia than even the political schemes of the pan-Arabs had ever accomplished. These words of wisdom have sunken deep; so deep, apparently, as to penetrate through the considerable wall of officialdom. For, speaking a few days ago at a court banquet of the Paviers' Company, Sir Samuel Hoare, Secretary of State for Air, said: "Possibly one of the most useful gifts which we could confer upon the East was not so much political institutions and Western thought as scientific development, such as the development of transport." This is an excellent and encouraging sign, that our own statesmen should be perceiving that Parliaments may be natural to the West but

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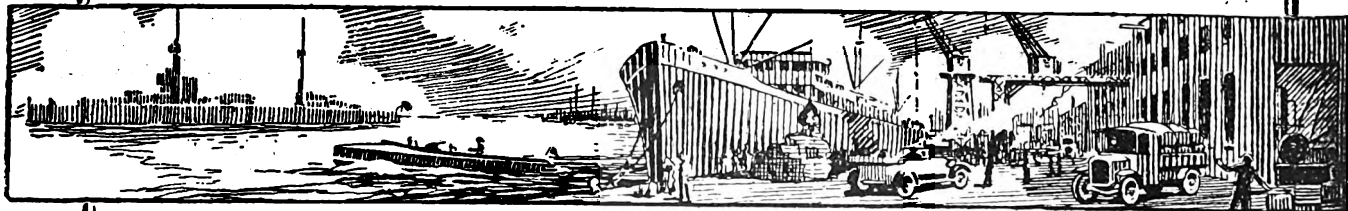
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unnatural to the East, that conduits may be more than Constitutions, roads more than rumps, and bridges more than bicameral systems.

Pending Greek Bank Loan.

It is understood that the final arrangements will shortly be made for the issue by Hambros Bank of a loan of the National Land Bank of Greece, and that the prospectus will probably make its appearance in the course of the next four weeks. Naturally precise details as to the loan are at present lacking, but it is believed that the issue will be for an amount of £1,500,000 to £2,000,000. The establishment of this bank was authorised in 1925, but conditions in Greece since then have not been such that it has been possible to carry out the project until the present time. This issue is likely to be only one of a number of Greek loans that are likely to be floated in the near future. Greece's financial needs include a supplementary refugee loan, and a loan to cover the Budget deficits. Hitherto Greece's financial and political situation has been such that it was impossible to look for further assistance abroad, but recent developments, the settlement of the debt question, and the earnest efforts that the Government is making to redress the financial position and to stabilise the currency have materially altered the outlook.

End of Famous Contractors.

Following the death of Lord Cowdray comes the news that the famous firm of S. Pearson and Son (Contracting Department) Ltd., has come to a decision to try for no more contracts. This decision, which will ultimately entail the closing down of the department when the existing contracts, which will take some years to complete, are finished, will be received with widespread regret for the name of the firm had come to be synonymous with British enterprise overseas, and it means the end of a great enterprise which has lasted over eighty years. The development, it must be pointed out, does not affect the other activities of the parent company of S. Pearson and Son, Ltd. In referring to the late Lord Cowdray last week I mentioned what is probably the greatest achievement of the department—the Makwar Dam, which was officially opened only a little over a year ago. That of itself was a prodigious undertaking, and it is only one of the many engineering enterprises which have been undertaken by the firm in almost all parts of the world.

The Rubber Position.

It would not have been unreasonable to expect the further restriction to 60 per cent. to have had an immediate effect on the price of the commodity, but all that has happened so far has been that the price has firmed up a fraction. The explanation is to be found in the fact that the London stocks still continue to increase. They are now over 68,000 tons, and it is expected that for a few weeks yet further increases will be recorded. Then the restriction should begin to have its effect, and the price will begin to rise, but in default of a spectacular movement there can be no great increase in the percentage for six months; for an average price of 2s. per lb. for the quarter will only make the percentage 70, and only in the event of an average price of 3s. being reached will the percentage be 100. The immediate outlook for the companies is therefore not unpromising in so far as they would seem to be assured of a fair price for their actual production. Taking the long view, however, it cannot be maintained that the position is in any way satisfactory. Demand is the crux of the situation, and until it more nearly balances the possible production there can be no stability in the outlook. We may find, for instance, that when the reduction of stocks leads to the 100 per cent. level the stocks will again begin to mount up with the result that further restrictions will be imposed. It is, in fact, inevitable failing the adequate development of the demand.

COMMENTATOR.

NOTES FROM ROUMANIA.

(From Our Own Correspondent.)

Bucharest, May 3.

The New Customs Tariff.

The New Customs Tariff has given rise to much complaining on the part of importers, as most of the import duties are greatly increased. On the other hand, Roumanian manufacturers will benefit from the high protective duties imposed on articles manufactured in this country. Indeed the main object of the tariff is to protect home industries and to encourage them to develop so as to meet all the requirements of the home market. For each article of the tariff there is a maximum and a minimum duty, the former being applicable to countries with which Roumania has an agreement or convention based on "the most favoured nation" clause. Apparently Russia is the only country not coming under this category. Formerly the importation of certain so-called "articles of luxury" was completely prohibited. Now all such prohibitions are removed (except on explosives, arms, etc.) and instead high tariffs are imposed, which will no doubt have much the same effect. Under this category the larger makes of motor cars apparently fall, as the duty on these is enormously increased, while that on light cars is now lower than before. This will hit the motor car agencies here pretty hard, for the number of motor cars has been increasing lately by leaps and bounds; one agent in Bucharest selling 3 to 6 cars daily. There are very few British cars on the market, however, the majority being American, Italian, and French, as British builders do not appear to have (with one possible exception) realised Roumania's possibilities in this direction. It is true that the exchange has been against them, as regards price, for generally speaking, British cars are more expensive than those of competitive countries. There are now some 7,000 cars on the streets of Bucharest alone.

SUDAN GUM ARABIC.

Messrs. Boxall and Co., of Khartoum, in their monthly report, dated April 19, state:—

Arrivals: Kordofan Hashab including Tendelti were about 14 per cent. more than for the same period last year, but this is largely explained by the factor of the movable feast of Bairam (Mohammedan holidays). Inferior Hashab arrivals are practically at an end.

Arrivals of Kordofan at Tendelti, Um-Ruaba and Rahad are now rapidly declining. For the whole of March the arrivals at these stations are down 36 per cent. and for April 39 per cent. as against last year.

The large arrivals at El Obeid and Nahud are in our belief likely to be temporary and are caused by the natives bringing all possible gum as picked and not storing as in previous years.

Between the 17th and 31st March prices gradually rose, the total rise being 1/6. 1st to 5th April the markets were closed owing to Mohammedan Holidays. On 6th April the market re-opened 3d. lower and remained steady to the 14th, but on the 16th and 18th, the days when the market was open, prices were down 9d., so that the net rise between the above dates was ultimately 6d. only.

Customs statistics show that for the period January-February-March shipments exceeded those of last year by 422 tons. During March alone the increase was 23 per cent. We believe, however, that exports during April will be less than last year.

The full rise in Sudan prices was paid in nearly all the important markets overseas, but after the first rush of acceptances demand slackened.

We continue our belief that the crop this year will be much smaller than 1926.

Prices even including the rise are extremely low—the lowest monthly averages for the past eleven years—and there should be no fear of any serious fall in rates.

COMPANY NOTES AND REPORTS.

FRANCO-BRITISH OIL TRUST.

The report of the Chairman of the Franco-British Oil Trust states that with regard to the Roumanian oilfield, he determined, in the interests of the company, to make an exhaustive inquiry as to the possibility of acquiring, on its behalf, a participation in the Roumanian oil industry, and was successful in obtaining an offer of a most valuable group of properties in the best districts for part cash and part shares in this company, the owners desiring to retain an interest in their properties. The conditions of the purchase agreement provide that the Franco-British Oil Trust shall provide a minimum working capital of £10,000 for the purpose of bringing the work already started to a successful conclusion. In order to provide the required working capital the Board has decided to offer 20,000 of the Ten per Cent. Participating Preference shares of £1 each to the shareholders at par.

BRITISH ASSAM TEA.

The report of the British Assam Tea Company, Ltd., for the year ended December 31 last states that the revenue account shows a profit of £9,056, and after adding the balance from season 1925 (£621), also transfer from reserve account (£5,000), gives a total of £14,677. From this has to be deducted:—Corporation Profits Tax, 1924, adjustment, season 1925, preference dividend, garden managers', etc., commission, directors' extra remuneration, and staff provident fund, leaving a balance for disposal of £11,918; out of which the directors propose:—Interim ordinary dividend at 10 per cent. (already paid on December 1, 1926), £3,000; to transfer to income tax reserve, £500; to write off block account, £772; the payment of a final dividend of 20 per cent. (making 30 per cent. for the year) on the ordinary shares, £6,000—£10,273; leaving to be carried forward, £1,646.

GINGIA TEA.

The report of the Gingia Tea Company, Ltd., for the year ended December 31 last states that the revenue account shows a profit of £5,702, and after adding balance from season 1925 (£456), gives a total of £6,158. From this has to be deducted:—Adjustment, season 1925, income tax, and garden manager's, etc., commission, leaving a balance for disposal of £4,266. An interim dividend of 7½ per cent. (less tax) was paid on December 1, 1926, and the payment is now recommended of a final dividend at 12½ per cent., less tax (making 20 per cent. for the year), leaving to be carried forward, £184 5s. 1d.

The value of Turkey's exports to the U.S.A., as declared through the American Consulates of Constantinople, and Smyrna during 1926, showed an increase of more than 26 per cent. over the 1925 total (says an American Consular report). This result was due chiefly to the leading commodities—tobacco, rugs, and mohair—though wool shipments contributed, coming chiefly from Smyrna. Tobacco shipments from Smyrna were about the same for the two years, but these shipments through Constantinople were seven times those made in 1925. Rugs are shipped in about equal quantities from the two ports, Smyrna production having about doubled in the last year. Mohair and gum tragacanth are exported only from Constantinople. The value of the latter export, though not large in proportion to other commodities, was doubled in 1926. Figs, raisins, and emery ore, all Smyrna exports, showed decreases during the year, that in emery ore being particularly noticeable. Nut shipments from the Black Sea coast through Constantinople were also somewhat lower than in 1925.

TENDERS INVITED.

Tenders are invited for the following contracts, and must be made by the dates mentioned.

(Particulars of tenders marked D.O.T. are to be obtained from the Department of Overseas Trade, 55, Old Queen Street, S.W.)

EGYPT.

Electrical Equipment.—The Ministry of Education, Cairo, invites tenders for electrical equipment for Beni Suef Trades School. May 28. (D.O.T.)

Plant for School of Engineering, Giza, Cairo.—The following plant is required for a School of Engineering, Giza:—One 100 k.w steam turbine D.C. generator set with condensing plant; one water tube boiler; one 150 B.H.P. Diesel engine; one Booster set; one experimental Diesel engine of 40-40 B.H.P.; one overhead travelling crane of 10 ton capacity. June 15. (D.O.T.)

General Stores.—The Prisons Administration, Cairo, invites tenders for the supply of various articles required for the year 1927-28. The schedule of requirements is divided into the following sections:—(1) Cotton yarn, cloth, clothing, sacks, etc.; (2) buttons, eyelets, needles, threads, etc.; (3) tents, cordage, twines, bedsteads, enamelled articles, cardboard, etc.; (4) metal polish, blacking boot, heel balls, chalk marking, etc.; (5) paints, oils, grease, acids, etc.; (6) leathers, native and English; (7) fibres (Indian and Mexican), rattan, horse-hair, bristles, etc.; (8) electrical lamps and articles, etc.; (9) copper hardware; (10) tools (carpenters', saddlers', shoemakers', and smiths'), machines, files, etc.; (11) buckles, nails, ironmongery, fire hose, belting, mild steel, galvanised plates and steel, etc.; (12) timber, sindian wood, sanaa wood, handles shoum, etc.; (13) dyeing of clothing, cloth, etc. May 24. (D.O.T.)

Oils, Etc.—The Director, Equipment and Finance Department, Ministry of the Interior, Cairo, invites tenders for the supply of oils, paints, etc. May 15.

Metal Cabinets and Safes.—The Department of the Survey of Egypt invites tenders for the supply of 120 metal filing cabinets and 12 safes. May 18. (D.O.T.)

THE SUDAN.

Plant and Material for Water Installation.—The Inspector-General of Irrigation, Sudan, Khartoum, invites tenders for the supply only of plant and material required for a pure water installation at Malakal for a daily capacity of 20,000 gallons. The contract will be in the following five sections, and any contractor may submit tenders for one or more of the sections: (a) water tower and tank; (b) pump and prime mover; (c) Paterson's Filter, etc.; (d) settling and clear water storage tank; (e) piping and fittings. May 26.

FORTHCOMING SAILINGS.

The following are the sailings for the Near East and India, the ports of departure and closing dates for cargo being given in parentheses:—

Anchor Line.—S.s. Circassia for Bombay (Birkenhead, May 23). (For passenger sailings and dates see advertisement).

Anchor Brocklebank Line.—S.s. Mahratta for Port Said, Colombo, Madras, and Calcutta (Birkenhead, May 14); s.s. Holywell for Port Said, Colombo, Madras, and Calcutta (Birkenhead, May 28).

Bibby Line.—S.s. Leicestershire for Port Said, Colombo, and Rangoon (Birkenhead, May 18).

British India Line.—S.s. Dumana for Bombay and Karachi (London, May 14); s.s. Nalgora for Colombo, Madras, and Calcutta (London, May 21).

Cunard Line.—S.s. Brescia for Gibraltar, Malta, Patras, Piræus, Volo, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza, also Algiers if inducement offers (Liverpool, Glasgow, and Swansea, May 14); s.s. Phrygia for Melilla, Cete, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Venice, Trieste, and Fiume, also at Corfu, Gruz, and Ancona if inducement (Liverpool May 14, and Swansea May 17).

Johnston Line.—S.s. Jessmore for Piræus, Syra, Volo, Salonika, Smyrna, Constantinople, Bourgas, Varna, Constantza, Sulina, Galatz, and Braila (Liverpool, May 21).

P. and O. Line.—S.s. Rajputana for Bombay (London, June 3); s.s. Nagoya for Colombo, Madras, and Calcutta (London, June 11).

Prince Line.—S.s. Sicilian Prince for Tunis, Malta, Alexandria, Syrian Coast, and Cyprus (Manchester, May 21).

Ellerman and Papayanni Lines.—S.s. Assyrian for Malta, Alexandria, Jaffa*, and Haifa* (Liverpool May 20, Glasgow May 21); s.s. Andalusian for Gibraltar, Malta, Alexandria, Jaffa*, and Haifa* (Liverpool, May 27); s.s. Manchurian for Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Gravosa, Ancona*, Venice, Trieste, and Fiume (Liverpool May 28, Swansea June 2); s.s. Dido for Patras, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, Varna, Constantza (Liverpool, May 28); s.s. Algerian for Algiers*, Malta, Smyrna, Constantinople (Liverpool, June 11). * Subject to sufficient inducement. Cargo taken on through B/Lading to:—Algerian ports via Algiers; Moroccan ports via Gibraltar; Tripoli (Barbary) via Malta; Syria and Cyprus via Alexandria; Greek outports via Piræus or other convenient port; Fiume via Trieste.

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THE WEEK'S FINANCE.

(By Our Financial Expert.)

London, May 10.

Markets this week have worn a much brighter appearance. Gilt-edged stocks are firm, the market feeling confident of another downward movement in money rates. In other investment sections there is good buying and the public are at last showing signs of the speculative spirit, which has been dormant for so long. Dunlops and Courtaulds, the two great industrial favourites, have shown particular strength, while British controlled oil-fields have attracted a large volume of speculative purchases. Rubber shares have not benefited from the latest cut in the exportable quota to 60 per cent. of "standard," the price of the commodity remaining at 1s. 7½d. per lb.

The Economic Conference.

Although it may appear that the deliberations of the World Economic Conference, which opened at Geneva last week, are not attracting general attention, much store is set by the proceedings of the next few weeks by London financial circles, which fully recognise the importance of the gathering. Before their departure the Governor of the Bank of England gave a dinner at the Bank to the British and Dominion delegates to the Conference (the company including ten directors of the Bank, representatives of the Clearing Banks and of the leading acceptance houses and other prominent financiers), thus signifying his recognition of the importance of the occasion. It is not, of course, expected that the Conference will produce any sudden or miraculous results. Even if complete agreement is reached between the delegates from over forty nations, such agreement is not binding on the respective Governments. But much can be achieved by the economic experts assembled at Geneva in mapping out the road towards a restoration of world prosperity. A hopeful point with regard to the Conference is the exhaustive manner in which the field to be surveyed has been explored in advance, independent experts having produced a large volume of documents

covering almost every aspect of the international economic problem, so that data upon which the Conference may base its recommendations will not be lacking.

Shipping Shares.

The proposal of the Royal Mail Steam Packet Company to pay an ordinary dividend of 4 per cent. for 1926, though 1 per cent. below the previous year's distribution, was evidently regarded as satisfactory in the circumstances, for it was followed by a slight advance in the price of the stock. It is expected that the company will return better results for the current year. There is, indeed, a disposition in shipping circles to take a somewhat more optimistic view of the future, but so far shipping shares have shown no considerable response.

With regard to the factors making for optimism, it is pointed out that our overseas trade is recovering, that shipowners are showing their confidence in the future by placing orders for new ships, and that the quantity of laid-up tonnage is on the decline. On the other hand, a document prepared for the Economic Conference puts the world's surplus tonnage at the enormous figure of 10,000,000 tons, while it would seem that those lines engaged in the South African trade are confronted by a serious rate war. It is thus clear that, in considering shipping shares, discrimination is necessary. Doubtless the most promising shares are those on which a dividend has been paid throughout the years of depression, but unfortunately the prices of the majority discount higher earnings in the immediate future.

The Diamond Debacle.

Last November attention was directed in these notes to the changed outlook for the diamond industry which had come about by reason of alluvial discoveries in the Transvaal. The idea entertained in some quarters that these would not prove of lasting significance has turned out to be incorrect; the monthly outputs have continued to show a value of something like £500,000. Moreover, a new threat to the old established producer has arisen in the shape of extremely rich discoveries in Namaqualand. The latter, of course, adjoins South-West Africa, which is already an important producer of the precious stones. The powerful influences behind the Diamond Syndicate, which controls the bulk of the world's output, have made great efforts to induce the Union Government to pass legislation calculated to restrict the production of stones from alluvial sources. In his speech in support of the Bill Sir Ernest Oppenheimer gave figures and made suggestions of an alarmist character. The result was to accelerate the decline for some time past proceeding in the shares of the diamond companies. For example, the deferred shares of the big De Beers undertaking fell to under £16, and those of the Consolidated South-West Africa Company to 19s., and there has since been only the slightest recovery. When our warning appeared prices stood at £18 10s. and 23s. 6d. respectively.

Although the Constantinople districts are the entry points of approximately 70 per cent. of Turkey's total imports, according to recently published figures the Smyrna area leads as an export centre (says an American Consular report). Smyrna and Mersina together, the two Mediterranean ports of Anatolia, are the shipping points for over half of Turkey's total exports. This may be regarded as an indication that the Smyrna hinterland, the rich producing centre for tobacco, figs, raisins, rugs, valonea, opium, and liquorice root, is resuming much of its pre-War activity.

The opening of the Australian Parliament Buildings by the Duke and Duchess of York at Canberra on May 9 imparts a special interest to the illustrated brochure prepared by the Canadian Pacific Railway descriptive of the All-Red Route to the new Capital of the Commonwealth. The short sea journey by a Canadian Pacific liner is followed by a two-days' steam up the majestic St. Lawrence River. Drawing room and observation cars on Canadian Pacific express trains speed the traveller across the prairies and through the Rocky Mountains to Vancouver, where a Canadian-Australasian Royal Mail liner is joined for the journey across the Pacific Ocean. Calls are made at the Hawaii and Fiji Islands, and at Auckland, New Zealand. The brochure, which contains a large coloured map of the world, may be obtained free on application to the Canadian Pacific Railway, 62-65, Charing Cross, London, S.W.1.

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Near East Markets

NEAR EAST MARKET REPORTS.

The current issue of the Monthly Review of Barclay's Bank contains quarterly reports from Alexandria, Khartoum and Jerusalem from which we give the following:

Egypt.

Alexandria, April 16.—The period under review has been marked by a rather better demand for Sakellarides cotton, especially in the lower grades. The supply, however, was more than equal to the demand and, in consequence, prices did not show any marked appreciation. Of late, demand has fallen off, and it would seem that spinners are awaiting the arrival of larger quantities of Sudan Sakellarides. The first arrivals from Tokar have been easily disposed of at prices comparing favourably with the best Egyptian Sakellarides, and if the first samples of the Gezireh crop are any indication of the quality of the bulk, the Egyptian variety, especially the existing stock, will suffer in competition. Upper Egypt has also been neglected, presumably because consumers have secured supplies for some time ahead.

In spite of the general lack of demand, the 'Futures market has remained steady, and although there has been a good deal of tendering, the cotton has all been taken up without apparently straining the market.

Arrivals continue on an extensive scale and total 7,290,177 kantars against 7,043,359 kantars last season. Shipments also show signs of improvement at 5,229,763 kantars in comparison with 5,298,417 kantars. Should shipments continue at their present rate, the carry-over into the new season, although likely to be heavy, should be fully offset by the reduction of acreage.

Owing to anticipations that the situation in China might cause a suspension of the shipment of soya beans and that consequently the consumption of cottonseed for oil production would increase, there has been an active demand for spot supplies of cotton seed. Later, however, the demand declined, owing to the large supplies of seed and oil available, and for the past month, the market has been scarcely steady. Large quantities of seed, which have been reserved for sowing, are still in the Interior, but the crop has had such a good start, owing to favourable weather conditions, that these supplies will soon be liberated for commercial uses.

Sugar.—The market generally is irregular without any special feature. Under the influence of American markets, spot quotations gradually declined and the latest reports from our consuming districts confirm that the demand has slackened. Prices are Russian spot £18½ and Java spot £18½. The stock at the Bonded Stores on April 7, consisted of about 111,000 bags, of which only 5,000 were Java.

Cotton Goods.—Markets were quiet throughout the early part of the past quarter, but later, owing to the native holidays, the situation improved. Prices have continued easy, as a result of the keen desire to sell shown by holders, but the substantial improvement in the local statistical situation is now giving a steady undertone to the markets. The stock at the Bonded Stores shows a reduction of about 3,000 packages, as compared with the middle of January.

Flour.—The market continues to be active, and the demand for local consumption and export has been satis-

factory. Prices are steady, owing to reduced stocks, Australian being quoted £17 spot.

The Sudan.

Khartoum, April 12.—The situation has undergone no appreciable change during the last three months. Durra prices are still high and are the main cause of the general depression, while there is a general financial stringency, accompanied by a lack of money in all the import markets. Cotton exports last year amounted to 120,000 bales (400 lbs.) against 43,000 in 1925, and this year's crop is estimated at 120,000 bales of Sakel and 21,000 bales of American. There has been some disease in plantations north of Khartoum and yields in these districts are poor, but the Gezireh scheme is not affected.

The foreign demand for gum has been regular and prices are steady, at piastres 56/66 per kantar, at El Obeid. The arrivals this year are about the same as last year, but reports and estimates as to the crop are conflicting. During 1926, exports of gum amounted to nearly 23,000 tons, or 4,000 tons more than in the previous year, but prices averaged only piastres 73 per kantar, at El Obeid, against 105 in 1925, and although the value at Port Sudan, with freight and royalties paid, was £E50,000 more, the actual amount paid to the native is estimated at £E18,000 less than in the previous year. The groundnuts crop was short this season, being only 2,000 tons, against 10,000 tons last year, while the sesame crop was about 4½,000 tons, as compared with 8,500 tons last season. The prices of both commodities were high, and this fact, if climatic conditions are favourable, should stimulate the natives to increase production next year.

The import market is still depressed. Business has been slack in Khartoum, Omdurman and Wad Medani, which are the most important local markets. Medani seems to have been severely affected, and the success of the Gezireh scheme is certainly not reflected, at present, in the local native trade.

Palestine.

Jerusalem, April 16.—General financial and economic conditions continue to be difficult. With the exception of a slight improvement, which still continues, due partly to the approach of Easter festivals and partly to funds realised on orange sales, market activities have remained unchanged, and hopes of permanent improvement in the near future are not strong.

Cereals.—The market has displayed a certain amount of activity and most of last year's stocks are now exhausted, owing to the export of large consignments. The price of sesame has been decreasing, as a result of imports from India and the Sudan. Late sown barley has germinated evenly in southern districts, but it is anticipated that the crop will not be of great importance. In the north, late wheat and barley appear to be more promising, while along the coast, prospects for both early and late sown cereals are satisfactory. In central and eastern districts, cereal plantations appear to have developed well and show promise of an excellent yield.

Oranges.—Latest prices reported from England range between 13s. and 14s. per case, as compared with 20s. and 22s. per case during the corresponding period last year. This wide difference is attributable to the heavy storms which occurred in February and the first half of March and which caused considerable dislocation of shipping. In consequence, a great deal of gathered fruit was shipped in bulk, during the intervals of finer weather, resulting in an uneven supply and a fall in prices. The amount of exportable oranges was reduced as a result of bad weather, by about 25 per cent. The season is now nearing an end and the last shipments of about 40/50,000 cases will probably take place within the next two weeks. The total amount so far exported to the United Kingdom is about 2,269,000 cases, against 1,1590,300 cases last

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year, but, in view of the prices obtained, the season is not considered to have proved a very successful one.

Manchester Goods, etc.—A slight activity was felt on the Palestine markets, owing to the approach of the Easter Festivals, but a very considerable reduction in sales is recorded, compared with the corresponding period last year.

Commercial Bookshelf

PALESTINE'S CHIEF INDUSTRY.

"Citrus Fruits in Palestine: Their Development and Prospects." By A. Goldwater. (Palestine Corporation, Jerusalem. 5s.)

This little brochure makes its appearance at a very opportune moment. For many weary months Palestine has been enduring an economic depression which still prevails, and one result of which has been a rise in the emigration figures. There is nothing remarkable in this depression, though the causes which have produced it are widespread. Viewed broadly, it is indeed the inevitable development when an attempt is made to force the industrial progress of a country which has hitherto looked to agriculture (using the term in its widest sense) as the main foundation of its economic life. The operative causes have included those which have affected all the world markets, but if these had not been present Palestine would probably still have been faced with serious difficulties, for a region whose primary need at the moment is for agriculturists cannot absorb instead an undue proportion of town dwellers. That is the problem of Palestine. The many growing industries which have been established in recent years hold out considerable promise for future development, particularly when the great schemes now in train are completed, but the greatest scope for Palestinians at the present time lies in the extension of fruit growing. The Jaffa orange has been Palestine's stand-by for very many years, and it is very clear that the possibilities for an increase in production are very great, while the orange is only one of many fruits that Palestine can grow for the world's markets. In this direction there is ground for marked optimism, and Mr. Goldwater's work is very welcome because it will help to concentrate attention on this very remunerative branch of agriculture.

In his introduction Mr. Goldwater emphasises the importance of the Jaffa orange in Palestine's export trade. Thus in 1925 it represented 46.8 per cent. of the total exports. He further points out that climatically the conditions in Palestine resemble those in Southern California. The fruits grown in addition to oranges include water melons, olives, almonds, grapes, figs, apples, pears, apricots, peaches, dates, and bananas, which, it doubtless will be admitted constitute an imposing list, and are an obvious testimonial to the conditions which obtain in the country. Apart from oranges, however, only water melons play a really important part in the export trade. As regards oranges Mr. Goldwater remarks that while "Palestine holds a relatively high position as a supplier to the United Kingdom it holds so far a very unimportant position in the world's production." Actually Palestine's production of oranges in 1922 represented no more than 1.8 per cent. of the world's output. As illustrating the productivity of the country, however, it is interesting to note that Palestine's output per dunam was higher than the corresponding figures for Spain and California, the respective figures being 50 cases, 43 cases, and 26 cases.

More than half the brochure is devoted to a detailed survey of the financial side of the orange industry, including a number of tables showing the comparative cost and yield of various orange groves. As Mr. Goldwater shows, however, there are various difficulties in the way of an appreciable expansion of the industry, and he cites the following essential requirements of the settler; (1) land at a reasonable price; (2) the avoidance of heavy expenditure for irrigation plant; (3) the possibility of obtaining a part of the capital required as a long-term

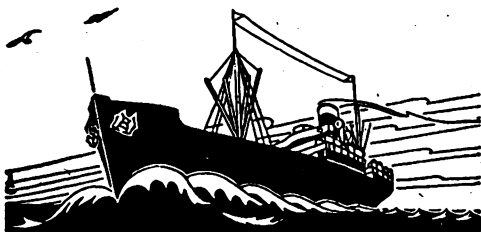
loan; (4) expert advice to be available until the settler is proficient. There is also the very important question of the marketing of the oranges. Half the problem of the Jaffa is to place the fruit on the market in first-class condition. Mr. Goldwater also touches on grape fruit, which is coming in for increased attention in Palestine, and points out that it has two advantages over the orange, for it comes into bearing one or two years earlier and it commands a higher price. It is not surprising, therefore, that most of the new groves contain a substantial percentage of grape fruit trees. The citrus fruits, with which Mr. Goldwater deals, are, of course, as will be gathered, only one part of the wide question of fruit growing in Palestine. Great hopes are based on the production of grapes, for instance, and of certain other fruits, but they are, and are likely to remain, the largest part for the Jaffa will not easily be displaced from its present proud position.

Sir Alfred Moritz Mond, Bart., M.P., has been appointed a director of Westminster Bank Limited.

Sir Francis Dundas Couchman, M.Inst.C.E., late member of the Railway Board, India, has been appointed to fill the vacancy on the Board of the Madras and Southern Mahratta Railway Company in place of the late Mr. George Reuchars, C.I.E., M.Inst.C.E.

An exhibit of Southern Rhodesian oranges was awarded the gold medal at the Poona Agricultural Show, and this success is stated to open up the prospect of a profitable market for Rhodesian oranges in India, says a report of the Empire Marketing Board. Three consignments, each of 200 cases, are to be sent to India during the coming season.

The launch took place on April 30 at the shipbuilding yard of Messrs. John Readhead and Sons, Ltd., South Shields, of the steel screw steamer Tunisia for Messrs. Frank C. Strick and Co., Ltd., of London. The vessel is designed to carry about 7,340 tons on a light draft, and is of the following dimensions, viz.: 384 ft. overall by 52 ft. 3 in. by 28 ft. 3 in.



Exports and Imports

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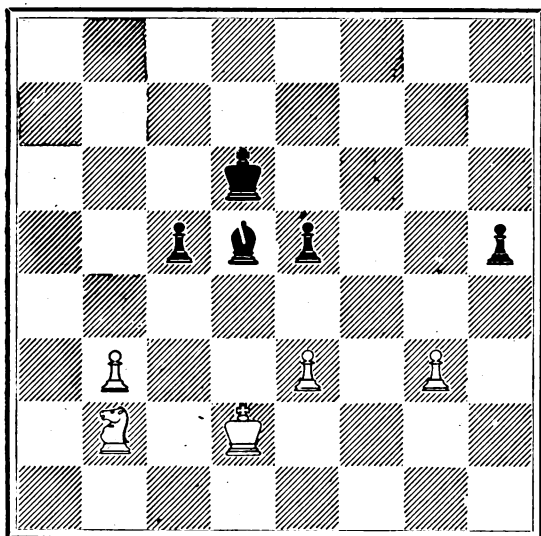
CALCUTTA ELECTRIC SUPPLY.

Presiding on May 4 at the annual meeting of the Calcutta Electric Supply Corporation, Ltd., in London, the Chairman (Lord Meston of Agra and Dunottar, K.C.S.I.) said that in 1926 they issued 150,000 ordinary and 150,000 preference shares, the premium on the former, £97,500, being added to the capital reserve. The redemption of the first mortgage debentures substantially reduced the prior charges and the balance-sheet was considerably simplified. The normal growth in the sale of current was hampered by trade depression, recurring outbreaks of mob violence, and, towards the end of the year, prolonged labour troubles experienced by one of their chief manufacturing customers, rendering it unable to take its usual supply of electricity. Against this, and the additional cost of running the new Southern station, they were again fortunate in getting coal at very low prices. They were also beginning to realise the economies arising from the greater efficiency of the thoroughly modern plant now forming the greater part of the equipment. On balance the net profit was about £8,000 more than in 1925, and the dividend was maintained at 12 per cent. for the year. The outstanding feature of the year was the bringing into commission of their second power station at the Calcutta Docks, on a side on the river bank admirably situated with reference to the downstream mills and for any service they might render to the future electrification of the railways south of Calcutta. There were three 6,000 kw. generating sets, to which a fourth was being added, and it was planned with a view to extension as required up to 100,000 kw.

The report and accounts were unanimously adopted and the proposed capitalisation was approved.

CHESS.

By "CARO-KANN."



I give this week another difficult end game. White has to play. What is the result?

Until the Whitsuntide congress at Scarborough there will not be much activity in the chess world.

Complaints are becoming more frequent of the dullness of the average tournament game, and it really looks as if chess as well as cricket is in need of some alteration of the rules. As things are at present games are not infrequently decided by sheer staying power, and while there may be a good deal to be said for a victory that is due to superior stamina, it has to be admitted that the nature of many of the present-day games is enough to break the heart of the stoutest exponent of real chess. Only too often one feels, to use a cricket allegory, as if one was bowling at a series of stone-wallers. If the slightest prospect of combination play develops one has to face a number of exchanges until all danger of the development of difficult positions has been averted. The frequent draws that now occur point the moral. What I personally would like to see would be the annulment of the right of castling. That, if anything, would bring about lively games and would most effectually cancel the tactics of the stone-waller.

NEWS FROM ALL SOURCES.

Crop prospects in the Balkans, particularly in Roumania and Yugoslavia, are very favourable.

The Roumanian Maritime Service is to order eight new vessels—three passenger and five cargo—of medium size.

Roumania's foreign trade returns for the first three months of the year show an excess of imports over exports amounting to 243,387,258 lei.

Sir Malcolm Stevenson, the first Governor of Cyprus (1925-26), has been appointed Governor and Commander-in-Chief of the Colony of Seychelles.

The production of the Dacia Romano Petroleum Syndicate for April amounted to 1,956 tons. Eleven wells were in production, nine wells are in drilling and one is being fitted up.

It is announced that offences against exchange regulations in Yugoslavia to the detriment of the dinar are to be severely dealt with, the fines impossible reaching a maximum of 300,000 dinars.

Work has been begun on the new Danube bridge at Belgrade which is to join that city with Panchevo. The bridge, which will be 1,280 metres in length, will cost 300 million dinars.

The Greek President, Admiral Koundourotis, convinced of the Chamber's intention to pass the Constitution before May 12, has officially withdrawn his resignation, promising to remain in office till September at least.

The Ceylon Association in London will give a dinner at the Hyde Park Hotel on May 19 in honour of Sir Herbert J. Stanley, who has been appointed to the Governorship of Ceylon in succession to Sir Hugh Clifford. Those wishing to attend should communicate with the Secretary, Ceylon Association in London, 6, Laurence Pountney Hill, Cannon Street, E.C.4.

At a lonely point of the road some 20 miles north of Jerusalem, says *The Times*, three brigands on May 5 shot at and stopped the car containing the Anglican Bishop in Jerusalem and Mrs. MacInnes, and robbed them of all their money and valuables. The brigands murdered the driver of the following car, which was full of tourists, and wounded a woman who was travelling in it before making good their escape. All the members of the Bishop's party were unhurt. The brigands had already robbed a party going north.

Reference is made by the United States Consul at Aleppo in a recent report to the slump in the export of Armenian hand-made handkerchiefs from Aleppo. In addition to a decreased demand, the industry was also somewhat adversely affected by a scarcity of workers at times during the year. Linen imported for handkerchiefs is exempt from duty, but a deposit is required at the time of importation. The formalities and length of time required to obtain refunds of such deposits are said to have discouraged some concerns from undertaking this business.

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NEAR EAST MARKETS FOR AGRICULTURAL MACHINERY.

Some progress has been shown in Turkey since the War in the introduction of modern agricultural implements, although a setback occurred in 1926, as unfavourable climatic conditions caused a material decrease in the agricultural production of the country last year (says Mr. Charles D. Martin in an article in the United States "Commerce Reports" on the markets for agricultural machinery in Western Asia). The economic and commercial situation was generally uncertain throughout the year, and this was aggravated by the enactment of new measures of taxation and the creation of a number of State monopolies. In 1925, however, there was a general improvement in the agricultural and economic situation, which stimulated the trade in agricultural implements. The Turkish market gives decided preference to American power farm and harvesting machinery.

Horse ploughs and old-fashioned reaping machinery are the most important items among the horse-drawn implements imported into Turkey. Excepting for the Smyrna, Aidin, and Magnesia districts, the horse ploughs used in Turkey are mostly of German and Czechoslovak makes. The preference for German ploughs is largely the result of sales by the Bagdad Railway Co. of German implements of various kinds to farmers along the line of their railroad.

In general the use of modern farm equipments is increasing steadily but slowly in Turkey, and the Government and agricultural schools are making a strong effort toward acquainting farmers with the use and advantages of up-to-date machines. The principal imports of implements into Turkey are ploughs, reapers, binders, and threshers, imports of other classes of implements being unimportant.

Syria is of moderate importance as an agricultural country, and modern agricultural implements and machinery are used, but the poverty of the population and the abundance of relatively cheap labour serve to prevent the extensive use of such equipment. The demand for implements in Syria is limited. However, the farm land is well adapted to the use of machinery, and, although this market does not offer much inducement at present, there are possibilities for creating a demand for modern implements.

The market for implements in Palestine lies principally among the Jewish and German colonies, of which over 100 exist in the country. Most types of modern implements are used in these colonies, and a favourable factor tending to their greater use is the rapid increase in the number of young farmers with skilled knowledge of modern agriculture. The native Arabs still cling to the primitive methods of their ancestors, but a number of British steel ploughs have been sold to the Arab farmers. Germany is the chief source of supply for the implements used in Palestine, followed by the United States, the United Kingdom, France, and Czechoslovakia.

The Arabian Peninsula consists of a large desert area

with the exception of a few fringes around the coast. There is, of course, some agriculture in this region, but none of any importance. The agricultural methods prevailing in Iraq (Mesopotamia), which lies to the north of the Arabian Peninsula proper, are similar to those in vogue in the same region centuries ago, and, consequently, the country does not yet rank as an important market for agricultural implements. Its annual purchases are small and the chief promise for an increase lies in the development of irrigated areas. The country is largely dry and arid and irrigation is essential to agricultural development. At present there is an ample labour supply to cultivate the crops grown on existing irrigated areas, but when the various agricultural schemes in contemplation are completed it is expected that the demand for labour will exceed the supply, and this will naturally create a demand for labour-saving farm equipment. A few tractors have been introduced, nearly all of one American make, and a few reapers and binders are being used in the country. There is some demand for pumping outfits for irrigation work but, on the whole, the present market for agricultural machinery is negligible.

Conditions in Persia are similar to those in Iraq. Present agriculture is still in the primitive stage in which it has been for centuries. The ox is the work animal of the peasant and a primitive wooden implement serves as a plough. The water supply is insufficient throughout a large part of the country, but little has been done toward establishing modern irrigation works, although some irrigation is effected by a system of shallow and open ditches owned and administered by the large landholders. The principle problem is one of water conservation, as the water supply is dependent upon the winter snowfall, except in the Caspian and Gulf littorals, where precipitation is heavy. The most encouraging features about Persia as a market are the recent economic improvements in the country and the favourable attitude of the Government toward the introduction of modern agricultural implements.

The traffic receipts of the South Indian Railway Company for the week ended March 31 amounted to Rs.19,41,802, making the total from April 1 Rs.5,23,82,666.

Lord Greenway took the oath and his seat on elevation to the peerage in the House of Lords on May 4.

The directors of the South Indian Railway Company announce the payment on July 1 of an interim dividend from surplus profits of 2 per cent., less income tax (compared with 2 per cent. paid on July 1, 1926), making with the interest guaranteed for the half-year ending June 30, 1927, namely, 1½ per cent., less income tax, a total distribution for the half-year of 3½ per cent.

Holders of not less than 25 shares of the Suez Canal Company who are desirous of being present or represented at the general meeting to be held in Paris on June 13 must justify, at the head office of the Company, 1, rue d'Asorg, Paris, before June 9, having deposited their shares with the company or at any of the company's appointed agents. Shares may be deposited in London with N. M. Rothschild and Sons, who will in due course deliver a card of admission to the meeting, or a form of proxy to enable the holders to be represented by other shareholders having the right to vote.

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 Deposits, &c. (31st Dec., 1926) £347,653,458

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Cotton and Cotton Goods.

THE EGYPTIAN MARKET.

The Alexandria Commercial Company, in their report dated April 28, state :—

Since our last report the market has been active and prices show a substantial rise. The week's summary of price movements is as follows :—Sakellaridis : May, 28.45 dollars, 1.68 dollars up; July, 28.85 dollars, 1.85 dollars up; November, 29.75 dollars, 2.04 dollars up; January, 29.65 dollars, 2.09 dollars up. Ashmouni : June, 20.48 dollars, 0.81 dollars up; August, 20.80 dollars, 0.89 dollars up; October, 21.65 dollars, 1.35 dollars up.

Sakel.—The news received during the week of serious floods in the cotton belt of America, particularly the Mississippi valley, induced short covering in our market and this, coupled with heavy buying on Liverpool account, caused a sharp advance in prices. The market is firm but the rise has not behind it the one fundamental factor necessary to maintain the advance, a real revival in the trade demand.

The demand from spinners has been slightly better than last week but with the very heavy existing stocks, it requires more than a slight improvement to justify an advance in prices such as we have seen during the last few days. The rise is more or less speculative and is based on a prospective smaller supply of cotton next season; the greater part of the buying has been on November.

Uppers.—This market has also been active and prices show a considerable rise, the season for the advance being, naturally, the same as for Sakel. Reports are that the districts most affected by the floods in America are those producing the long staple cotton with which Ashmouni competes. If serious damage is confirmed, the position of Ashmouni will, of course, be considerably improved; for the time being, however, reliable information is meagre.

The demand from abroad continues to be fairly good and we should say that the volume of business put through is about equal to that of last week. We consider the statistical position of Ashmouni to be fairly sound and, on present indications, we do not anticipate that the carry-over of this variety at the end of the season will be at all heavy. There has been heavy speculative buying of October during the whole week and the premium over June has increased to 117 points.

At the third April tender, 12,250 kantars dockets were issued, making a total for the month of 50,250 kantars.

The week's receipts amount to 97,982 kantars against exports 131,548 kantars; the stock in Alexandria stands at 2,981,728 kantars.

The official figures of arrivals and exports for the period September 1, 1926, to April 21, 1927, are as follows :—Arrivals : Lower Egypt, 4,483,000 kantars; Upper Egypt, 2,749,000 kantars; total, 7,232,000 kantars. Exports : Sakel, 2,351,139 kantars; Ashmouni, 2,834,021 kantars; Various, 361,756 kantars; total, 5,546,916 kantars.

Spot : We have had another short week due to holidays, and Minet el Bassal has only been open four days. A moderate business has taken place and spinners have shown rather more interest in our cottons. Sales for the four days amount to about 10,800 bales, of which we estimate 5,100 bales Sakellaridis, 5,200 bales Ashmouni and Zagora, 250 bales Pilon and 250 bales other varieties. The sharp rise in contracts has brought out a lot of cotton, and all varieties have been freely offered, though the quality of the Sakel offerings shows no improvement.

Sakellaridis : The demand has improved a little and a very fair business has been done, covering all grades except the best. Spot differences are without much change except for the grades below Good Fair, which have eased slightly.

Ashmouni and Zagora : Have been in very fair favour

with buyers, and a fairly good business has taken place. All grades have been dealt in. Spot differences are without much change for the medium grades, slightly easier for the low qualities, and distinctly dearer for the high grades.

Pilon : Continues in fair request. Spot differences are without much change.

White : A fairly good business has been done. Spot differences are about as last week. A few bales of Nahda and Fouadi have been done.

Up-country : The reports that the ginning factories will not be allowed to work after the end of the month are still unconfirmed and inquiries on the point at the Ministry of Agriculture have not, so far, elicited any definite announcement. There is still plenty of cotton in the villages; a large proportion of this cotton is pledged against Government loans.

New crop business has been practically nil during the past week. The rise in prices has had the effect of rendering growers very pretentious whilst, on the other hand, the export houses, having very little new crop sold ahead, are not at all prepared to pay the prices at present being asked.

Crop, 1927 : Weather conditions have been slightly less favourable during the past week, especially in the North Delta, but the crop has not suffered and is progressing normally. Crop news from Upper Egypt is very satisfactory. Water is in ample supply everywhere.

THE LIVERPOOL COTTON MARKET.

Messrs. Reynolds and Gibson report as follows for the week ended May 4 :—

Egyptian Futures.—Sakel Contract.—Values in this market throughout the past week have shown a strongly advancing tendency, consistent speculative support from both Continental and American sources, coupled with highly successful "bullish" manipulation in Alexandria driving prices within measuring range of the highest of the season, to-night's close showing a gain of 37 to 41 points for near and 37 to 43 points for distant positions since we last wrote.

The underlying influence in the present movement continues to be furnished by the increasing seriousness of the floods in the Mississippi Valley, and no doubt much of the recent buying that has been attracted to our market is due to fears that most of the inundated area, which comprises a greater part of the best staple growing districts on the other side, will be unworkable this season. Owing to the fact that the Sakel acreage in Egypt has been restricted by Government decree, the new crop position at the other side had been previously rather vulnerable to any decided detrimental news; consequently, so far, the recent movement, which we must confess is of a mainly speculative character, has met with very little opposition, and we fail to see any fresh supply of contracts coming into the market of sufficient weight to cause values to develop any material reaction. Spinners, generally, have been quite disconcerted by the

FOREIGN EXCHANGES.

Country.	Method of Quoting.	Parity of Exchange.	Latest Quotations.
Alexandria.....	Piastre to £	97½	97½
Athens	Drachmæ to £ ...	25 22½	365½
Belgrade.....	Dinars to £	25 22½	276½
Berlin	Marks to £	20.43	20.50½
Berne	Francs to £	25 22½	25.26½
Bombay	Sterling to Rupee	18d.	17½—29/32
Brussels	Belga to £	35	34.96½
Bucharest	Lei to £	25 22½	765
Budapest	Peu to £	27.82	27.85
Calcutta	Sterling to Rupee	18d.	17½—29 32
Constantinople	Piastres to £	110	920—935
New York	Dollars to £	4.86 2-3	4.85½—½
Paris	Francs to £	25 22½	124
Prague	Kronen to £	24.02	164
Rome	Lire to £	25 22½	88½
Sofia	Leva to £	25 22½	670—678
Teheran	Krans to £	50½	50½
Vienne	Sch to £	34.56½	34.52½
Warsaw	Zloty to £	25 22½	45—44

Forwarding to spinners for the week ending the 28th ult. were returned as 7,563 bales Egyptian and 2,600 bales Sudan. C.i.f. business has shown but little improvement. Estimated sales, 1,750 Egyptians and 4,500 bales Sudan. Quotations of Sakel have been advanced 100 to 155 points, those of Upper 50 to 60 points. F.G.F. Sakel, 15.35d. F.G.F. Upper, 12.20d.

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RESERVE FUNDS - Drs. 57,091,594.50

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Authorised Capital (200,000 Shares of £10 each) - £2,000,000
Reserve Liability of Shareholders - £1,000,000

Paid up Capital - £1,000,000
Reserve Fund - £400,000

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*NOVARA	7,000	May 21	...	Straits, China, Japan
RAJPUTANA	16,600	May 27	June 3	Bombay and Karachi
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*MANDALA	8,246	May 21	May 28	Bombay and Karachi
*NALGORA	6,500	May 28	June 4	Madras and Calcutta
MANTOLA	8,936	May 28	June 10	East African Ports
MERKARA	8,235	June 4	June 11	Bombay and Karachi
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City of Venice	8,308	July 1	Bombay & Karachi
City of Valencia	7,329	July 2	Colombo & Calcutta
City of York	7,844	July 23	Bombay & Karachi
City of Baroda	7,129	Aug. 3	Colombo & Calcutta

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City of Karachi	5,573	May 27	Cape Town, Algou
City of Alexandria	4,712	June 10	Bay, East London, and Natal.

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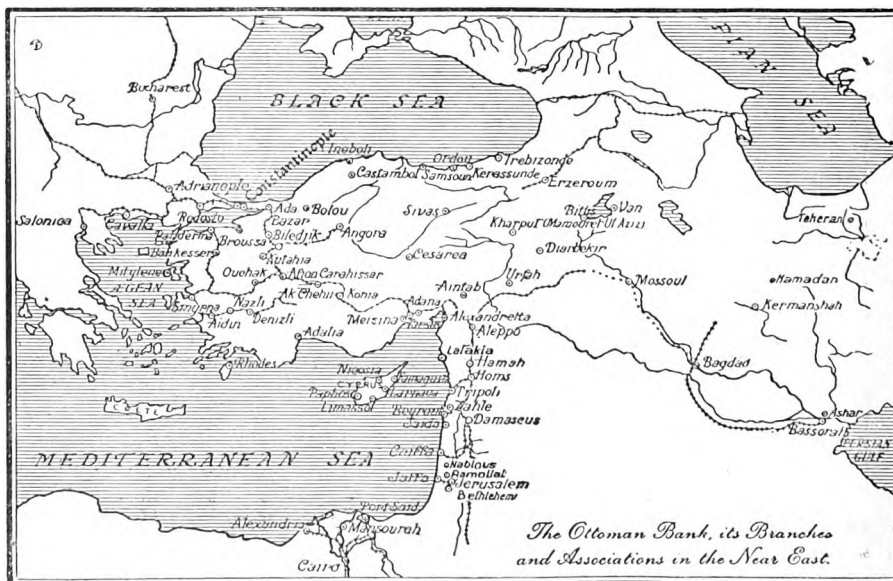
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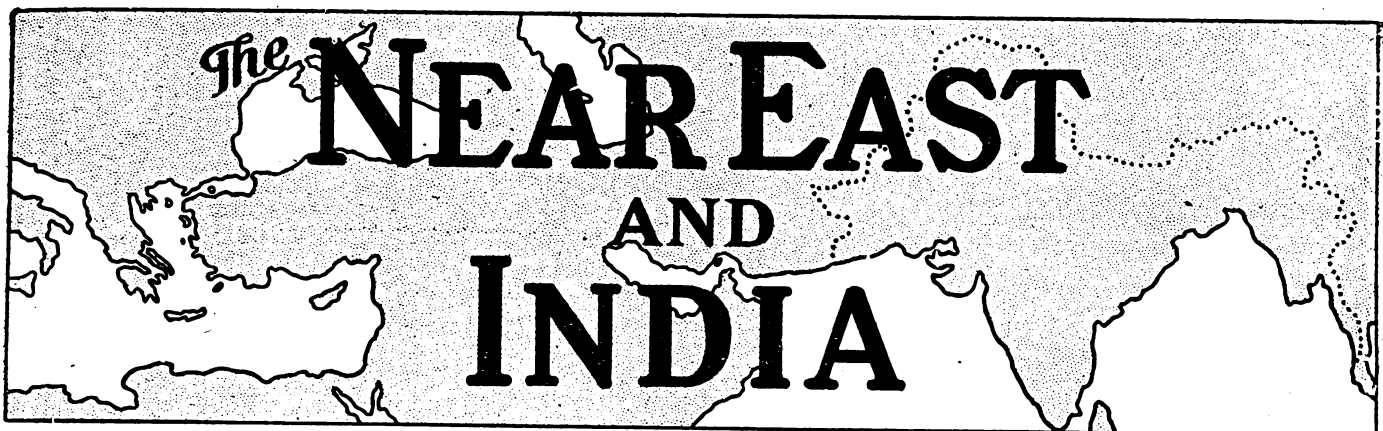
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No. 835.—VOL. XXXI.

THURSDAY, MAY 19, 1927.

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Notes of the Week.

The Little Entente.

One of the regular meetings of the three States comprising the Little Entente was held last week at Joachimstal. The regularity of these gatherings tends to rob them of any special significance that they might otherwise have, as they resolve themselves of necessity into a mere friendly exchange of views, which is not intended to lead to any definite action. In its original conception the Little Entente was a warning to Hungary that she must not expect to profit by any lack of watchfulness on the part of the Allied Powers, if she attempted to drive a coach and four through the Treaty of Trianon. As the years pass, most European States are beginning to realize that peace and friendliness all round are likely to be more useful to the Continent as a whole and to individual countries in particular than the maintenance of a stereotyped hostility based on the conditions in which the Great War was fought out. Yugoslavia has been the first of the three States forming the Little Entente to realize that economic co-operation with Hungary would have its advantages. Rather, however, than admit that the Entente has outlived its purpose, Dr. Benesh, its creator, is likely to look round for ways and means to justify its continued existence. The pact gratifies the *amour propre* of Czechoslovakia, but is of no manifest use at this stage to either Roumania or Yugoslavia. The subjects of more vital importance to these two States are debarrd, if not from discussion, at least from any practical decision. The Little Entente provides no reason why Yugoslavia should burn her fingers in a Russian fire for the sake of Roumania, and it is no concern of Roumania, if Yugoslavia fails to hit it off with Italy, who has gone out of her way to do Roumania a good turn. If, however, Roumania and Yugoslavia were to substitute for the Little Entente a Balkan federation based on geography and sound economic considerations, they would have a reason for standing four-square with the

rest of the Peninsula against all encroachments from whatever quarter they came, and the fact of their solidarity would bring them both peace. The existence of the Little Entente on the other hand, has encouraged Italy to seek to curry favour with Roumania, and has not made the Soviet Government in any way more amenable on the subject of Bessarabia.

The Albanian Dispute.

Further reference at question time in the House of Commons last week to the subject of Albania shows how unwilling those who have the interests of the Balkans at heart are that a more definite attempt than is at present contemplated should not be made to clear up the unsatisfactory situation in which the Italian effort to raise a scare over Yugoslav designs on Albania has been left. Mr. Noel Buxton was anxious that any inquiry that might be carried out in regard to Albanian affairs by representatives of France, Great Britain and Germany should be undertaken with the authority of the Council of the League of Nations; but the reply that he received was to the effect that the step was considered unnecessary and liable to interpose delay in the prosecution of the inquiry indicated, for which however, it was not anticipated that the need would arise. He also elicited the information that, as far as was known, no representations were addressed at the time of the recent scare by the Albanian Government either to the Yugoslav Government or to the League of Nations. The Government spokesman might have added that Albania had not even approached the Italian Government on the subject and that the latter's action in addressing the Powers was taken entirely without reference to the Tirana Government. This latter aspect of the matter is, perhaps, the most sinister, as it indicates misplaced zeal on Italy's part in interfering in Albanian affairs before the conditions contemplated in the Tirana Treaty had actually arisen.

In these circumstances Ahmed Beg Zogu's action in endorsing Italy's action after the incident will have strengthened the conviction of those of his fellow countrymen who contend that he is too subservient to his Italian benefactors for the real interests of Albania.

The Colonies in Conference.

The Colonial Office Conference that has been in session for a week is covering in the nature of things a sphere that extends far beyond the immediate interests of Cyprus and Palestine, the only territories represented which come within the purview of THE NEAR EAST AND INDIA. The sound note struck by Mr. L. S. Amery, Secretary of State for the Dominions and Colonies, in his opening speech in which he laid stress on the necessity for correlating and unifying the technical services of the Colonies, must appeal to Cyprus with its forest wealth and other natural resources. The island would also stand to benefit by any scheme which improved the status of the Service from which its officials are drawn. The reproach that Cyprus has been too long the Cinderella of Great Britain's colonial possessions could probably never have been levied, if there had not been a more or less watertight system of Colonial service in vogue, which helped to place the island in a very remote corner of the map. Similarly both Cyprus and Palestine stand to gain from any improvement in the machinery for making their trade conditions better known and from extending information regarding their products. For Palestine inclusion in the Colonial Office Conference will serve to emphasize the anomaly that hitherto the Mandated Territory has not been accorded the advantage of Imperial Preference in regard to some of its products, notably its wines. There will not be time in the deliberations to discuss all the points that individual representatives would wish to raise; but the status of the Mandated Territories in the matter of Imperial Preference applies to Tanganyika as well, and it should be possible to have the problem authoritatively decided before the delegates disperse.

Egypt and the Wahhabis.

The conduct of the Egyptian Government in regard to the *hajj* of 1926 was noteworthy for its common-sense, and the fact that it was then persuaded to send the Holy Carpet to Mecca was taken by the supporters of the Wahhabis as one of the most encouraging signs for the future of Arabia and of Islam. The dispute that subsequently occurred, by Mina, between Egyptians and Wahhabis, was an ominous sign, admittedly; but by many observers it was thought soon to have been forgotten.

Certainly King Ibn Saoud, in sending his eldest son on a mission to Egypt and by various gifts to King Fuad, did what he could to smooth things over. The Egyptian Government, however, who may naturally have accepted the Egyptian version of the incident last June, was not satisfied with such manifestations of good-will, and a few weeks ago specifically inquired of the King of the Hijaz concerning the conditions under which hajjis might this year perform the traditional ceremonies. It is stated that the Wahhabi leader has declared that he could not permit the armed escort of the Mahmal to accompany it to Mecca—remembering, no doubt, the reputation that the "Amir al Hajj" gained last year, and the danger that might arise out of an armed defence of it. He is also stated to have declared that the camels bearing the Mahmal would not be allowed to perambulate the Kaaba, and that pilgrims must not embrace the tombs. Smoking, however, is said to have countenanced, provided that it be done without ostentation. For the Egyptian Government this statement has proved unsatisfactory; and it is declared from Cairo that neither the Holy Carpet nor the Mahmal will be sent to the Hijaz this year. Even more: the Government of King Fuad has warned Egyptian pilgrims that they journey to the Holy Land of Islam at their own risk.

A Question of Dignity.

Now it seems fairly obvious from the nature of the Egyptian Government's inquiry and of King Ibn Saoud's reply that the hitch has arisen mainly over a question of dignity. The willingness of Egyptians in general to make the pilgrimage is beyond doubt; nor does there appear any disposition on the part of the Egyptian Government to make open quarrel over possible doctrinal differences between Misris and Wahhabis. The dispute amounts to this: that the Egyptian Government insists upon an armed escort to accompany the Holy Carpet and Mahmal in a land for the security of which King Ibn Saoud holds himself supremely and wholly responsible. No doubt in times past, when *badawin* were wont to raid the pilgrims, an armed escort was desirable and necessary; but since, according to the Wahhabis, the pilgrim routes are now entirely safe, such a force would be derogatory to the dignity of King Ibn Saoud. To Egypt, however, the renunciation of such a precaution appears like a surrender of traditional rights. This upshot of the affair must be a disappointment to those who saw in the better administration of the Hijaz under the Wahhabis the possibility of a revival of Islam, although, even without Egyptian official participation, the 1927 *hajj* is an assured success. Muslims who are hostile to the Wahhabis will doubtless be encouraged by this latest rebuff to one who fain would rule as an independent and sovereign head of a State. To other observers, who are not so disposed to take sides in this Islamic matter, the negotiations between King Ibn Saoud and Sir Gilbert Clayton will have assumed additional importance.

A Strike in Persia.

Whatever be the fate of strikes in Great Britain, it is manifest that they have not lost their efficacy in all countries. On May 9 the Persian Majlis reduced the wages of Government employees by ten per cent. On May 10 the Government employees struck against this decision. On May 11 the Majlis relented. Nothing very strange in this, perhaps, but what makes the incident worthy of record is that the Majlis, despite the opposition of the American Financial Advisers, had voted themselves a fifty per cent. increase of salary. A charmingly Oriental way of robbing Peter to pay Paul! The piquancy of the situation lies in its effect upon the American Financial Mission, whose conscientious endeavours have more than once been met with ingratitude. Dr. Millsbaugh is not afraid, indeed, of unpopularity, but it remains to be seen whether he will be able to force his own terms concerning renewal of contract next September upon the still elementary Majlis.

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THURSDAY, MAY 19, 1927.

JUBILEE DAY IN ROUMANIA.

Dispersal of effort is rarely sound in principle, and there is nothing to be said in its favour when it is applied to national celebrations. In addition to a generous supply of public ecclesiastical holidays, in keeping with the custom of the Eastern Orthodox Church, the new Roumania has had four national fête days, to celebrate the Union of the Principalities in 1859, the Declaration of Independence in 1877, the Union of Transylvania proclaimed on December 1, 1918, by the National Assembly of Alba Julia, and a Heroes' Day, in memory of those who fell in the Great War for the unification of the Roumanian race. This year the decision has wisely been taken to make one day of rejoicing do duty for the first three celebrations, and May 10 is the chosen date. The day is a red-letter one in the history of Roumania. It was on May 10 (Old Style), 1866, that Prince Charles of Hohenzollern-Sigmaringen entered Bucharest and inaugurated a reign of nearly fifty years that was to achieve so much for the material progress of the nation; on May 10, 1877, the Chambers of the Principalities of Moldavia and Wallachia proclaimed the independence of the country; on May 10, 1881, King Carol, who had assumed the title two months earlier, was crowned with a crown made of metal from Turkish guns captured at Plevna in 1877, and the Principality of Rouman'a became a Kingdom. In recent years the Gregorian Calendar has been adopted, but the Old Style date has been retained for the commemoration of the outstanding landmarks in Roumanian history, and May 10 is now the principal Fête Day. The omission of two public holidays, if enforced, will be an earnest of the determination of the people to concentrate on the economic restoration of the country. The effects of the War, the straitened conditions of the world market, and the amount of organisation required to bring about the practical cohesion of the component parts of the new State, combine to confront Roumania with a problem that can be solved only by hard work and intensification of effort.

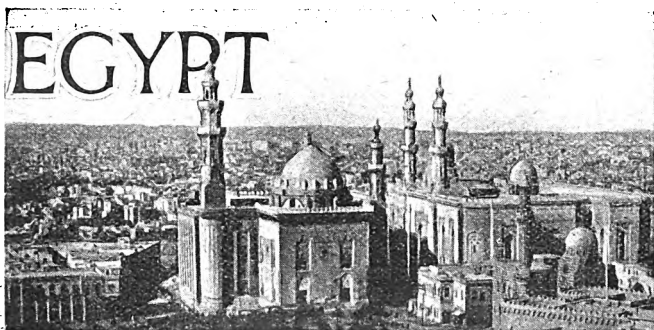
The Roumanian people have no reason to be dissatisfied with their record of achievement in the short space of fifty years that has passed since they secured their independence. Roumania is essentially an agricultural country, and the frequent attempts to perfect agrarian reform are evidence of the difficulties that have been experienced in the evolution from the state of general serfdom that existed sixty-five years ago to the system of peasant-proprietorship, on which, it was hoped, the Agrarian Law of 1921 would be found to have placed the finishing touches. Although the problem may not have been entirely solved, it can safely be said that the new conditions

have removed all danger of a recurrence of the peasant revolts of 1888 and 1907. The great accession of territory since the War, however, has brought special difficulties of its own, the most urgent among them being the question of communications. In Transylvania the new Roumania acquired a province five-sevenths the size of the Old Kingdom, with forty-three separate railway systems, the majority of them privately owned, and all based on Budapest and Vienna. Under the new conditions it is the lower Danube and the Black Sea that claim their traffic. Connecting links have, therefore, had to be constructed between the systems in the new provinces and in the Old Kingdom, the Russian broad-gauge lines in Bessarabia have had to be converted into normal gauge, and new lines have been built between towns lying near the frontier to prevent traffic between them from having to cross the frontier into Hungary or Yugoslavia. The damage done to the railways during the War was considerable, and the deficiency of rolling-stock and the inadequacy of the lines—only three per cent. comprise double tracks—still constitute a serious hindrance to the recuperation of the country. Roumania was not the only State that the disorganisation caused by the War found unable to cope with an entirely new set of conditions. With a population increased from seven to seventeen millions, with a sudden impetus given to industrial undertakings, fired by the example of Transylvania, to attempt to meet the economic requirements of the New Kingdom, and all expecting to be financed at once, it is not to be wondered at that Roumania drifted rapidly into a severe financial and economic crisis, in which she is only now beginning to turn the corner. The jubilee of her independence brings at least this consolation to a people who have had to lament the fact that their troubles seemed greater than those of neighbours far less favourably endowed by Nature.

Fifty years ago the chief note struck by Prince Carol in his appeals to the Roumanian people was the need for unity. That note has to be repeated to-day, perhaps with even greater insistence. The accession of new territory to the Kingdom has brought in its train rivalry between the different provinces, and impatience when every need, real or imagined, is not at once satisfied. In the place of the two parties that before the War shared alternately between them political power are now four or five main Parliamentary groups, with a number of smaller units. Political life has become keener, and it is noticeable that the display of military force occasionally plays its part as an argument in the enforcement of political views. At the same time, the question of minorities has acquired additional complications as a result of the incorporation of Transylvania and the Dobruja, while the Jewish problem shows signs of being liable to become acute with little or no warning. Some allowance has to be made for a people sorely tried in the War and immediately called upon to face the ordeal of a prolonged economic crisis. The country has also not yet freed itself from anxiety in regard to its foreign relations. Bessarabia remains a source of weakness rather than of strength; the Little Entente is not definite enough in its scope to give any real sense of security, but constitutes to some extent a hindrance in the way of the more practical solution of the problem, a Balkan Federation that with a clearly defined defensive alliance among the component States and close economic co-operation would free each of them from entangling commitments in other directions and enable them to devote more undivided attention to economic matters.

The Near and Middle East*

From Our Own Correspondents.



Cairo, May 7.

The Residency.

Last Monday evening the High Commissioner and Lady Lloyd held a reception at the Residency, which was attended by over fifteen hundred guests including the Egyptians and members of the foreign communities. Their Excellencies received in the ball-room and afterwards joined their guests in the gardens which had been very beautifully illuminated. During the evening the Argyll and Sutherland Highlanders gave an exhibition of Scotch dancing, which particularly interested the non-British element, and later on the guests themselves took the floor and dancing was kept up until a very early hour next morning. There was an excellent buffet and everyone enjoyed themselves immensely. In fact this reception which was in a manner the adieux of Lady Lloyd, who left yesterday for home, was one of the most successful functions that have taken place there of late years.

The High Commissioner in Upper Egypt.

Last week-end the High Commissioner paid a visit to Minia in response to an invitation extended to him by the local notables through a deputation which had waited upon him recently under the leadership of Gallini Pasha Fahmy. His Excellency was accorded a most enthusiastic reception. A great tent had been set up on the station platform in which over 1,500 notables awaited his arrival. Here a speech of welcome was pronounced by Gallini Pasha to which Lord Lloyd replied thanking for the invitation and for what had been done and adding: "You, gentlemen, have extended the hand of friendship. I have come here to grasp that hand in return. That is all. My coming here to-day gives me a welcome opportunity to tell you and all the people of this Province that they may be sure that England, and the people of the British Empire, take as keen and as friendly an interest in all that appertains to your welfare and that of the fallaheen, as ever they did in the past, and that your prosperity, your peace and your happiness are matters of close and sympathetic concern to His Majesty's Government. The more I see of Egypt and the people of Egypt, the more sure I am of their friendliness to my country, and our people, and that the closer we can draw the bonds of friendship and co-operation between us, the better it will be for England and for Egypt. We have worked together for so many years that we have, I hope, learnt that old friends are the best friends."

His Excellency concluded by calling "Long Live King Fuad, Egypt and the Province of Minia" and his speech, which was translated into Arabic by Mr. Grafftey Smith, the Assistant Oriental Secretary, aroused loud applause. Lord Lloyd then shook hands with a large number of the assembled notables and went to the British Consulate where he lunched with Mr. Shirley, the British Consular

Agent. Afterwards he drove through the town visiting the Mudiria, the Waterworks and the electric power station and the Girls' Primary School, where he watched a display of dancing. He then went to the Allied Cemetery, where he and the Mudir laid wreaths on the War graves, and returned to the tent at the station where six hundred notables awaited him and tea was served—during which Arabs from the province gave an exhibition of horsemanship. The Residency party returned to Cairo the same night after a most enjoyable day, the success of which is entirely due to the generous and spontaneous effort of the Minia notables who bore the entire cost of the receptions. I am sorry to say that the Zaghoulouist Press, particularly the official party organ, have been writing most disgraceful articles about this visit and have referred to the High Commissioner in terms strangely in contrast with the traditional Oriental ideas of hospitality and courtesy towards a distinguished visitor and certainly scarcely in keeping with the professions of friendly disposition so frequently made by the members of the Wafd.

Lord Allenby.

Lord Allenby spent a day in Cairo on his way to Jerusalem as the guest of Lord and Lady Lloyd at the Residency. He had a great reception at the station on arrival and seemed as pleased to be back in Cairo as his old friends were to see him here. The manner in which people, Egyptians as well as foreigners and members of the British community and the army, have flocked to greet him shows what a deep affection there is for our ex-High Commissioner. The only regret, which found widespread expression, was that it had not been possible for Lady Allenby to accompany her husband.

An Overseas Gathering.

A memorable gathering took place on Wednesday evening at the Turf Club, where what was called an Imperial Overseas dinner was given to the representatives of the Dominions, who were passing through Cairo on their way to the ceremonies in connexion with the unveiling of the War Memorials in Palestine. The principal guests were Sir James Parr, New Zealand High Commissioner in London, Brigadier-General Dodds, representing the High Commissioner for Australia in London, Major-General Sir Edward Chaytor, who commanded the New Zealand cavalry in Palestine and Sir Edward Ellison, member of the Imperial War Graves Commission. As Lord Allenby's arrival coincided with this function he was also a guest, sitting on the right of Lord Lloyd, who presided and had on his left Sir John Parr. About fifty residents were present, many of them having been members of the Anzac Force, and a most cheery evening was spent thanks to the excellent arrangements made by Lieut.-Col. C. E. Hughes, C.B.E., the local Commissioner of the Imperial War Graves Commission. Speeches were made by the Chairman, Lord Allenby, Sir John Parr and General Chaytor and General Dodds, but they were of too intimate a character for it to be possible to quote from them. All that one can say is that what was said showed that the union between the various parts of the Empire is as strong as, nay stronger than, ever, and that the spirit which has in the past prompted our kin across the seas to come to the assistance of the Mother Country has by no means diminished but is still there ready to find practical expression, if unfortunately the occasion should again present itself.

A Popular Frenchwoman.

Great sympathy is felt with Monsieur Gaillard, the French Minister, at the death of his sister, Miss Denise Gaillard. That this sympathy is by no means restricted to the French community but extends to all, foreign and Egyptian, without exception was evident from the character of the procession which followed the hearse to

*Under this heading appear weekly or at regular intervals, communications from correspondents in Egypt, the Sudan, Roumania, Yugoslavia, Greece, Bulgaria, Albania, Turkey, Cyprus, Palestine, Iraq, and Persia.

the church and the attendance of the subsequent celebration of Mass. In addition to a representative of King Fuad, Lord Lloyd, who was accompanied by Mr. Henderson and Mr. Wiggin and Mr. Hartopp, first secretaries, Sarwat Pasha and his colleagues and the entire Diplomatic Corps, there were hundreds of members of the various communities who held no official capacity and merely came because, in addition to their high esteem for Monsieur Gaillard himself, they had a great admiration, in many cases deep affection, for his sister, who had gained a place in the hearts of the outside public to which few attain.



Sofia, May 3.

Macedonia and the League.

In accordance with a decision to which I referred in a previous letter, the National Committee of Macedonian Emigrés in Bulgaria has just addressed a petition to the League of Nations in which it explains the real state of the question of the projected liquidation of Bulgarian schools and churches in Greek Macedonia, and it appeals to the Geneva international organisation not to sanction the resolution of the Græco-Bulgarian Mixed Commission, and to preserve the sacred property of generations of Bulgarians in Macedonia.

The Electoral Campaign.

Bulgaria is passing through a curious phase just now; there is less than a month before the legislative elections, which have been fixed for May 29, and it is not possible at the moment to say that the electoral campaign has effectively begun. What is more interesting is the fact that it is not yet known precisely which groups will take sides—which forces will oppose one another in this battle, the result of which will have so great an influence on the development of the political life of the country.

Indeed, the May 29 election must make normal the situation which was created by the *coup d'état* of June 9, 1923, and by the events which have followed since, throwing the veil of forgetfulness over that sad past and definitely directing the political struggles along the paths of lawful competition. The conspiratorial methods and revolutionary troubles of the past must be condemned for all time, in order to leave the way clear for the process of peaceful evolution and progressive development. Another result which is awaited from the legislative elections, considered from a more immediate point of view, is the election of a Sobranie, in which parties will be represented according to their actual strength, and faithfully reflecting popular feeling will permit the formation of a truly national Cabinet. The latter, relying on a solid parliamentary majority, will be able to undertake a policy in conformity with the necessities of the moment, which are severe, and to remedy, as far as possible, the political crisis and in particular the economic crisis which is consuming the country and threatens to compromise it in the future.

It is just this aim which is being jeopardised by the electoral campaign; the general confusion and desperation into which all parties, without exception, have been thrown and the uncertainty surrounding the intentions of the mass of the electors will end not in a *rapprochement* but in a estrangement between the different political groups, rendering their necessary collaboration in the future Parliament an impossibility. And it may be said that

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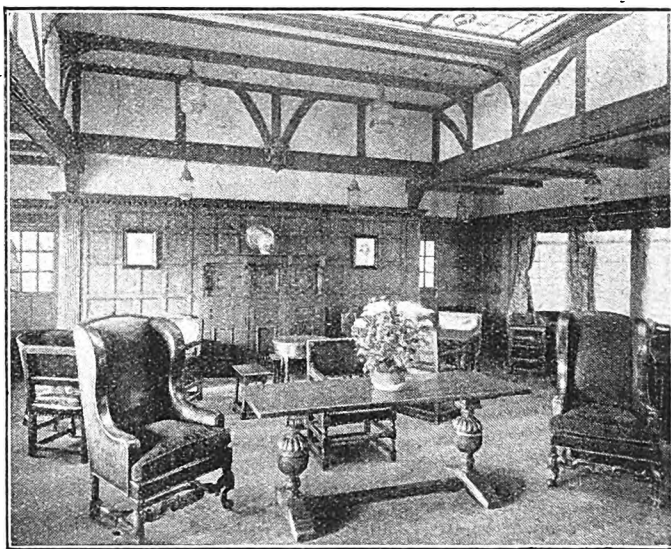


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never has Bulgaria found herself in such a state of anarchy at the approach of legislative elections, and never have the candidates been surrounded with more mystery. On the one hand are the ambitions of the great and small leaders—they are legion—who wish to thrust themselves on their own organisations and make the latter adopt their methods; and on the other hand is the resistance of these organisations against the pressure from above and their desire to choose for themselves the persons whom they are going to propose by popular suffrage. In the first place there is the electoral antagonism between the capital and the provinces, the former wishing to dictate to the latter, and the provinces desirous of freeing themselves from the tutelage of the capital, but both being surfeited with an excess of candidates. There are 273 deputies to be elected and already there are probably 5,000 candidates throughout the whole country. This state of affairs makes the classification of the candidates under the different lists of paramount importance and inevitably provokes in one and the same group endless conflicts and divisions which become all the more frequent the more the group consists of coalition units.

The groups which have been formed up to the present are: (1) the Democratic Entente, which is the Government party, composed of 3 or 4 sections, the centre of which was formed in the previous *Sobranie* by a group of former officer conspirators, but which on the lists of the coming elections will be specially represented by friends of MM. Liaptcheff and Bouroff, thus leaving in the background the friends of M. Tsankoff, the number of which will be greatly reduced. To this party the Government has recently added, in the form of a coalition, for some unknown reason, the insignificant group of Stamboulovists, who were about to disappear from the political horizon. (2) The coalitions of the Opposition parties, comprising 3 or 4 groups—that of the sectarian Radicals of M. Kostourkoff and the orthodox Agrarians of M. Draghieff, two parties which play but a very mediocre rôle in the life of the country, and which can in no way expect success. Infinitely more important is the group formed under the leadership of the former President of the Council, M. Al. Malinoff, by the alliance of the Democrats, of whom the latter is the universally respected head, the Liberal Nationals of M. Kiortcheff and of the centre Agrarians of M. Thomoff, to which have already adhered a large number of the Radicals; the left wing Agrarians, lacking a leader and allied to the Social Democrats and to a small professional party of artisans; and lastly a new Labour party composed of a group of former Communists, of whom it is not yet known whether they will present themselves openly at the elections.

But this classification is only provisional and quite superficial, since it is stated that an interpenetration of the different groups may take place which will perforce lead to a change at the last moment, especially in regard to the Agrarians, whose electors refuse to place on their lists the Socialist candidates and claim the union of the centre and left of their party in M. Malinoff's group which, in that case, will assume the proportion of a large anti-Government *bloc*, comprising practically the whole of the Opposition.

It is interesting to note that the pressure brought to bear in the formation of this Opposition *bloc* is on the wane, through the influence of the masses, not the leaders, and will not, therefore, cause any anxiety to the observers of Bulgaria's political evolution.

But, as I have said, this country has never been seen before to be in the grasp of such an electoral anarchy, which will certainly tend to complicate the pressure, inevitable in the Orient, of the administrative organs.

In spite of all it is, nevertheless, believed that the elections of May 29 will result in a satisfactory majority for the Liaptcheff Government.

IRAQ.

Baghdad, May 5.

The Budget.

The Budget for 1927-1928 was presented to the Chamber of Deputies on April 28. The following are the figures: Estimated receipts, Rs. 5,70,88,000; estimated expenditure, Rs. 5,70,78,000; estimated surplus, Rs. 9,472.

Drastic reductions were made by the Minister of Finance in the estimates submitted by the various Departments. A real effort at economy has been made, the Army estimates in particular being cut down by Rs. 54,00,000; though the proportion of Iraq's income which is spent on the Army is still a very high one.

In introducing the Budget, Yasin Pasha explained the reason for the Government's delay in preparing it. The Coalition Government came into power last November, but the newly-formed Cabinet could not immediately reach conclusions on the important questions of departmental expenditure. He thanked all the Advisers, and particularly those of the Ministry of Finance, for their co-operation.

The Budget was opposed on general lines by eight deputies. The late Minister of Auqaf complained that the Coalition Government had made no effort to increase the productivity of the country. Money was being spent on schemes of secondary importance, when it would be better employed in assisting agricultural development, particularly as regards the introduction of modern machinery.

Answering a criticism of the very small surplus provided by his Budget (Rs. 9,472), the Minister of Finance said that he had followed the example of the greatest financial Power in the world. His surplus, judged by the comparative wealth of Great Britain and Iraq, was no smaller than Mr. Churchill's.

Income Tax.

All the clauses of the Income Tax Law have now been passed by the Chamber of Deputies. The Minister of Finance has aroused a good deal of comment by a speech on the subject, in which he attributed the present poverty of Iraq to her "exploitation" by the big business firms, who derive immense incomes from the country without paying any taxes. The bugbear of exploitation is one which looms large in the mind of the Iraqi politician, and

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it is to be hoped that the knowledge that the foreign companies are now to pay their share towards the expenses of government may do much to remove it.

Another much-discussed point was the incorporation of a married woman's income with that of her husband for purposes of taxation. The Minister of Finance argued that a woman's business affairs were in Iraq invariably managed by her husband, and the clause was passed.

The ordinary session of Parliament having terminated before the important measures connected with the Budget and the Income Tax Law had been settled, an extraordinary session was opened by the King on May 3. In the speech from the throne he commented on the importance and gravity of these measures. With reference to the National Defence Bill, His Majesty said that the negotiations of Iraq with Great Britain had "lately developed in a fashion which gives rise to a satisfactory tranquillity of mind." It was the duty of Iraq to assume as soon as possible full responsibility for the defence of her own boundaries and existence, so that she could take her place among the other independent nations.

The Alwand Refinery.

The new refinery of the Khaniqin Oil Company at Alwand was ceremonially opened by King Faisal on May 2. A special train conveyed the large gathering of Iraqi and British guests from Baghdad to Khaniqin, whence a new macadamised road is being constructed by the company to the refinery at Alwand, six miles away. The refinery has been built to deal with the crude oil from Naft Khanah, in order to supply northern Iraq with oil, petrol, and kerosine without the extra cost of transport to and from the great refinery at Abadan. It will have a capacity of one and a half million gallons per month, and three pipe-lines will run from it to the railhead at Khaniqin. The steam valve which set working the pumps transmitting the refined products to the railhead was opened by the King at the ceremony. As a souvenir of the occasion a silver casket was presented to His Majesty, and also a silver miniature of a B. P. petrol can.

The King referred to his previous visit to the Naft Khanah oilfield, saying that the hopes then raised had been fulfilled by the perfection of this new development of the industry. He remarked how greatly Iraq was in need of oil products for the improvement of her agriculture and irrigation. Her economic development was in no small measure dependent on the success of the oil companies; they had great hopes for the future, and hoped before long to be "able to give the good news to the world that there would be a pipe-line from Iraq to the Mediterranean."

The King then made a tour of the refinery. The Prime Minister and several members of the Cabinet were present, with many notables and British officials. The American, Italian, German, and Persian Consuls were also present.

Tribal Raids.

A Bill for the prevention of tribal raids has been passed by the Chamber of Deputies, though not without some opposition from the members who feared that the tribes would be unfairly handicapped in defending themselves from attack. The Prime Minister pointed out that the matter was one of diplomatic importance. Iraq must show to other countries that she was carrying out her obligations, and would not permit any raids which might make difficulties with her neighbours. They realised the Government's responsibility for the maintenance of good foreign relations, but would, if necessary by force of arms, assist the tribes to defend their honour and integrity. He thought that by virtue of the treaties and conventions already concluded Iraq was now fairly safe from outside aggression.

Imperial Airways.

Imperial Airways has instituted a service of short flying trips over Baghdad, twelve passengers being carried on each flight, at a cost of Rs. 10 per head. The diversion is

becoming increasingly popular among Iraqis, a number of Muslim ladies having already shown great eagerness to fly.

The institution of a weekly air mail brings us in closer touch with England than ever before. The letters from home arrive on Thursday, having been exactly a week on the way; the outgoing mail leaves on the following Saturday morning, so that letters may be written and the answers received in sixteen days—truly a marvellously swift exchange between Baghdad and the West.

ALBANIA.

Durazzo, May 8.

Lack of News.

Albania at the moment presents the curious spectacle of a country which is being much spoken about, but in which it is forbidden to speak of itself. The Tirana Pact raised important international questions, and every newspaper is daily filled with articles in which the names Albania and Tirana occur. Nevertheless, in the country itself the Press is publishing not a single original article on the question, and the Government has issued no *communiqué* indicating its point of view. Every day the Stefani Agency of Rome is received in Tirana, and its *communiqué* is translated, affixed to the walls of the town, transmitted to the Albanian newspapers and published under the auspices of the Press Bureau, which works at the Ministry of the Interior. In the whole of Albania there are seven political newspapers, not one of which is a daily, and these papers publish only translations of Italian articles; all, doubtless, favourable to Italy, to Signor Mussolini and to his influence in Albania.

Articles from the English, German, French or Serbian Press, which might open up a political horizon, are never quoted in the Albanian papers.

Parliament.

The Chamber of Deputies is showing an activity and a certain freedom which had been somewhat lacking of late. Among these manifestations may be noted, in the first place, the attacks made against the Minister of Public Works, Musa Juka, who is accused of abuses and of having protected certain small officials guilty of theft. Musa Juka has enjoyed the unlimited confidence of the President, Ahmed Zogu, to such an extent that for more than two years he has at the same time been directing two ministries—Public Works and the Interior. Juka



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displayed a certain amount of seeming activity in connexion with the construction of new roads, which were inaugurated amid much noise and pomp. As a matter of fact, however, the greater part of the roads, according to certain Deputies, are fictitious, having neither ballast nor bridges.

About the same time as the attacks were made on the Minister of Public Works, certain Deputies presented a motion to separate Agriculture from Public Works and to make the former into an independent department. This demand is actuated by the small amount of activity which so far has been displayed in the Department of Agriculture.

On the other hand the Chamber has begun the discussion on the Budget for the year 1927-28. Fejzi Alizoti, Minister of Finance, presents a budget showing 29 million gold francs expenditure as against 26 millions revenue, thus allowing for a deficit of 3,000,000 francs, or more precisely 3,314,042 gold francs, the expenditure being 29,314,042 gold francs. In this budget the expenses of the Army are estimated at 11,695,000 frs. showing an increase of 2,170,046 frs. on the previous year. Against this the Ministry of Public Instruction has been subjected to an economy of 51,880 frs. having this year to be satisfied with only 2,400, frs.

In spite of the official figures it is certain that receipts will not exceed from 20 to 22 million gold frs.—which will make a deficit of at least seven or perhaps ten million frs. And in the budget which has just been presented the sum of five million frs. which ought to be used to pay the interest on the 50 million frs. loan advanced by Italy in 1925 (interest which, not having yet been paid, constitutes a very real danger to the country's independence) does not figure in the expenditure column.

As has been stated above, the increase in expenditure is due mainly to the Army. For one thing, the body-guard of the President, Ahmed Zogu, which used to comprise 200 men, has just been raised to 1,000. In addition, according to the Government's official *communiqué*, 240 persons from Malissia, that is to say from the mountains of Scutari, Luma, Dibra, Central Albania and Southern Albania (from Elbasan to Kuroelesi) have been given military rank, from second-lieutenant to colonel, will be treated as officers of the Reserve, and will be on half pay in peace time, but on full pay in case of mobilisation.

Petroleum.

At Patos, near the place where soundings gave positive results last year, the D'Arcy Exploration (Anglo-Persian Oil Company) has just found a second stream of petroliferous liquid at a depth of 350 metres, of a better quality than the liquid of the year 1926.

It is evident that in the part of Albania which extends from Himara in the south to Kavaja in the north and from the Adriatic Sea to Berat and Elbasan the sub-soil, to a more or less considerable depth, contains naphtha streams. It only remains to discover whether this liquid is sufficiently rich in hydro-carbons and whether exploitation will prove remunerative or not.

An English Scout in Albania.

Mr. Arthur Gaddum, the English scout who has recently arrived in Albania with a view to organising a corps of boy scouts, has become a familiar figure in the streets of Tirana during the past week. The corps of scouts dates from 1920, when it was inaugurated at Tirana by

Miss Mosley Williams, an Englishwoman in the service of the American Red Cross. At the present time there are boy scout organisations in six Albanian towns, and much still remains to be accomplished. Mr. A. Gaddum will give a new impetus to this movement.

CYPRUS.

Nicosia, May 4.

Greek Athletics.

The outstanding events of last week have been the Pan-Cypriot Athletic meetings at Nicosia, in which Greeks from Athens have taken part. They included a football match. Among other visitors was the Mayor of Athens, and they all received a great ovation. Some had been on a pilgrimage to Jerusalem.

The Bust of Cimon.

At Larnaca an interesting event took place, namely, the unveiling of a bust of Cimon the Athenian, whose memory was thus revived and honoured. Cimon (son of Miltiades) was born in B.C. 504, and frequently commanded Athenian fleets in the wars against Persia. In 466 he defeated a large Persian fleet, and—landing in Pamphylia—vanquished their army. When Aristides died, and Themistocles was banished, Cimon's influence was paramount in Athens, till the rise of Pericles. In 449 he sailed with 200 ships to besiege Citium (near Larnaca), where by the way Zeno the Stoic was born. Here he died probably from the effects of a wound. The bust was unveiled by the Mayor of Athens, M. Patses, and speeches were delivered. At Nicosia a great welcome was given, and the events were spread over several days, many receptions, banquets, dances and other festivities taking place. On April 28, Sir Ronald Storrs gave a luncheon party; some of the distinguished visitors, the Greek Consul, and English officials being invited. On April 29 the Governor witnessed the contests. Numerous Greek flags were displayed, the British only being visible at the stand occupied by the Governor. Sir Ronald Storrs, who invited the Mayor of Athens to his stand, remarked in conversation that he was wearing a neck-tie of Greek colours in honour of the visitors.

An Anglo-Cypriot Company.

A Company has been formed, starting with a capital of £100,000 (which is likely to be increased in the future) with headquarters at Nicosia, and branches in other towns, for import and export trade. It may probably extend its operations to banking enterprises. There are three directors—Mr. Jenkins, of the Asbestos Mining Company; Mr. Buracres, of London; and Mr. A. A. Artémis, a well-known citizen of Nicosia. The general director, at Nicosia, will be Mr. A. A. Artémis, whose brother will manage the central establishment in this town. The two Messrs. Artémis have already a commercial house at the capital.

General News.

A Greek lady, Miss D. Z. Laniti, has been appointed Librarian of the new Public Library, which is being started under the auspices of the Governor. Mr. A. K. Amilianides is to be Hon. Librarian.

Lady Storrs is taking lessons in Greek from Mr. K. K. Parlides, Proprietor and Editor of the leading Nicosia paper, the *Voice of Cyprus*.

Cold and wet weather interfered with one day of the sports, but the hot season is creeping on. Harvesting is in full swing, and prospects are good in all districts. Raisins and locust beans (caroubs) are fetching good prices.

King Fuad of Egypt, attended by his Ministers, and Lord Lloyd, British High Commissioner, were present at the last performance, on May 14, of the tattoo given by the British Army and the Royal Air Force in Egypt, at which the closing manœuvre was the formation of the words "Vive Fuad" by men carrying torches.

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THE LOST LANDS OF OPHIR.

Under the auspices of the Central Asian Society Commander C. Craufurd, R.N. (Ret.), gave a lecture, on May 11, at the Royal United Service Institution, on "The Lost Lands of Ophir." Sir Michael O'Dwyer presided.

Commander Craufurd said that three thousand years ago the Land of Ophir solved for Solomon a political problem. We had the same political problem facing us to-day. His northern borders were safe, for he had rendered them safe by his building activities, which brought employment to his Northern borders. His Southern borders were safe, for he was married to Pharaoh's daughter. Also, he had developed a horse-breeding industry, so that there was a steady market between Egypt and Palestine. His Eastern borders, however, were threatened by Bedou. Though his army would certainly cope with bedou raids, the bedou were tireless enemies, and would tax his country till they eventually drained its prosperity. For a while Solomon held the Bedou in check by developing the gold mines of the Hijaz. The Bedou were transport agents between Arabia and Palestine.

It seemed the surface outcrop of the gold mines was being worked out, and in those days no deep mining was undertaken. Solomon sought further afield for the trade incentive to keep the Bedou quiet. Somewhere to Eastward there lay the lands of Ophir. Their ruler was Bilkis, Queen of Sheba. If Ophir was lost to modern geography, it was not through lack of information.

After long and exasperating negotiations, Solomon succeeded in persuading the Queen of Sheba to visit him. More than an hour could be spent in telling old tales of history about that meeting and the costly gifts that Bilkis brought to Solomon. The lecturer gave two examples of the means by which Bilkis tested the wisdom of Solomon's wisdom: the story of the girls and boys who were dressed exactly alike, and the story of the real and artificial flowers.

Proceeding with his investigation of the Ophir problem, he said that King Hiram inquired into the wholesale markets from which the goods were obtained. It was obvious that such an assortment of goods could not have been procured from one dépôt. Hiram planned a trading scheme that could not be bettered in these days. His ships were to set out on a three years' cruise. Taking advantage of the changing monsoon winds his fleet visited all the markets by sailing always with a fair wind. They visited Ophir and returned to Ezion Geber and Tarshish within three years. It was by placing the problem on a practical trading basis that we could find the locality of Ophir.

By using this three years' limit falsely Ophir has been "found" all over the world. The lecturer had visited most of those localities, including China, South America, Africa, the Persian Gulf, India, and Ceylon. The false result was that Ophir had been "placed" hundreds of miles outside the Sabaean Empire, while it was evidently the main seaport of that Empire.

It took the Commander and his fellow-searchers twenty years to unravel the tangle and find the true Ophir. Once it was found it was unmistakable, but he had taken another seven years to arrange the proofs. He had to find the same ship as Hiram used. That was done by tracing sailing ship development from pre-Diluvian days to the present day.

He had the same ship as in Hiram days, the same trade winds, and the same wholesale markets. So he could trace the cruise with accuracy all along its coast lines, and he reached Ophir exactly half way through the three years' cruising time. With practically all his imports completed he returned over fresh cruising grounds, and reached his home port three years later in the same month as his departure.

Tarshish was not very definitely located, so Commander Craufurd started from Ezion Geber. He suggested that was the Greek or foreign pronunciation. The ancient

pronunciation was more probably *Azzion Gebbir*, for which the modern Arabic would read *Al Zion Kebir*, "the Greater Zion." In colloquial Arabic the *Lam* is often muted, irrespective of whether it were a solar or lunar letter. The solar and lunar distinctions only formed about A.D. 600. The point of this muted *Lam* had a bearing on the problem, for the city of Ophir is still called the City of Ophir if we granted this muted *Lam*.

Leaving Ezion Geber so soon as the North monsoon set in, he coasted inside the coral reefs down the Hijaz, and down the Arabian coast, anchoring at night, and eventually reaching Aden.

Aden was then called Eden, "the place of pleasantness." In those days there was a water conduit that took advantage of the wadis and brought the rains of Marib to their terminus of Tuwaila tanks Aden. These tanks were sometimes inaccurately called the "Tanks of Solomon." They were as a matter of fact 500 years older. With its water course palm-fringed and with its marble baths from the quarries of Shuqra, Aden was then a true place of pleasantness, though now it was merely the fly-blown gateway of the British Empire eastern sphere.

The monsoon, growing stronger, also grew more northerly. It took the lecturer and his fellows to Somali lands that fringe Abyssinia. He found many Sabaean traces, and specially many tales of Bilkis, or Makeda, as she was called there. Abyssinia was the land where she finished her reign and was succeeded by her son by Solomon, David who has fulfilled the prophecy that Solomon should never lack an heir. He obtained some incense there. Onward he went, past Socotra, and round the eastern extremity of Africa. He coasted all the way down the East African shores till he came to the Sheba lands, made famous by Sir Rider Haggard's romances. Sheba was merely a name repetition of the Sheba of Arabia, just as Darfur was probably a name repetition of Ed-Ophir. South African Sheba was his southern limit. He obtained some gold, though not the gold of Ophir. He refitted and waited for the south monsoon to begin.

He set sail again for Ceylon and the Malabar coast. Ceylon had been suggested as Ophir because so many of the goods were obtainable there. The Malabar Coast had been suggested as the land of the *Almug* and *Algum* trees. Of the *Almug* trees the lecturer said that it might probably be so, but of the *Algum* trees, certainly not. The two words could not have the same meaning. The *Almug* was probably the red cedar of the mahogany. (Commander Craufurd thought the mahogany). The *Algum* was a tall, straight, white timber, most suitable for the Temple Porch, since it was white wood and was ant-proof. It was only to be obtained in the lands of Ophir. He obtained ivory, apes, peacocks, some jewels, but not the most important, and the *Almug* trees. His cruise up the Malabar coast drove him northward to Karachi to escape the full force of the south monsoon.

Sabaean ruins at Qishm had given the suggestion that Ophir lay there. But the greatest seaport of ancient days had more than a few crumbling ruins to fix its identity. There were also ruins at Bahrain. These he identified as Sabaean and the most complete Sabaean ruins other than those of Ophir lands. He gained pearls of price, and when the new north monsoon, the third of his cruise, set in, he sailed southward coasting along the Arabian Oman coast, and as he sailed southward the Sabaean ruins and inscriptions grew more plentiful. After a short cruise from the Persian Gulf he reached Ophir.

Of Ophir the lecturer said that it had all the requisites of a large seaport for vessels not exceeding 18 foot draft: a harbour to north, another to south and a river entrance. Its geographical position rendered it open to far Eastern trade at all times of the year. Its ruins, that could only be those of the necropolis, were extensive and massive. When he arrived at Ophir he tried his best Arabic thus: *Fain al bilad al Ophir*. He was not understood, so he broke into bedou or colloquial Arabic . . . *Wain al bilad*

ed-Ophir? "Where is the City of Ophir?" He was immediately understood and shown the city. The lands of Ophir stretched further back and furnished jewels of the type most sought after for priestly breastplates, algum trees, spices and incense, and lastly the gold of Ophir.

In conclusion, Commander Craufurd said that present day Palestine was not so developed as the Kingdom of Solomon or as that of David. It was closely comparable with the Kingdom of Saul. The Bedou threat could be eliminated by the development of the lands of Ophir. Then once again Palestine might become the manufacturing centre of the Middle East, and the Kingdom of Sulaiman might extend eastward through Arabia and Abyssinia with its trading influences. If that were so, it would be the fulfilment of the dreams of Sulaiman the Wise and of Bilkis the Beautiful.

The lecturer illustrated his lecture with lantern slides, showing, notably, the ruins of buildings in the place that he identified with Ophir.

In the subsequent discussion Sir Percy Cox showed himself unwilling to accept the identification of Ophir with a place in Southern Arabia. He suggested that the buildings of which photographs had been displayed were post-Muhammadan, that the word "Ophir" had no connexion with "Dhofar," or with "Darfur," and that, in any case, the English translation of the Bible was not necessarily of such strict verbal accuracy that, for instance, the peacocks referred to might not be merely any bright birds, such as parrots.

Admiral Sir Herbert Richmond strongly supported the lecturer in his remarks upon the monsoons. In so far as Commander Craufurd's theory was concerned with the winds as they now were known, there was nothing against it. His own difficulty was:—how was the remaining year and a half spent between Ophir and Ezion Geber? (The lecturer afterwards suggested, in answer to this, that there were far more ports of call in this section of the route).

Sir Michael O'Dwyer told an amusing story of how, when he was Resident at Hyderabad, there was a dispute between the Nizam and the Shaikh of Mokalla, during which reference was made to the gold mines in this part of Arabia. The quarrel concerned the payment for Arab mercenaries in the Nizam's army, demands for which became so heavy, apparently, as to cause the Nizam's supporters to exclaim that the Shaikh wished to get back, out of Hyderabad, one of the historic gold mines of his country!

The Persian Government has notified the Powers enjoying special jurisdictional privileges that those privileges will be abolished on May 10, 1928.

The definite settlement of the military question in Greece, namely, the restoration to the Army of officers removed by previous Governments, was announced by the Greek Premier on May 13.

Belgrade experienced at 4 a.m. on May 15 fairly strong earthquake shocks and tremors, recurring three times within a quarter of an hour. No damage was recorded.

Sir S. Hoare (Secretary for Air), replying to Lieutenant-Commander Kenworthy in the House of Commons on May 12, said the preparatory flights on the Cairo-Khartoum-Kismu-Cape Town line had been held up for some time as the result of a mishap to the seaplane which was being employed on the experimental service between Khartoum and Kismu. In consequence of this mishap, the Royal Air Force flights between Cairo and Khartoum had been suspended for the present. It was expected, however, that they would be resumed next month.

THE OUTLOOK FOR CYPRUS.

The Near and Middle East Association met at 133, Queen's Gate (by kind permission of Miss Spalding and Mlle. Griboval) on May 11, to discuss "The Outlook for Cyprus." Sir E. Denison Ross presided.

The following were among those present:—Prince Soumbatoff, Lord Lamington, Viscountess Dupplin, Constance Lady Cozens-Hardy, Sir Harry Lamb, Sir Frederick and Lady Graham, Sir William Clark, the Hon. Katharine Thring, Lady Tighe, Lady Hewitt, Colonel Hawkes, Dr. Ernest Griffin, Mrs. Eckstein, Mrs. Parnell-Parnell, Mrs. St. John Cooke, Mrs. Margaret Hasluck, and Mrs. Charlotte Mansfield.

Mr. Ronald L. N. Michell began by stating that he had left Cyprus in 1911, but that he had kept closely in touch with the island ever since. In a reference to the insignificance of, or rather, the ignorance surrounding, Cyprus, he mentioned that the Colonial Office would seem (after 50 years' occupation) not to have discovered where Cyprus was, seeing that it was placed in the official list as in Europe. Cyprus was the third largest island in the Mediterranean, being thirty to forty times the size of Malta. In some correspondence which the lecturer had with some Insurance Offices in London, Cyprus was definitely placed by some of them as in Europe, while others were in doubt.

Mr. Michell referred to the taking over of Cyprus by Britain in 1878, under the Anglo-Turkish Convention. In 1896, he said, Lord Rosebery summed up the main provisions of the Convention as follows:—"Now, gentlemen, what is the Cyprus Convention? I will give it you in three words. By the first clause (which is somewhat extraordinary) Great Britain pledges herself to assist the Sultan to defend the Empire against aggression (i.e., by Russia). In the second, the Sultan promises to introduce reforms (i.e., into Asia Minor and Turkey generally). In the third, Great Britain takes over Cyprus in order to enable Turkey to carry out those promises. The first clause has never been attempted to be carried out. The second has never been attempted to be carried out. The third (the occupation of Cyprus) has been most conscientiously carried out."

The population (the great majority landowners and agricultural labourers) in 1878 was said to be about 180,000: it was now about 330,600. This included about 60,000 Turks and 250,000 Greek-speaking Cypriots. The lack of population was a serious thing, and the repeated attempts that had been made from time to time to introduce foreign immigrants—Circassians, Maltese, Jews, Armenians—had all been unsuccessful.

Of the character of the people of Cyprus, Mr. Michell said that physically they were a strong, hardy race of frugal habits. Their apathy was common to many agricultural communities. They were hospitable, quick-witted, and religious. Vindictiveness, however, was one of their failings, though crime had much diminished since Turkish times. The lecturer amusingly illustrated the state of affairs in Turkish times. Then, he said, it was the custom of an officer in charge of a Police patrol, on entering a village, to inquire about bad characters. The *mukhtar* (village headman) gave the list. These men were at once tied up, and severely beaten without any further inquiry! On one occasion a British official, arriving at a village, asked whether there were any persons of bad character. "No," replied the *mukhtar*, "we had two very bad characters, but, thank God, we have got rid of them both; they have both joined the Police." On another occasion, at which Mr. Michell himself was present, a High Commissioner asked the village priest or Pappas, in the absence of the *mukhtar*, whether his flock was in a good state of order. "Yes, thank God, your Excellency," replied the priest, "our village is in complete order; we have nothing to trouble us, or disturb the peace at all." Later on, one of the elders went to the lecturer, and complained that the priest had entirely misrepresented the state of affairs. "Our village," he said,

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"is in a deplorable state. Not a night passes without theft and other disorders. The Pappas did not tell his Excellency this, as the bad characters are all his own sons."

But, taken all in all, the lecturer had great praise for the Cypriot's character.

Gratitude among leading Greeks of the island was scanty, but at least they were ungrudging in their praise of the reformed judicial system.

He then referred to the development of *enosis*, the agitation for union with Greece. The Imperial Government, with its habitual easy toleration, had allowed the movement to be carried to its present proportions. The Greek flag had been displayed in such manner as no other Power would tolerate in similar case. Only when such movement pointed to, or caused, a breach of the peace, were British officials allowed to intervene. The Greek flag, to which Cypriots had no right whatever, was flown from belfries, clubs, and so forth. Where but one Union Jack was visible, fifty to a hundred Hellenic flags might be seen; and not one Turkish flag, except, perhaps, on Friday, on a minaret. In the towns, especially, this "Union" movement increased.

But the Greek leaders had been told categorically by successive Colonial Ministers that (1) as regards the petition for union with Greece the matter must now be regarded as closed; and (2) as regards the extension of the Cypriots' powers, the island is not regarded as ripe for a further change. These pronouncements had much annoyed Greek leaders and the Greek Press. But, in the lecturer's view, there had been a want of vision on the part of the Cypriot Greeks, who were their own enemies. He believed that the agitators had not approved the circumstances which governed the situation, that their tactics had been an obstacle to progress, causing also much loss of time and money, that their action had not been approved at Athens, and that it had damaged their own cause.

Of the Turkish community, the lecturer said that it had accepted from the beginning, with dignity and loyalty, submission to British rule. The Turkish language had precedence in Government *Gazettes* and documents, and the speeches of Members in Council were translated into Turkish before Greek; as also in the Law Courts. Recently, since the island ceased to be Turkish, the Greeks had resented this procedure.

Among the reasons why Cyprus should remain a British possession, Mr. Michell said that it might be useful from a strategical point of view, that it could be, and had been, useful as a sanatorium (as in the Egyptian, Sudan, and Palestine campaigns), that it could be a valuable half-way house for young soldiers going to India, and that it might be valuable as an air base, or station. In any case, Britain would almost certainly have reason for apprehension or regret if Cyprus were to fall into the hands of any other Power.

The outlook for Cyprus was obscure; so much depended upon the extent and nature of British commitments in the Near and Middle East, and so much upon the situation of domestic politics in this country. However, Sir Ronald Storrs had recently told the Cypriots that the Imperial Government was sympathetic towards a reopening of the "Tribute" system. If that meant that the £42,000 now taken from the island revenues, as the Cyprus portion of the Ottoman Debt (as reduced from £92,000) were to be remitted, it would be a good help towards progress. In fine, an optimistic view could be held, but only conditionally. Progress in any near future depended upon whether the island would remain British, and whether the people would co-operate with the Government. If British policy were to follow the lines that governed our rule in other Colonies, and encouraged a forward movement for development of the island, there should be a better chance for agriculture, which was the life of the country.

Mr. H. Pirie Gordon explained that the union of Cyprus to Greece, demand for which originally arose out

of the untimely death of an Archbishop, was not quite so simple as it sounded. Greece would be quite unable to protect the island should a neighbouring Power covet it; and, of course, that Power, even apart from the memories of Venetian and Genoese sway in Cyprus, would covet it. Down to the middle of last century, in fact, the King of Italy was officially called King of Sardinia, Cyprus, and Jerusalem. In regard to the backward development of Cyprus, the British Government had been dogged by bad luck. Egypt, which was occupied four years after Cyprus, detracted from the attention that might have been given to the island. Moreover, there was never a great reserve fund at the disposal of the Nicosia Administration. As an instance of the bad luck, he said that a small harbour was built at Famagusta, but no sooner was its construction completed than the steamship line which chiefly used the island decided to increase the size of its vessels, with the result that the harbour was inadequate. He then showed graphically how the main need of the island was water. The conservation of water was first attempted by the construction of tanks. These, however, soon filled up with gravel and grit. Recourse was then had to the older idea of terracing, and this method the Forestry Department was using with considerable success. The crops of Cyprus, however, varied from year to year, or rather their export value. For the Cypriot was quite content to hold things up unless world prices were good. Incidentally, the Cypriot merchant, as was proved at the time of the British Empire Exhibition, when large orders were sent to Cyprus, had little conception of what the West meant by time and quantity. Among the benefits which had been brought to Cyprus by the British he mentioned roads. Maintenance allowance for these was increasing, the motors being much heavier on them than the old carts. The roads were so good, in fact, that there was talk of dispensing with the railway, which, of course, ran only along the plains. Another great thing which the Cypriots had learned from the British was the necessity (which did not appear urgent in many Near Eastern countries) of making their Budgets balance. The great problem in Cyprus was to mould people with an Oriental mentality to Western ideas of progress.

Archdeacon Beresford Potter, after examining the early history of Cyprus, which had been kicked about like a football by the various rulers of the Near East, emphasised the "spiritual" nature of the British occupation. The problem was not only a material but also a moral one. The hearts of the people of the island could be won by trusting them and by holding out opportunities to them. (He mentioned with approbation the recent promotion of M. Pascali.) The best thing that the British could do would be to select Cypriot co-operators.

Wireless communication has been effected through Central Arabia from Riyadh, the capital of Najd, to Mecca, and from Hayil, the old Shammar capital, to Madina.

Sir George Beeton Alderson, K.B.E., of Norland House, Bulkeley, near Alexandria, Egypt, a director of Allen Alderson and Co., Ltd., died on December 2, aged 82, leaving property of the value of £53,005.

The Persian Government has denounced the trade treaty with Germany, to take effect in a year's time. It is rumoured in Teheran that the French have also received notice of the denunciation of their treaty, but nothing, says *The Times*, is known definitely in regard to that matter.

It is stated from Constantinople that some three thousand White Russians are affected by the recent decision of the Angora Government to give such exiles until August 1 next to leave Turkish territory. After that date the Turkish authorities will not recognise passports issued by the League of Nations to Russian refugees.

The Foreign Office announces that the municipality of Belgrade has issued an order requiring all persons possessing rented vaults and ordinary graves at the new cemetery at Belgrade to pay fees due for the upkeep of such graves. Immediate payment is also required of fees for gravestones on graves. The time allowed for payment of fees, as far as British graves are concerned, has been extended to June 10.

Book Reviews

INDIA'S GOVERNORS-GENERAL.

"LORD CORNWALLIS." By the late Sir George Forrest. Two volumes. (Oxford: Basil Blackwell. 36s. net.)

This is the second of the "Selections from the State Papers of the Governors-General of India"—the first having been those of Warren Hastings. The first volume, which is somewhat oddly described as an Introduction, is a history of the main occurrences of Cornwallis' Governor-Generalship: the story of his campaign against Tippu being told in great detail. The second volume contains the selected State papers. Both are of great interest to the student, though the first volume suffers from the absence of an index; and, in the second, the arrangement of the papers might have been improved on, if it had been made in chronological sequence rather than in order of importance. Thus, for instance, "Mahratta Affairs" and "Oude affairs" might well have preceded the "Campaign against Tippu." The papers do not seem always to have been well placed—the second letter among "General Affairs" would have been better under "Oude Affairs," while the first letter under the latter heading, only a small part of which refers to Oude, might well have changed places with it. The long and interesting letter on Army Administration was written after the close of Cornwallis' (first) term; and no reference is made to his second—certainly very short—term, though the last two letters under "General Affairs" were written during its currency.

Among matters of special interest to the ordinary reader are the evidences of the unwisdom of allowing an interregnum between Governors-General, when the post was held by the senior local official: Cornwallis wrote, on this point—having himself suffered from the eighteen months' interregnum that occurred between the departure of Warren Hastings and his own arrival—"it is very difficult for a man to divest himself of the prejudices which the habits of twenty years have confirmed, and to govern people who have lived with him so long on a footing of equality": an opinion that few will contest to-day. The letters also show the continued attempts at nepotism with which the Governor-General of India has to contend: among others, there is one in which Cornwallis declines to find a post for the protégé of an important English nobleman—"I could never bring myself to assist any man in obtaining a seat in the Supreme Council of Bengal who had dissipated his fortune at the gaming table." And modern soldiers will read with astonishment the rules regarding officers of the Company's European regiments: "No officer, even if compelled from bad health to solicit a short furlough, could return to Europe without resigning his commission: and, if he remained in Europe beyond a very limited time, he could not be readmitted into the service. Should he be allowed to return to India, he was seconded, upon greatly diminished pay and allowances, until a vacancy occurred in his own rank. Those permanently quitting the service had no retirement, except the pittance they could derive from Lord Clive's Fund."

A MODERN TALE.

"UNDELIVERED LETTERS." By Cosmo Hamilton. (London: Hurst and Blackett, 7s. 6d.)

In the form of letters written by a frank American girl to a reserved English husband, the author of this novel has depicted, with freshness and sufficient accuracy, life as it was lived by a certain section of English society in 1925. It all seems a little old-fashioned now, although it is true that some of the undesirable characteristics of society life as unmincingly described in these pages still

obtain. To those who are entertained by a combination of daringness and sentimentality this novel will make instant appeal; others may be generally impressed by its cleverness; and others yet may find a trifle wearisome the whole band of its unsatisfactory though well etched types, from the rootless American bride to the heroic villain who attracted her from her husband (though of course not permanently) because of his "awfully nice aroma of soap, hair tonic and tobacco."

MIXED COURTS IN EGYPT.

We have received the following communication from the Royal Egyptian Legation in London:—

"An article recently published in the London Press dealing with the proposals of the Egyptian Government concerning the Mixed Tribunals did not exactly express the nature and meaning of those proposals. Actually, the Presidents of these Tribunals may be nominated, by the Government from among the Egyptian judges but they exercise only honorary functions. The effective functions of direction in these Tribunals are exercised by the Vice-Presidents and Substitute Vice-Presidents, who are annually elected by the Court and who must be foreigners.

"The Government proposals consist of two points:—First, to abolish the functions of the Honorary Presidents now reserved to Egyptians; secondly, to maintain the designation of Presidents and Vice-Presidents elected by the General Assemblies of the Court of Appeal and Tribunals where the Foreign Judges are in the majority, on condition that one of the nominated Judges should be an Egyptian; this decision to be sanctioned by a Royal Decree.

"It is impossible to consider these modifications as being of a nature to infringe upon the independence of the said Tribunals. In fact, they merely concern the Presidency and Vice-Presidency, i.e., the Organisation of the internal machinery, and do not in anyway affect the Administration—properly so termed—of Justice which constitutes the real mission of the Mixed Tribunals.

"The nomination of the President and Vice-President will increasingly continue to be effected by means of election by the Judges of the Tribunals themselves, the majority of whom are foreigners, without the least intervention on the part of the Egyptian Government; and these Judges will choose for these two posts only those candidates who inspire them with confidence owing to their impartiality, their independence and their professional capacity.

"As for the fact that the nomination of the President and Vice-President will be embodied in a Royal Decree, this is purely a matter of form, since, as mentioned above, their designation by the Tribunal itself will be maintained. It is simply a question of sanctioning this designation by an Egyptian official document.

"This system does not, therefore, deviate in any way from the Rules now applied to the nomination, transfer and promotion of Judges, which Rules are to be maintained. Such maintenance is explicit proof that the Egyptian Government has no intention of introducing any substantial modification in the Organisation of the Mixed Tribunals."

The Yugoslav Government has informed Bulgaria that it has no objection to the dissolution of the Inter-Allied Military Mission of Control in Bulgaria, which is now being discussed by the Conference of Ambassadors in Paris. Colonel Rink, the Head of the Mission, left Sofia last week for Paris to report to the Conference as to the extent of the disarmament of Bulgaria.

Two of the four sloops stationed in the Persian Gulf, the *Crocus* and *Cyclamen*, are at present at Bombay and Colombo, respectively, for refit after recommissioning. The refit of the *Cyclamen* should be completed on June 4. The *Lupin* was last reported at Henjam, and the *Triad*, ship of the Senior Officer, Captain R. St. P. Parry, D.S.O., M.V.O., left Henjam on May 8 for Bunder Abbas, Khor-Kawi, and other places in the Gulf.

PERSONAL AND GENERAL

TO-DAY

May 19, 1927 (New Style).

May 6, 1927 (Old Style).

Julkaada 17, 1345 A.H., of the Muslim Calendar.

Iyar 17, 5687, of the Jewish Calendar.

Lord Sinha has been elected an Honorary Bencher of Lincoln's Inn.

The Maharaja of Burdwan has arrived in London for a prolonged stay.

The Bulgarian Minister returned to London last week from Paris.

Mr. and Mrs. Hubert Martineau have returned to 7, Chesterfield Gardens, from Egypt.

The Maharaja of Vizianagram sailed on May 11 from Southampton in the *Homerick* for New York.

Lieut.-General Sir Peter Strickland left London on May 13 in the P. and O. s.s. *China* for Port Said.

Mr. H. Charles Woods has returned to 171, Victoria Street, S.W., from a visit to Yugoslavia, Bulgaria, Salonika, and Albania.

Lord Leconfield, who has been on a visit to Lord Lloyd, the High Commissioner for Egypt and the Sudan, at Cairo, is expected home next week.

Four Sikh officers, who recently arrived in London to do duty as the King's Indian Orderlies, were received by his Majesty at Buckingham Palace on May 14.

General Sir Charles Harington left York on May 15 after four years as General Officer Commanding-in-Chief the Northern Command, on appointment as G.O.C.-in-C. Western Command, India.

Commander C. Craufurd, R.N., (Ret.), a report of whose lecture to the Central Asian Society upon "The Lands of Ophir," we publish elsewhere in this issue, left London for the Yaman on May 13.

Muzahim Beg Pachachi, the newly-appointed Diplomatic Agent for Iraq in London, presented his Letters of Appointment to Sir Austen Chamberlain at the Foreign Office on May 10.

Field-Marshal Lord Plumer, High Commissioner for Palestine, and Lady Plumer, left Jerusalem on May 15, embarking on leave at Port Said, on the liner *Rawalpindi* for Plymouth. Lt.-Col. G. S. Symes, Chief Secretary, is acting as High Commissioner.

It is announced by the War Office that Major-General E. S. Girdwood, C.B., C.M.G., has been appointed Commandant (Major-General, General Staff) of the Royal Military College, Sandhurst, in succession to Major-General C. E. Corkran, C.B., C.M.G. General Girdwood was a brigade-major in Gallipoli. In Palestine he commanded the 74th Division, and since the Armistice has commanded on the Rhine, in Iraq and in Bombay.

The United Empire Circle of the Lyceum Club, with Viscountess Elibank, Mrs. S. C. Sen, and Mrs. Rose as hostesses, gave a reception on May 13 to meet distinguished Indian visitors. The guests included: The Maharani of Cooch Behar, the Rajah Saheb and the Rahi Saheba of Tehri, the Countess of Birkenhead, the Maharajah of Burdwan, the Maharaj-Kumar of Burdwan, Lady (Graeme) Thomson, Lord Headley, the Rani Mati Devi of Pratapgarh, Lord Sinha, Mrs. W. C. F. Robertson, Sirdar and Sirdarini Shitale Deshmukh, Mrs. Eccles Smith, Lady Blomfield, Sir Mahomed Rafique, Dr. and Mrs. Paranjpye, Sir Maneckji and Lady Dadabhoy, the Misses Sen, the

Nawabzada of Dehra, Mr. Justice Darvar, Mr. P. N. Tagore, Major and Mrs. Shaha, and Mr. and Mrs. Surendra Nath Mallik.

LUNCHEON TO THE IRAQ DIPLOMATIC AGENT.

Mr. L. S. Amery, Secretary of State for the Dominions, was present at a Luncheon given at the Carlton Hotel on Tuesday, May 17, by Mr. H. T. Montague Bell, on behalf of the Directors of THE NEAR EAST AND INDIA, to Muzahim Beg Amin al Pachachi, Iraq Diplomatic Agent in London. Among those present were:

Sir Percy Cox, Sir John Shuckburgh, Sir Arnold Wilson, Sir Charles Stewart-Wilson, Sir Valentine Chirol, Sir Montagu Turner, Sir Edward Manville, Colonel H. Picot, Atta Beg Amin, and Messrs. C. T. Allen, J. S. Haskell, Frederick Palmer, Percy Westacott, J. M. Wilson and A. Kenneth Williams.

After the toasts of "The King" and "King Faisal" had been honoured, Mr. Amery proposed the health of Muzahim Beg. Mr. Amery referred to the presence in London of their guest as a romance, in that from the chaos that existed but ten years ago in Iraq, a prosperous Arab Kingdom was now being built up. In reply, Muzahim Beg expressed the gratitude that all Iraqis felt towards Mr. Amery for his splendid defence at Geneva of the cause of Iraq in regard to the Mosul vilayet. He averred his belief that Great Britain was the only Power in co-operation with which a State of Iraq could be established, and promised to do all that in him lay to confirm the good relations already so happily existing between the British Empire and his own country.

We understand that Wahhabis, under the direction of the Amir of Hall, invaded Iraq recently at a point about 70 miles south of Najaf.

At a sale in London on May 11 a copy of Colonel T. T. Lawrence's "Seven Pillars of Wisdom" was sold for 400 guineas to a private purchaser.

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CORRESPONDENCE

The columns of THE NEAR EAST AND INDIA are open for the discussion of subjects of general interest to its readers. The publication of such letters must not be taken, however, as indicating that the views expressed by the writers are those of THE NEAR EAST AND INDIA.

MOSQUES IN WESTERN CAPITALS.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—I am sure every Mussalman will feel much humiliated to know that the mosque in Paris "has become the home rather of feasting and bargaining, than of worship, and its main purpose has been subordinated to making it a sensation for tourists," and that it "is being used as a restaurant, in which instead of plain Oriental fare, elaborate menus are provided."

Perhaps the custodians of the mosque are not more to blame than those Mussulmans who visit it not as a place of worship but merely as one of the sights of Paris. It is no wonder that the mosque is being used for want of worshippers for other than its intended purpose. In *The Times* Mr. Ameer Ali has issued an appeal for funds to erect a mosque in London on a scale like that of the Paris mosque, befitting the position of Islam as a world religion. I am afraid the number of regular worshippers here does not justify the erection of such a mosque. It requires no exceptional acumen to foresee that, judged from the present state of affairs, if a mosque were built on the grand scale contemplated by Mr. Ameer Ali, the London correspondent of a journal in Persia or India some day would have to tell the same tale about this mosque, as, to our great sorrow and humiliation, the Paris correspondent of the *Morning Post* has told about the Paris mosque.

Excuse me, Sir, for not agreeing with you that "for a certain section of Mussalmans who reside permanently or occasionally in England these places of worship (mosques at Southfields and at Woking) appear, however, to be insufficient." The mosque at Southfields is more than sufficient for the spiritual needs of the Mussulmans in England and can hold more people than there are Muslims in London who can get time or care to go to a mosque for the five daily prayers. It proved to have room enough and to spare on the day of its opening ceremony, when, in addition to a huge crowd attracted from all parts of London, Muslims came from places as far as Manchester, Edinburgh and Dundee to attend the ceremony.—I am, etc.,

GHULAM FARID MALIK.

63, Melrose Road, S.W.18.

MR. S. PETROFF-TCHOMAKOFF AND MISS L. DE POORTER.

The marriage of Monsieur Stoyan Petroff-Tchomakoff, Counsellor of the Bulgarian Legation in London, and Lily, second daughter of Mr. and Mrs. Edward A. H. de Poorter, took place on May 11, at the Russian Church, St. Philip's, Buckingham Palace Road, London.

The bride, who was given away by her father, was attended by Miss Marie Weiser, as train-bearer, Prince Galitzine, as page, and six groomsmen. After the ceremony Mrs. de Poorter held a reception at Ambleside, Wimbledon Park. The bride and bridegroom left for the Continent. The guests included, among others:

The Belgian Ambassador and Baroness Moncheur, the Bulgarian Minister and Mlle. Hadji-Micheff, the Estonian Minister and Mme. Kallas, the Swedish Minister and Baroness Palmstierna and Baroness Margareta Palmstierna, the Polish Minister, Prince and Princess Reginald de Cröy, the Albanian Chargé d'Affaires, Sesostris Sidarouss Bey and Mlle. Sidarouss, Major and Mme. Nerinex, M. and Mme. Martin, M. J. Windart, Princess M. Galitzine, Baron and Baroness W. Engerth, Mr. K. von Zeileissen, Dr. and Mme. Weiser, M. D. Naoumoff, M. and Mme. Viktor Braf, M. and Mme. Elias

Eztko, Count A. Bernstorff, Baron Plessen, M. E. Nelky, Marchese Pallavicini, Colonel Ostoitch, Colonel Mossberg, M. and Mme. Walter de Bourg, the Right Hon. Noel Buxton, M.P., M. Peter de Bark, Lord Justice, Lady and Miss Sargant, the Dowager Lady Boyle, Sir Edward and Lady Boyle, Sir Harry and Lady Lamb and Miss Lamb, Mr. Heber Hart, K.C., the Hon. Mrs. Stanhope Tolle-mache, Mr. and Mrs. Leland Buxton, Chevalier de Wouters, Mr. and Mrs. Guépin, Mr. and Mrs. C. Mullins, M. and Mme. Sabline, and Mr. and Mrs. Montague Bell.

THE BRITISH INDIAN UNION.

In connexion with the British Indian Union, Mrs. Wardlaw Milne held a numerous attended reception at 50, Kensington Court on May 11, "to meet the Earl Winterton, M.P., and the Countess Winterton." Mr. J. S. Wardlaw Milne, M.P., who was present, was the recipient of many congratulations on his complete recovery from his recent ill-health. Among the guests were: Viscount and Viscountess Erleigh, Lord and Lady Strathspey, the Hungarian Minister, Lady Swaythling, the Dowager Lady Cozens-Hardy, Field-Marshal Sir Claud and Lady Jacob, the Hon. Emily Kinnaid, Colonel Howard Bury, Sir Charles and Lady Yate, Mr. and Mrs. Surendranath Mallik, the Dowager Lady Boyle, Sir Muhammad Rafique, Sir Maneckji and Lady Dadabhoi, Lady (Thomas) Bennett, Sir Samuel and Lady Roberts, the Hon. Joan Grant, Sir Thomas and Lady Carey-Evans, Mr. V. J. Patel, Lady Pinhey, Sir Stanley and Lady Reed, Sir Henry and Lady Burt, Brigadier-General W. W. Warner, Mr. and Mrs. N. C. Sen, Dr. and Mrs. Webb-Johnson, Sir Henry and Lady Cowan, Sir Montague Turner, Brigadier-General Charteris, Lady Robertson, Sir Alfred and Lady Knox, Lady Tighe, Professor N. N. Gangulee, Sir Newton and Lady Moore, Brigadier-General and Mrs. Makins, Sir Frank Beaman, Sir Montague Barlow, Mr. and Mrs. Montague Bell, Mr. J. A. Madan, Sir Arthur and Lady Froom, Mr. and Mrs. Pattam, Mr. F. B. Bradley Birt, Lady Bloomfield, Lady Morgan, Sir Howard d'Egville, Sir Richard Luce, and Sir Arthur and Lady Benn.

The death of Mr. Arratoon Stephen, the wealthy Armenian who gave useful assistance to the Mount Everest expeditions, is announced from Calcutta.

Colonel Philip J. H. Aplin, D.S.O., whose death occurred on May 10 at the age of 68, served in the second Afghan War and also in the Burma campaign of 1885. He gained the D.S.O. in Somaliland.

M. Kambas, the President of the Egyptian Mixed Courts of Appeal, has resigned. This creates a vacancy in the Higher Court, and the Egyptian Government has decided to nominate M. Vriakos, the senior Greek Judge of the Lower Court, to fill it, subject to the ratification of the General Assembly of the Mixed Courts.

On the occasion of the extraordinary session of the Roumanian Parliament on May 10 to commemorate the Jubilee of the Declaration of Roumanian Independence in 1877 the Government decided to introduce the Bill for readjusting the salaries of public officials.

GUJARATI SELF-TAUGHT

(In Gujarati and Roman Characters.)

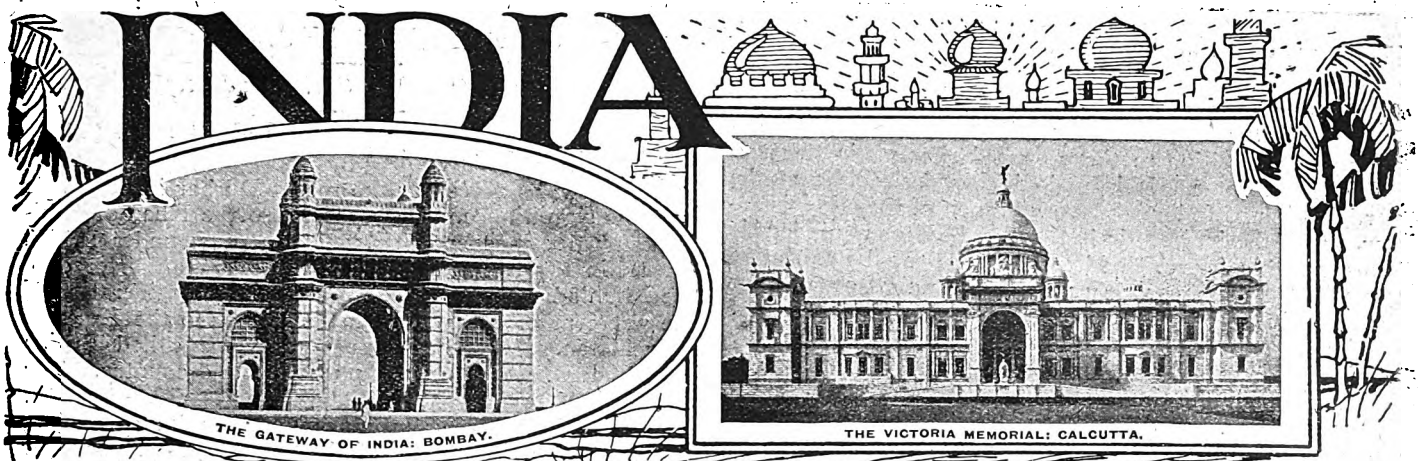
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THE ELECTORAL PROBLEM.

As the time approaches for the appointment of the Statutory Commission to examine the progress of the Reformed Constitution in India, and to consider the possibility of its extension, it is desirable to endeavour to judge whether any real advance in the proper use of representative institutions has been made. In a striking lecture delivered by Lord Ronaldshay last February, the ex-Governor of Bengal pointed out that the authors of the Morley-Minto Reforms, while aiming at the ultimate grant of responsible self-government to India by gradual stages, stated clearly their view that parliamentary government in its Western sense would be inapplicable to India and uncongenial to its people. The Government of 1917, on the other hand, while professing the same object, specifically regarded the establishment of parliamentary institutions in their Western form as the means to be adopted for obtaining that end. It was not unnatural that the members of the Government of India, themselves imperfectly acquainted with the parliamentary system, should follow the lead thus set to them. As a consequence, the leading politicians, who would, by the tradition of Indian legislative bodies, object to almost every proposal made by Government, found themselves treated as an official Opposition, with a deference that caused amusement and sometimes annoyance in the Provinces from which these politicians came. For the same reason, doubtless, the Viceroy showed the greatest reluctance in those days to exercise the power given him by the Constitution to override the vote of the Assembly, with the result that the Indian public were inclined to believe that the last argument lay with that body. Apart, however, from the desire to apply parliamentary government in a form as near to its full Western development as possible, irrespective of its suitability for Indian conditions and traditions, the Government of India had at least the excuse that the first Assembly contained many members whose views were reasonably moderate, if generally biased against Government, and who had considerable experience of the procedure of public assemblies, through their membership of the previously existing Legislative Councils.

The point for our present consideration is whether the Assembly has succeeded in so moulding or improving itself as to justify a belief that parliamentary institutions have been successfully inaugurated and can be with safety and advantage extended. It is extremely difficult for the on-looker, however friendly disposed, to see any sign of such progress or improvement. The moderate members in the Opposition have to a great extent disappeared. The leaders of that Opposition have become increasingly abusive, with the result that the members of the Government front bench have greatly reduced the amount of deference and attention which was at first yielded to their outpourings. The overruling by the Viceroy of the Assembly's vote now attracts comparatively little attention. It is generally considered that the standard of the Assembly is definitely lower than that of the previous Legislative Council.

The only section of the Assembly that has made any clear advance has been the loosely-welded Muslim group, and that only since it abjured participation in Swarajist tactics, and solidly united to further Muhammadan interests. A curious, though probably unconscious, confirmation of this view is to be found in the speech of Dr. Moonje, the President of the recent All-India Hindu Mahasabha at Patna. He said that the Mussulmans combined a better physique with greater political instinct and more independence of thought. Bitter, indeed, it must have been for the Hindus, who remembered their old leaders among the Bengalis and Deccani Brahmins, to find their spokesman admitting the superior political sense of the followers of the rival religion. The strength of the Muhammadans is, however, based on a strongly stressed communalism, which Dr. Moonje described as a state of perpetual civil war, and which is certainly not compatible with successful parliamentary government.

It was clearly stated by those responsible for the reforms foreshadowed in the declaration of 1917 that the first period should be purely transitional, and Lord Ronaldshay pointed out, in the lecture already referred to, that Parliament reserved the power to modify the changes to whose introduction it had given sanction. There is, therefore, no pledge that any changes that may in future be made should be in the direction of following Western institutions still more closely. Such institutions, so far as they depend on the election of the popular representatives by a mass of uneducated voters, have proved a failure, or a farce, in every Eastern country. Possibly even the Mediterranean countries might without injustice be included in this statement. Such methods of election present peculiar drawbacks in India. The electorate is, to an exceptional degree, uneducated and ill-informed: it is also exceptionally swayed by sectarian or racial feelings. Men of good family are to an exceptional, and possibly to an excessive, extent susceptible on the point of personal respect and dignity. They are becoming increasingly unwilling to face the personal abuse and the solicitation of votes, which are unfortunately inseparable from an Indian election. If the natural leaders of the people stand aside, a lowering of the standard set by individual representatives becomes inevitable. Meanwhile, overshadowing everything, is the communal question, which has become intolerably acute. The proposals put forward by certain Muslim leaders, at the close of the last session of the Assembly, for the institution of joint electorates upon certain terms and conditions do not appear to be meeting with the support that their sponsors may have anticipated. From the beginning the terms proposed were far from receiving the unanimous approval of the Muslim community. The Working Committee of the Congress, it is true, has expressed its cordial appreciation, but that body, as at present constituted, is by no means representative of Hindu feeling as a whole, although it claims to speak for all the peoples of India. The Hindu Mahasabha, at the session to which we have referred, was not, for example, disposed to accept the Delhi proposals as they stand and went so far as to say that any decision on the part of the All-India Congress Committee, which

meets this week, at the present stage would be premature and harmful. In expressing that view it emphasised the fact that the proposals have not been endorsed by the Muslim community; and other objections were also raised, including opposition to the proposed changes in the provincial electorates. It is undoubtedly desirable that the participation of Indians in every branch of the administration should be increased; but, as Lord Lytton reminded his hearers in his farewell address to the Bengal Legislative Council, "So long as either community aims at utilising the machinery of the Constitution for the purpose of dominating the other, the antagonism will not merely persist but increase." How best to frame a Constitution which will facilitate the organisation of parties on political rather than communal lines, and, while safeguarding the due representation of all communities, especially those which are in a minority, make all the representatives answerable to a mixed rather than to a communal electorate was a problem to which he invited specific attention. For our part we consider that it is a matter for serious consideration whether the object in view could not be best attained by a system of indirect elections, and nomination by public bodies. Lord Lytton anyhow rightly interpreted the facts of the situation which will confront the Statutory Commission when he frankly stated that "while all parties in India desire the main principles of the British Constitution to be applied in this country as nearly as possible, no Constitution is likely to be acceptable which proceeds on the assumption that the political conditions in India are similar to those which exist in Great Britain and, equally, no Constitution is likely to work well which is based more upon an abstract political theory than on a study of the actual political conditions of the country."

CURRENT TOPICS.

The Church in India.

The publication of the draft Indian Church Measure and the Indian Church Bill, together with the draft statutory rules proposed to be made if the Bill passes into law, marks a definite stage in the efforts that have long been made to obtain autonomy for the Anglican Church in India. An interesting article from the pen of Canon Fisher, of Lucknow, who has been actively associated with the Metropolitan and the Bishop of Bombay in the preparation of the detailed proposals, which appears in another part of this issue, explains why the Measure is necessary, and answers—not for the first time—many of the objections that have been taken to it. In the ordinary acceptance of the term there is no established Church in India. An Ecclesiastical Establishment is maintained for providing religious ministrations, primarily, to British troops and, secondarily, to the European Civil officials of Government and their families. Seven out of the eleven Anglican Bishops in India are officers of the Establishment, though their episcopal jurisdiction far transcends the limits of the Ecclesiastical Establishment. The exceptions are the Bishops of Chota-Nagpur, Tinnevely-Madura, Travancore-Cochin, Dornakal and the Bishopric of Assam. The stipends of the three Presidency Bishops are paid entirely by Government and they hold an official status which is clearly defined. The Bishops of Lahore, Lucknow, Nagpur and Rangoon enjoy the stipends of Senior Chaplains only but their episcopal rank and territorial titles are also officially recognised. The passing of the Measure will mean that the present Church in India will be free from the jurisdiction of the Church of England, and will be able to ordain its own priests, consecrate its own Bishops and, if it so chooses, prescribe its own liturgy, using the word in its wider sense. The draft Measure will be considered by the National Assembly of the Church of England this summer, and the Bill was read a second time in the House of Lords on Tuesday.

CALCUTTA LETTER.

(From Our Own Correspondent.)

Calcutta, April 28.

Lord Irwin and Baluchistan.

Lord Irwin's speech at the recent Durbar in Quetta is of some significance. Fifty years ago the Khan of Baluchistan ruled independently. Quetta came under British control in 1877, and for some time it was administered on the Khan's behalf, to be annexed later in consideration of the payment of a certain sum, annually, to the Ruler of Baluchistan. It formed a new province called British Baluchistan. It is the best portion of the country. The rest is still ruled by the Khan under British control. Quetta has been turned into an important military station, and the vulnerable points of the North-Western frontier are well guarded against a possible Afghan or Russian invasion. The sudden visit of Lord Irwin to Quetta has given rise to much speculation. His Excellency said that Quetta was one of the historic places of the Empire, and that "it was destined to play a part in the history of the North-West Frontier." He also alluded to "the peace which brought warfare (in Europe) to a close," but was "a false dawn of peace for the frontiers of India." Other references in Lord Irwin's speech would seem to indicate that the Baluchistan people are not quite reconciled yet to the loss of their freedom. Beside its strategic position, Baluchistan offers tempting riches in the shape of minerals and oil springs, sulphate of iron and aluminium (bauxite). They explain and justify British anxiety.

New Governors Appointed.

Sir Charles Innes, whose work as Commerce Member will be remembered on account of the protective duties he has introduced, has been appointed Governor of Burma, to succeed Sir Harcourt Butler. The other new Governor is Sir Alexander Muddiman. He succeeds Sir William Marris as Governor of the United Provinces. Both are K.C.S.I., C.I.E., men. It is said that the announcement was received with satisfaction in Simla; but, on the other hand, it is rumoured that Burma would have preferred a Governor straight from Home. The *Statesman* remarks that "whether a man is a good or a poor Governor is determined, not by his origin, nor by the fact that he is fresh from England or tanned by thirty years or so of service in India. Given the right spirit, the man from the Indian Civil Service is just as likely to make a success of his Governorship as is the European-trained politician, who has to spend the first years of his stay studying the strange conditions in which he finds himself." It is probably thought that the man straight from England will be more enthusiastic. Sympathy and zeal seem to disappear in proportion to the number of years one remains in India—or in Burma. Sir Alexander Muddiman has been closely associated with the reforms. His task as Home Member has not been an easy one.

Indian States and Reforms.

There was lately an announcement that a new journal, devoted to the interests of the Indian Princes, was about to make its appearance in Delhi, financed by the Native Rulers, among whom the Maharaja of Patiala figured with a subscription of several lakhs of rupees. This, however, was promptly denied by the interested parties. There is, none the less, a movement afoot to safeguard the interests of the States, in case there is a constitutional revision. The date on which the Royal Commission will visit India is not fixed as yet, but Professor Rushbrook Williams, Foreign Minister to the Maharaja of Patiala, and Colonel Haksar, a member of the Gwalior Council, are shortly proceeding to London. A Conference of Princes for the discussion of important political questions will soon open at Jannagar. Another will take place at Simla in May, regarding the production and consumption of opium. The Government of India have found that, while they can account before the League of Nations for every ounce of opium grown and used in India, they are not so sure of their facts where the Indian States are con-

cerned. From speeches recently made by the Maharajahs of Bikanir, Benares, and Kashmir, it seems clear that the Princes intend to play a more active part in the constitutional and political evolution of India, and to assert themselves more definitely than they did when Mr. Montagu paid his famous visit to India, and when the Duke of Connaught inaugurated the New Councils.

The Bengal Detenus.

There is much ado in the Indian Press this week about the *détenus*. It is alleged that some are confined in unhealthy jails, whilst others are left in huts surrounded with jungle, at the mercy of tigers and snakes. From the reports in the papers, it appears that the Bengal prisoners, who have not been tried, are scattered all over India, and are constantly transferred. Mr. Subhas Bose, in a lengthy and not altogether dignified letter, has declined the offer of Government. He is not prepared to exile himself indefinitely, and he pleads perfect innocence. His health is giving anxiety to his friends, and he has again been removed to Insein Central Jail. If he cannot be persuaded to go to England or to Switzerland, he will probably be transferred to Almora Jail, or to Bangalore or Ootacamund Jail. One of the other *détenus* died a few days ago. He was stricken with paralysis whilst in jail, but the authorities did not think necessary to inform his friends and relatives. After that the unfortunate man had small-pox. He was then removed to the hospital, where he died a few days after his admission. Another is getting blind, and a third, a mere boy, is said to have been forced to live in a hut, alone in a large area, far from any other habitation; a maddening ordeal, it is said to be. Some say that the idea is to make the most of the Indian's tendency to abandon hope in this life, and cultivate an ascetic mind, which will end, as it ended in the case of Arabindo Ghose, in the nation losing her most energetic champions. So the papers say. What truth there may be in it all we shall learn by and by.

Boycott of British Goods.

One of the resolutions passed at the Bengal Provincial Conference at Howrah (Maju) runs as follows: "That, as a measure of effective protest against the continued detention of the political prisoners, without definite charge and fair trial, the adoption of a vigorous programme of boycott of all British goods be urged." The boycott idea was taken up twenty years ago, and has given some lasting results, though it has not been carried out with the intensity and persistence demanded by the leaders. Opinions differ in the local Press as to the wisdom and utility of the measure. The *Bengalee* says that the distinction between British and foreign goods is a foolish idea put forward, periodically, by impractical minds. Besides, the boycott of all British goods at once cannot be done. Are the lawyers ready to give up their fat incomes to obey the non-co-operation orders? Are the papers prepared to run their show without advertisements of British goods? Are the *khaddar* patriots capable of making *khaddar* marketable without the help of foreign machinery? Are student-patriots to be blamed for reading from English books, and paying fees to secure British degrees? Can all those who deal in English goods be penalised? Will they become political untouchables? (They may sell European *khaddar*, which is the name for the coarse material called homespun, and none will be the wiser.)

Here and There.

As previously announced, Mrs. Annie Besant's paper, *New India*, has made its reappearance in Bombay as a weekly. Whatever Mrs. Besant's faults may be, she is a vigorous exponent of Indian thought and a great lover of India, and her sacrifices for this country cannot be questioned. The Indian public have hailed the new paper with delight.

By the removal of one and a half million pounds from sterling securities and currency reserve, the Indian Merchants' Chamber maintain that Government's action is against the provisions of the Currency Bill. It lays down the rates at which the currency authority shall buy or

sell gold or gold exchange. The Chamber notice that the currency authority has effected such deflation on the basis of 1s. 6d. per rupee, and they would like to know the section of the Act which authorises it.

Comrade Saklatvala has left a message. He wants India to be a country where one man lives with another and not upon another. There is something in that, but it applies to many countries. The striking part of his parting message is his parable of the vicious circle—by it he explains why poverty is incurable in this system of society: "Old rags and old books make paper; paper is sold and thus makes bank-notes; bank-notes are put in banks and lent out for interest; that interest is the cause of poverty, if only one thinks of it for a moment; then poverty, again, means rags, and rags mean paper, and so forth. Rags mean poverty, poverty means rags, no matter what the colour of the notes is." He told the peasants that they are the producers of all wealth, and that they should not part with real wealth for so fictitious a wealth as paper that does not even represent sanitary houses and the necessities of life. The remotest origin of wealth, he added, is labour. It is not only the rich who pay revenue—indeed, the best part is paid by the toilers. Then he blamed those who say that "religion teaches them that poverty is desirable."

Sir J. C. Bose, in a Press interview, said that one of the most serious drawbacks to research work in India was the attempt at slavishly copying foreign methods. Conditions in India are quite different, and India must evolve her own way of tackling all her problems. He said that all the instruments in his Institute were made specially for the purpose they were serving. There is nothing ready-made there—nothing could be.

Professor Indra, the son of the murdered Swami, upon Mr. Saklatvala's suggestion, has sent a petition to the Viceroy to obtain the pardon of his father's murderer. And, naturally, he has been adversely criticised, but many hold that his conduct is worthy of his venerable father's memory, and sets a good example.

Useless to say that amusements are scarce in the hot season. A company of heroic men and women have consented to cater for the rare theatregoers. The Revue is funny enough. It includes a skit in which Madame goes to the Palais de Danse, while Monsieur remains at home to mind the baby, a rather stale story. Another company is announced. They will give popular London successes, including "Fallen Angels." The title is enough! "Bluebeard's Eighth Wife" (it is too hot for this, really) and "Half a Loaf," probably meaning that it is better to have some sort of play acting than none at all. Poor Calcutta! The cinemas announce ten-year-old films. The stalls are empty, and the Indians only pay four annas. What is to be done?

THE CHARM OF ASSAM.

An interesting paper on Assam, "The Cinderella of the Indian Empire," was read before the Indian section of the Royal Society of Arts on May 6 by Mr. B. C. Allen, C.S.I., late Commissioner, Assam Valley Division. Sir Edward A. Gait, K.C.S.I., C.I.E., Member of the Indian Council and Chairman of the Indian section, presided. Mr. Allen dealt very comprehensively with his subject, and showed a number of excellent lantern slides illustrating the life, the scenery and the industries of the province. Confining his remarks more especially to events of recent years and in particular to the charm that hangs about Assam—that land of witchcraft—the lecturer continued:

"Take a lump of dough, press down into it the two forefingers and the thumb of the left hand, keeping them well spaced apart, and you will have a very fair replica of Assam. The province consists of the Assam Valley, the Surma Valley, and the intervening range of hills, the hills to the south and east which link us up with Burma and the native states of Manipur. Two valleys and some ranges of hills, that sounds a small affair, but, as a matter of fact, the area is about the same as that of England and Wales.

The Assam Valley is what is known in the Highlands as a corrie, for it is surrounded on three sides by hills. But it is a corrie of colossal size. It stretches as far as from Dover to Edinburgh, has an average width of about 50 miles, and some of the hills that shut it in are over 20,000 feet in height.

Down the centre of this majestic valley flows the Brahmaputra, a river which still retains some of the charm and attraction which belong to the unknown. For though it is certain that it is identical with the Tsanpo of Tibet, no civilized man has ever followed its entire course through the Himalayas. Where it leaves the hills it is known as the Dihang, and it is only after the Luhit has joined it from the east that it is styled the Brahmaputra. Near Sadiya, the river is of extraordinary beauty. Wide enough to be like a narrow loch, the view on three sides is bounded by mountains whose snowy tops in winter gleam brightly in the sun. Further west it stretches out over its sandy strath, but throughout almost the whole of its course the hills are visible, on a clear day, generally on either side. The immediate foreground, as a rule, is flat, but this detracts little from its majesty. In the rainy season I have known it so wide that on a stormy morning neither bank could be seen from the steamer's deck, though we were hundreds of miles up-stream from the sea. If you travel at that time, as I have often done, in a steamer of but modest size, you acquire a very wholesome respect for the river's power. When evening falls you anchor in the lee of some small sandbank and watch the enormous flood sweeping along carrying trees and huge masses of reeds and grass upon its bosom. The bank is possibly a mile or more away, low rain clouds shut in the horizon, and you hope that they will not discharge a sudden squall which might upset your rather cranky craft. This is no impossible contingency, for only a few years ago one of the large river-steamers was blown over with dreadful loss of life.

Near the river the land as a rule is low and is covered with reed jungle, much of which has in recent years been taken up by hardy immigrants from Bengal, who are trained to snatch a living from places which an up-countryman would consider to be quite unfit for human habitation. Further back the level rises and there are wide plains covered with rice, and dotted over with villages buried in clumps of bamboo and fruit trees, with tea gardens or forest stretching, often for miles, over land which is too high for transplanted rice. Near the Himalayas there are grassy plains, the home of the partridge and the florican.

But the great glory of Assam is its mountains and its rivers. Over the Assam range one can travel: the Himalayas offer the continual temptation of the unexplored and the unknown. During the winter the hill tribes come down, Bhutias, Tibetans from Towang, Akas, Daflas, Miris, Abors, Mishmis, and so on round the eastern end of the valley through Khampis and Singphos, and the independent head-hunting Nagas, till we reach the administered Nagas of the Assam range. Curious folk are they, who might have walked straight from the stage of the pantomime or a fancy dress ball at Covent Garden. Decent people for the most part but absolutely independent. They know that a strong government, whether our own or that of the Ahoms in the zenith of their power, can follow them into their rocky fastnesses. But they also know that this is a very costly and a very difficult proceeding, that there is no possibility of getting any compensating advantage, and that no Government will embark on such an unsatisfactory undertaking unless driven to it by the severest provocation. In time, no doubt, we shall be compelled to occupy the unadministered territory between Assam and Burma. But successive Secretaries of State have rightly shrunk from adventures north of the Brahmaputra. The tribes occasionally give trouble in the plains, but if you push your frontier into the hills you will have trouble there, and the further north you go the greater will your difficulties be."

(To be continued.)

THE INDIAN CHURCH MEASURE.

BY THE REV. CANON F. H. B. FISHER.

The constitutional development of the British Empire may be compared to the process of dividing off bulbs from the parent stock. As each Dominion has arrived at that stage of growth when it begins to be cramped by its close connexion with the mother country, it has been set out with legislative and administrative room for its own natural development. And, with the *differentia* resulting from local conditions, it has in every case proceeded to grow true to type: the history of the last fifteen years has abundantly proved that. In effect, exactly similar has been the process of development in the Church of England in those Dominions: the Church in Canada, South Africa, Australia and elsewhere is autonomous but still in full communion with the Church of England; so that the decennial meeting of Bishops, known as the Lambeth Conference, is a Conference and not a legislative body, parallel to the Imperial Conference.

It is now just fifty years since the Church in India, through its Synod of Bishops, expressed the desire to attain the power to control its own affairs; but when in 1912 a representative Assembly in Calcutta, called for the purpose of considering the question, resolved on taking action, it was found that it was legally impossible for the Church to set up the legislative bodies that it desired. The passing of the Church of England Assembly (Powers) Act in 1919, however, put a new complexion on the matter, providing the means through which it seemed that the Church could be given its freedom. The question was taken up again and for seven years the details of the proposals have been thrashed out thoroughly in Diocesan Councils and in the central Provincial Council, on all of which the laity are strongly represented, and every such body has expressed its approval of the suggested procedure. The result is a petition from the General Council of the Church in India to the National Assembly of the Church of England asking the latter to pass a measure giving autonomous powers to the Church in India. Meanwhile the negotiations which had been carried on with the India Office showed the necessity that some parts of the legal provisions should be effected by a Bill in Parliament: this is the Indian Church Bill introduced into the House of Lords by the Secretary of State for India on May 10.

The necessity for action lies partly in the confusion and doubt inherent in the present situation of the Church in India. Lawyers are simply unable to say exactly what the law is which now governs the Church there. The *hexus* between the Church in India and the Church of England is in the Letters Patent of the Bishops which enjoin them to administer "the ecclesiastical law of England"; but whether that is the law as it was in 1813, or in 1833, or at the date of the Letters Patent to each Bishop, or as it is now, is a question which legal opinion fails to decide; though it is generally agreed that it is not the last, so that, for instance, the new Prayer Book, if passed in England, would probably be illegal in India; and there would be no way of making it legal. The result of this state of uncertainty, and of the sheer impossibility of observing much of the English ecclesiastical law under Indian conditions (even in English congregations), is that much of it is disregarded either with or without the definite (but, of course, strictly speaking illegal) sanction of the episcopal synod. Moreover there are administrative things which cry out to be done but which it is impossible to get done, such as the division of dioceses or the provision of forms of worship more suited to the genius of the country. By curiously anomalous methods some absolutely necessary divisions of dioceses have been with difficulty achieved for practical purposes: the English Book of Common Prayer of 1662 remains the only manual of worship, translated as it stands into the various vernaculars, which can be used by the various races included in the Indian Church. And, apart from the

essential urgency of the need, there is an urgency in the matter of time and opportunity; for the Government of India Act of 1919, and all that it involves in the present and the immediate future, makes the relation of church and State in India increasingly difficult and the negotiations between the two, which the drafting of the present Bill and Measure have required, quite uncertain at any future date.

The effect of the Indian Church Bill is to repeal such parts of the Government of India Act as refer to the legal union of the Church in India with the Church of England, to annul the Letters Patent under which Bishops have been appointed by the Crown and to provide that no such appointments shall be made in the future: it also makes arrangements for the legal passing of the property of the Church as it is now to the Church as it will be, and for the continuance of the present practice of the provisions of chaplains and churches by Government for the British-born servants of government.

It has not been without long and careful discussion and some controversy that the Church in India has finally agreed on this step. The opposition that there has been is due not only to that natural distrust of change of any kind which is in some men, such as many years ago inspired opposition in Canada to the first proposals for autonomy of the Church there, but to definite peculiarities of the position in India. There is an element of embarrassment in the fact that the British-born community in India is numerically a minority, and increasingly so, in the Church of the country; and that has led to special and very carefully drawn provisions for the securing to them of ecclesiastical ministrations of the kind in which they have been brought up. There is a clause in the Bill allowing for rules to be agreed upon between the Metropolitan of India and the Governor-in-General on this subject, and the draft of these Statutory Rules, which has been issued, contains provisions which have received the approval of practically all those whose distrust of the proposed Measure had been expressed, and make it impossible that the Church in India—even in the very remote contingency of its wishing to do so—should deprive British residents of these services of the Church to which they are accustomed.

Actually the position of the laity in the Church will be much stronger and more influential than it is now, whether in India or in England. Not only are they fully represented by election on all the Councils of the Church, but it is they and not the clergy with whom will rest the decision as to the particular form of authorised service which will be used in their own church, and the Prayer Book of the Church of England will always be one (and for many years the only) alternative.

The fears for the future which have found expression among English people in India have largely been based on their experience in matters political. It may surely be doubted whether the implied analogy is a true one. The Indian Christian is much more closely bound up with his fellow-Christian of different nationality than is the Indian politician with what he regards as the ruling race of foreigners. The two or three almost purely Indian dioceses have already expressed with striking emphasis, by resolution of their diocesan councils, their desire that their British fellow-Christians should be deprived of nothing of their natural heritage of use and custom. And experience shows that the English-speaking Indian Christians, who may in some places become a majority in English-speaking congregations, are the most conservative of people in their religious tastes.

In the most essential things, doctrine, worship and moral standards, the connexion with, and influence of, the Church of England will remain as strong as it is now, so long as clergy and people continue to pass from England to India; while the Church there will be relieved of the real danger of subordination to an increasingly non-Christian government, and will be free among the Indian peoples to become more and more the natural home of their spirit and the expression of their religious instincts.

INDIA IN PARLIAMENT.

BY SIR FRANK NELSON, M.P.

A propos of the present campaign for National Economy a group of Members, discussing the cost of Questions to the Government, recalled one which some time ago found its way into the Order Paper inquiring as to the number (and cost of upkeep) of locks in the Suez Canal!

I instance below a few examples of the thirst for information about India on the part of Socialist Members of Parliament, and, although I do not wish in any way to be taken as holding up to ridicule this desire for knowledge, I am emphatically of opinion that the cost of compiling some of the replies to queries of this nature must be out of all proportion to their value.

Mr. Lansbury was anxious for Lord Winterton to tell him if H.M.'s Government had received any requests to constitute the Andhara-Telegu districts of Madras into a separate province.

The same gentleman wanted information as to a Buddhist monk who was in prison pending prosecution for sedition. Lord Winterton in this case, however, stated he could not oblige with the details.

Mr. Baker wanted to know if the India Office, in order to increase the purchasing power of the Indian people, was prepared to consider financial proposals to provide irrigation and sugar-crushing machinery on loan to approved Co-operative Societies and local committees.

The textile districts are uneasy over the momentarily expected report of the Indian Tariff Board, which was reported in the Press to have recommended an increase from 11 per cent. to 15 per cent. in the import duty on certain classes of cotton goods into India.

It was officially denied in the House on May 11 that the report had up to then been published, but it may be expected any day now.

It is earnestly to be hoped that simultaneously with publication of the Board's recommendations, the decision of the Government of India in regard to the same may be promulgated, for it is obviously in the interests of the textile trades, both in India and in Lancashire, that they should know as soon as possible whether or not any change in the tariff rates is to be effected.

It would be premature, and, possibly, mischievous, to animadvert at this juncture as to the commercial and political effect of any such duty as is rumoured, but it may be mentioned that the improvement in the Lancashire piece-goods trade, which was noticeable some months ago, has unfortunately not been maintained, and reports are at present the reverse of cheerful.

It is generally assumed—with what accuracy I cannot say—that the conference of the Indian Princes in Simla has to do chiefly with the position of the Princes in the light of such constitutional reforms as may possibly be recommended by the Statutory Commission. This is indubitably a matter of first importance, and by no means the least of the many problems which will confront the Royal Commission. The independence of the various Native States is, quite naturally, a very prized possession of their rulers, and a privilege very rarely abused.

Since I last commented on India in Parliament, the House has been almost wholly occupied with the burning question of the moment—viz., the Trades Union Bill—and circumstances have so combined as to render it necessary for me to pen these few lines after having sat in the House from 2.45 p.m. on May 12 until shortly before 4 a.m. on May 13th, debating this controversial measure.

It is, in this connection, therefore, interesting to note that in a few weeks an Act will come into force in India providing for registration of Trade Unions in British India, and it is doubly interesting inasmuch as the Indian Act lays down that the constitution of a separate political fund shall be permissible, but expressly provides at the same time that no member shall be compelled to contribute to that fund.

INDIAN MAIL.

Life Insurance in India.

The impending revision of the Indian Life Assurance Act of 1912, in the light of the valuable experience gained during the War and post-War periods and the recommendations of the Committee which has just concluded its inquiry into the working of the corresponding English legislation, invests with more than ordinary interest the latest annual report of the Government Actuary on the administration of the Indian Act in 1926. Since the Act was passed, out of the 86 companies constituted in India which have become subject to its provisions a third have gone into liquidation, either by reason of the excessive costs of management, or on account of the depreciation of investments. It is not, therefore, surprising to find that a vigorous plea is advanced for the more economical conduct of life insurance business in that country. The oldest of the existing Indian companies are the widows' funds established nearly a century ago by Christian missionaries in Madras and the United Provinces. Some of the widows' and pension funds for Government servants were started at an even earlier date, but they have received exemption from the operation of the Act. Of the 57 companies now in existence roughly one-third are mutual and two-thirds proprietary institutions, the oldest of the former being the Bombay Mutual, founded in 1871, while the Oriental, also of Bombay, which dates from 1874, is the oldest Indian proprietary company transacting ordinary life insurance business. It was not until the Swadeshi boom of 1906 that proprietary companies were started in Bengal and the report draws pointed attention to the fact that "several of the pioneers succumbed to the temptation of paying too heavily for new business or adopted other reasoned methods of conducting their affairs, with the inevitable result that nearly half of them had to go into liquidation within a few years of their establishment." Of the many Calcutta companies now remaining a few still conduct their business, Mr. Meikle adds, "at a dangerously high cost, but an enlightened public opinion is growing up to expose the evil of extravagant management."

India has to buy her experience, as in other fields of financial organisation, and in the sphere of insurance, *Capital*, the Calcutta journal, observes, "there is evidence of a gathering momentum, the total life assurance income of Indian companies in 1925 standing at 298½ lakhs, compared with less than 219 lakhs in 1921." Since the end of the War, to return to the Actuary's summary, "there has been an increase of over 90 per cent. in the total income and over 70 per cent. in the life insurance funds. Both the income and the funds have, however, more than doubled since the Act was passed in 1912." The average rate of annual premia payable under the policies is nearly 5½ per cent. of the sum assured. This is much lower than the corresponding rate in the case of companies operating in England, the difference being, no doubt, partly due to the fact that endowment assurances constitute a larger proportion of the policies issued by Indian than by British companies. Dividends paid out of life assurance funds have risen to a little over 3 per cent. of the sums paid as claims to policy-holders. Before the Act came into force nearly all the proprietary Indian companies were in the habit of paying dividends to their shareholders, irrespective of whether or not their life assurance funds permitted of the distribution. Now no dividend is ever paid by any company out of its life funds except out of profits ascertained by an actuarial valuation of its assets and liabilities. Consisting mainly of stock exchange securities, the aggregate net value of the former, returned at 10.42 crores, shows an increase of about a crore upon the corresponding total of the previous year and the new sums assured, under ordinary life policies, rose during the same period by the record figure of over 8 crores to 47 crores.

NEWS IN BRIEF.

The Government of India (Indian Navy) Bill passed its third reading in the House of Lords on May 12. The measure does not, however, come into operation until certain consequential legislation has been adopted by the Indian Legislature.

Mr. V. J. Patel, President of the Legislative Assembly of India, and Joint-President of the affiliated branch of the Empire Parliamentary Association in the Central Legislature of India, has left London on a visit to Dublin and Belfast and will return to the National Liberal Club on May 22.

Lieutenant-Colonel H. B. St. John, C.I.E., C.B.E., Agent to the Governor-General in the Punjab States, has been appointed to succeed Mr. F. W. Johnston, C.S.I., C.I.E., as Agent to the Governor-General and Chief Commissioner in Baluchistan.

Dr. Malan, South African Minister of the Interior, according to a Reuter message from Cape Town, has sent a telegram to Mr. Srinavasa Sastri expressing great satisfaction on behalf of himself and his colleagues at the appointment of Mr. Sastri as Agent-General for India in the Union of South Africa.

India has defeated Spain in the first round of the Davis Cup Lawn Tennis Competition by three matches to two. In the second round against Czechoslovakia India will be represented by Dr. A. H. Fyzee, Dr. A. A. Fyzee, and Mr. K. Prasada.

In reply to a question in the House of Commons on May 9, the Under-Secretary for India said the plans of the new India House in London were being prepared, and it was hoped that work would be started before the end of the year. It was not anticipated that the building would be ready for occupation before the year 1929.

In the House of Commons on May 9 Earl Winterton stated that the estimated total cost of the curtailed programme in connexion with the Bombay Back Bay Reclamation Scheme was Rs.6½ crores, of which Rs.5 crores had been incurred up to March 31, 1927. Replying to a supplementary question, he added that he could not say when it was anticipated that the whole of the work would be completed. Some had already been completed.

Earl Winterton, Under-Secretary for India, replying in the House of Commons on May 9 to an inquiry by Mr. Lansbury (Bow and Bromley, Lab.) about the health of Mr. Bhose, one of the prisoners detained under the Bombay Ordinance, said:—I have no very recent detailed information, except that, since his examination in February by two doctors disclosed the possibility of early tubercle, Mr. Bhose's health has unfortunately not improved. In consequence it has been decided to transfer him from Burma to Almora—the best climate in India for tubercular patients—and he was to leave Rangoon last Saturday. The Governor of Bengal is arranging for a special medical examination by his own surgeon and a physician of the Medical College when Mr. Bhose passes through Calcutta.

A later message from Calcutta, dated May 16, states that as a result of the examination the Bengal Government has decided to release Mr. Bhose "in order that he may be free to proceed with his treatment unhampered by any restrictions as to any place he may select."

General Sir Charles Harington, who is leaving shortly to take up the Western Command in India, and Lady Harington were the recipients of a magnificent Milan casket of embossed antique leather from the directors and workers of Rowntree and Company, Limited. Striking tributes to the Viceroy and Field-Marshal Sir William Birdwood, the Commander-in-Chief in India, were paid by Mr. B. S. Rowntree, recently returned from a visit to India, who made the presentation. On behalf of the police force the Lord Mayor of York afterwards presented General Harington with a gold-mounted fountain pen.

THE NEAR EAST AND INDIA regrets to announce the death, which occurred at Wimbledon Cottage Hospital on May 10, as a result of an accident, of Mr. Francis Guy Selby, C.I.E., LL.D. Mr. Selby, who was in his 75th year, was appointed to the Indian Educational Service in 1877 and, except for two brief periods during which he officiated as Director of Public Instruction in Bombay, spent practically the whole of his service at the Deccan College, Poona, which became during his principalship one of the foremost educational institutions in the country. He was created C.I.E. in 1908 and retired from the Service in the following year.

A Reuter telegram from Peshawar states that Gul Akbar, the Afridi, who with four others is alleged to have taken part in the murder of Mrs. Ellis and the abduction of her daughter at Kohat in 1923, has been arrested.

Commercial and Financial Section.

NOTES AND NEWS.

170, Strand, London, W.C.2,
Tuesday Morning.

Oil in Iraq.

The recent statement by King Faisal, to which I have already referred in these columns, with regard to the prospect of a pipe-line from Iraq to the Mediterranean may possibly have aroused hopes of promising oil developments in Iraq outside the Naft Khana area. In answer to a question in the House of Commons this week, Mr. Amery threw a cold douche on such expectations. "As far as concerns the concessions of the Turkish Petroleum Company," he said, "oil has not yet been discovered in paying quantities in the vilayet of Mosul or any other part of Mesopotamia." There has all along been a doubt as to the nature of the Mosul oilfields, but, of course, the fact that up to the present oil has not been discovered in paying quantities, while it is naturally disappointing, is not in any way conclusive or final. The exploration of a vast oil area is a matter which must be expected to take a considerable time. All that Mr. Amery's statement does mean is that if the construction of a pipe-line should be determined on in the near future it will be solely on account of the Naft Khana area, and should this development take place it is scarcely necessary to emphasise the significance which would attach to it as pointing to the richness of the oil deposits in that area.

Trade of the Sudan.

The figures of the trade of the Sudan for the first two months of this year, while showing a considerable improvement as regards volume, are at the same time disappointing in a sense, for their increase is wholly in the value of the exports and the imports show a decline, reflecting the continuance of the adverse commercial conditions which have persisted for so long. Turning to the figures, the volume of trade was £E2,027,224, an increase of £E222,812. The value of the imports was £E875,115, a decline of £E92,611, comprised of Government imports £E336,290 as against £E409,104, and public imports £E538,825 as against £E558,522. The value of the exports, however, shows an increase of £E318,484 at £E1,093,150, which, of course, bears tribute to the importance which cotton now plays in Sudan commerce. It must be pointed out in connexion with this increase that the value of cotton per kantar was much lower than for the corresponding months of 1926.

Anglo-Egyptian Oilfields.

In 1926 there was a decline in the net production of the Anglo-Egyptian Oilfields from 175,758 tons to 169,211 tons. This was due, the report states, to the fact that the production from the six wells completed during the year did not offset the decline in the older wells. Further work was carried on in the Ashrafi area, but without success, and the prospect of obtaining commercial production from this area is now regarded as very doubtful. The company has spent large sums in the past in testing every oil producing possibility in Egypt, but with disappointing

results, and the directors have now deemed it their duty to look further afield, and have formed a subsidiary company, called the Red Sea Petroleum Company. A concession has been acquired by this concern in respect of the Farsan Islands, granted by the Ruler of the Idrissi, in whose territory they are situated. The geological reports received are stated to be sufficiently promising to warrant the drilling of a test well, and it is hoped that drilling will be begun this month. As regards the results of the year, the net profits amounted to £245,136 as compared with £244,098 for 1925 and £176,609 for 1924. The dividend on the "B" shares is maintained at 12½ per cent., leaving £249,491 to be carried forward, subject to taxation.

Burmah Oil Dividend.

The preliminary statement of the Burmah Oil Company, which was issued at the end of last week, shows that the past year was a highly satisfactory period for the company. A net profit was made, after allowing £491,254 for depreciation as against £488,609 last year, of £2,502,818, which compares with £2,404,958 for the previous year. A dividend is recommended of 4s. per share, making 6s. per share as against 7s. for 1925, but the capital has since been considerably increased by the capitalised bonus of 33½ per cent. which was distributed in 1926, so that this year's dividend actually marks an increase in the distribution. The allocations include £200,000 to the general reserve as against £292,580, £20,000 to insurance reserve, and £150,000 to fields expenditure equalisation reserve. The carry forward will now be £453,469, which compares with £395,903 last year and £302,340 for 1924.

The Cotton Outlook.

It is difficult not to regard the recent upward trend of cotton prices with a certain amount of misgiving, for it cannot be too strongly emphasised that it lacks the firm foundation of a marked development in the consumption of cotton goods. There is, unfortunately, no doubt as to the effect of the Mississippi floods, but even if it be assumed that the yield from that area this season is negligible, the American crop should still be sufficient for requirements on the present basis. If, however, there is an expansion in the demand of a general nature—and it may be pointed out that there have been encouraging signs of late in some of the important outlets—then the position

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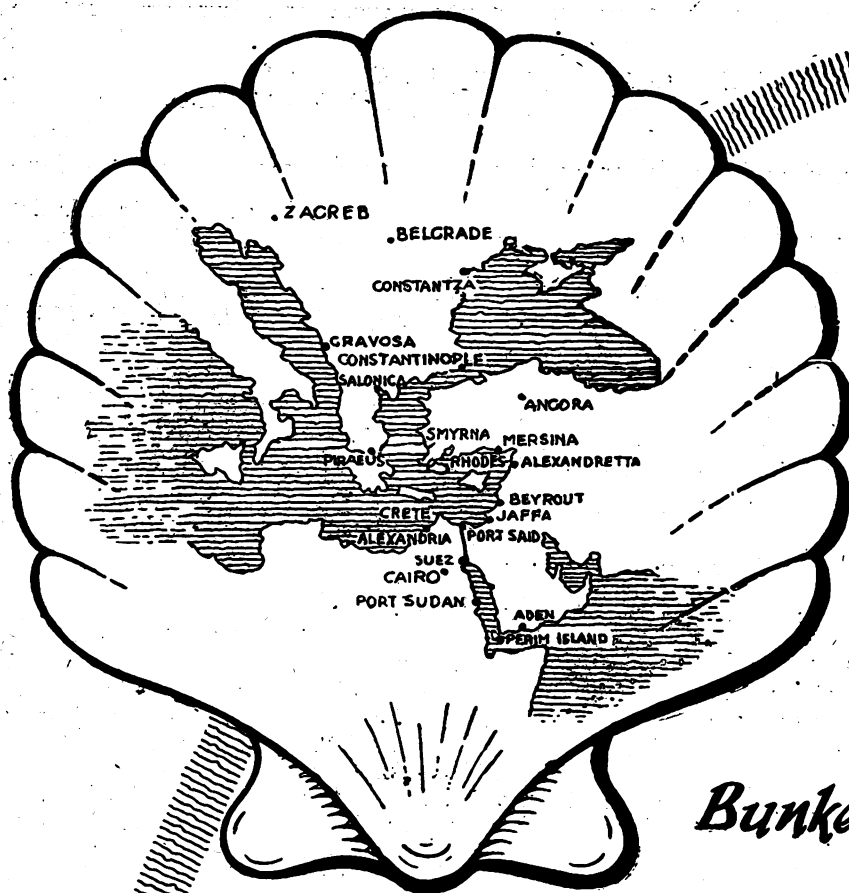
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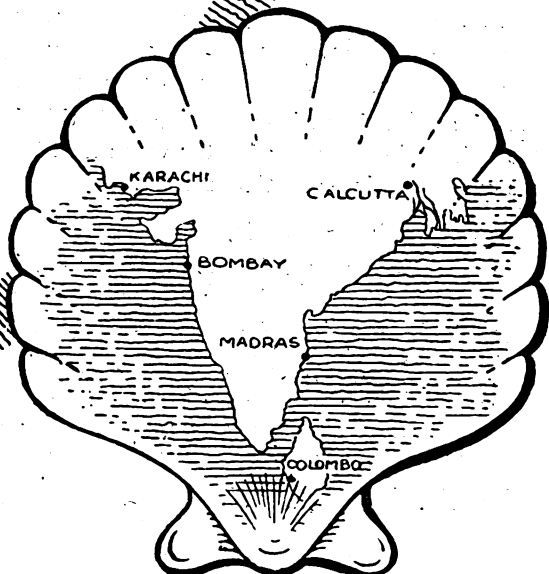
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SHELL



will be materially changed, a rise in prices will be fully justified, and further cotton growing in the Empire will receive a much-needed stimulus. It must be understood that I have written here of the immediate situation. If, as has been suggested, the Mississippi cotton fields are permanently affected by the floods (these fields produce the best qualities of American cotton), then obviously the ultimate results are bound to be far-reaching. It would mean a serious gap in the world's cotton production, which would have to be made good by the further development of the cultivation of American cotton in the Empire.

Eastern Telegraph Company.

The gross revenue obtained by the Eastern Telegraph Company amounted to £3,436,690, or much the same as the previous year's level. There was, however, an increase in the expenditure from £2,151,921 to £2,338,729, and the profit after meeting all fixed charges is £920,909 as compared with £1,114,399. The allocation to the reserve is £400,000 and the dividend is maintained at 10 per cent., tax free, leaving £506,625 to be carried forward as against £555,717.

Turkish Debt Question.

There is no news at yet with regard to the continuation of the negotiations in regard to the Turkish debt, and the fact that the delegates have left Paris may be taken as an indication that an early resumption of the pourparlers is not anticipated. It is abundantly clear, however, that the Turkish authorities are really sincere in their desire to effect a settlement of this long-standing question, and with that fact in view it may, I think, be assumed that before very long there will be a further development of the position. It would be strange, indeed, if Turkey were not desirous of a settlement, for the country has everything to gain by it and nothing to lose. Whatever may be said by the Turks on the subject, it is self-evident that the country cannot do without financial support from other countries, but that support will not be forthcoming while Turkey's credit remains at a low ebb, as it is bound to do while a debt settlement is in abeyance.

The Rubber Position.

The reduction on a week of even a little over 100 tons in the London stocks is so rare an event of late as to call for some comment. In my opinion it would be a mistake to deduce from this development that we are at the end of the rise in the stocks here, though that event cannot in any case be far distant. I look, as I have already pointed out, for further increases for perhaps three or four weeks, and after that there should be a gradual and increasing reduction. The position with regard to rubber is, however, in a sense akin to that of cotton, since both commodities are suffering from the restriction of demand. There is, however, a possible important difference. No one has suggested that the production of cotton is on a scale which is too great for the world's needs; on the contrary, it is very obvious that if buying was on a normal scale there would be something like a shortage. It is not at all clear, however, that this is the case in regard to rubber. Most of the companies have continued year after year to plant new areas, and new companies have been formed, and it

seems at least probable that production (possible production, I mean, of course) has for the time being gone far ahead of consumption. An opinion given to me last week on the outlook may be of interest. The tenor of the view was that within a year the rise in the price of the raw commodity will bring about a boom in the shares, and that after that there will be a further prolonged "slump." This supports what I said last week on the subject. If the view is correct then buyers will have an unexampled opportunity when the "slump" comes, for ultimately consumption will overtake production.

COMMENTATOR.

SUDAN COTTON POSITION.

The current report of the Central Economic Board of the Sudan Government gives the following particulars:

Mongalla Province.—The cotton crop throughout the province has been most disappointing. The failure of the late rains and pests materially reduced the yield per feddan. Except from Meridi District where the number of cars were inadequate, the transport of the crop to the river has proceeded satisfactorily. There is, however, considerable congestion at Rejaf.

Nuba Mountains Province.—A few kantars of cotton are being kept in Talodi and Kadugli for testing the ginneries now in the course of erection. The work on these ginneries is now proceeding fast. Practically all the parts have now been delivered at Talodi and Kadugli and erection in both places should be completed about the end of May.

Red Sea Province.—The Tokar cotton crop is now estimated at 85,000 kantars.

Gezira Irrigation Scheme.

Cotton came in very well throughout the month. The amount picked on February 15, was 1.93 kantars per feddan; being exactly the same as the figure at the corresponding date last year, while the figure up to the end of the month was 2.59 against 2.6. It is not expected that the ultimate results will be quite as good as last year as there is a certain amount of bad cotton which gives its results quickly and then stops. An ultimate yield of four kantars per feddan may, however, be regarded as assured.

The ginning factories are still working excellently and are turning out about eight hundred bales a day, but this only represents the produce of about 3,000 bags or rather under, while cotton has been arriving at the rate of 5,000 bags a day. The amount of cotton round the factories is therefore gradually increasing, though it has not yet attained the dimensions it reached last year.

Steady progress is being made with the widening of the main canal and with the canalization in the first part of the extension of the scheme.

A large area of wild coffee has been found in the south-west corner of the Kinati Valley, Latuka District, Mongalla Province (says the report of the Central Economic Board of the Sudan Government), but unfortunately too late to make the crop worth collecting this year as most of the berries have fallen on the ground and rotted.

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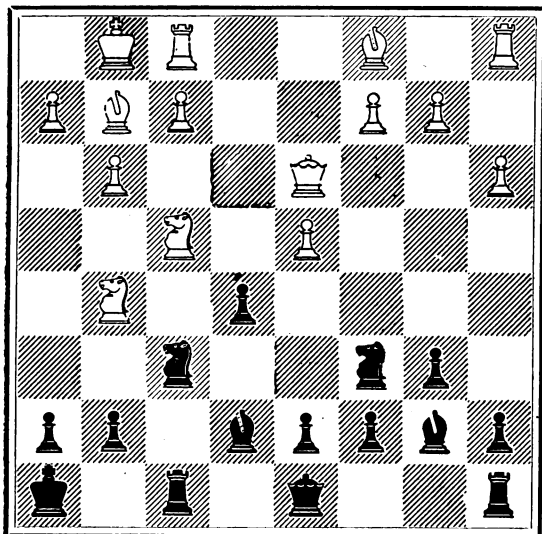
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CHESS.

By "CARO-KANN."

I give this week another game from the Murton Cup tournament at the City of London Chess Club. In this game White receives the odds of two moves.

1, P—K4, . . . ; 2, P—Q4, P—QKt3; 3, P—KKt3, B—Kt2; 4, B—Kt2, P—KB4 (1); 5, Kt—QB3, Kt—KB3; 6, Q—Q3, P—K3; 7, Kt—K2 (2), Kt—B3; 8, P—QR3 (3), PxP; 9, KtxP, B—K2; 10, O—O, O—O; 11, Kt—B4, K—R; 12, Kt—Kt5, P—K4 (4).



Position after Black's 12th move, P—K4.

13, Kt—Q5, P—K5; 14, BxP, KtxKt; 15, KtxP, Kt—B3; 16, KtxR, QxKt; 17, B—Kt6, B—Q3; 18, B—Kt5, Kt—K2 (5); 19, R—Kt, KtxB; 20, QxKt, Kt—R2; 21, R—K3, KtxB (6); 22, QxKt, Q—B2; 23, P—B4, P—B4 (7); 24, P—B3, PxP; 25, PxP, R—KB; 26, P—QKt4 (8), Q—B5; 27, R—Q, K—Kt; 28, Q—R5, P—R4 (9); 29, PxP, PxP; 30, QxP, R—R; 31, Q—K, Q—Q4 (!); 32, R—K8 (ch), K—B2; 33, R—K2, R—K (!); 34, Q—B, Q—R8 (ch); 35, K—B2, QxP (ch); 36, K—K, B—R3; 37, R—Q2, BxR; 38, RxB, QxP (ch); 39, K—Q, Q—Q6 (ch); 40, K—K, Q—B6 (ch); 41, K—B2, QxP (ch); 42, K—Kt3, Q—Q6 (ch); 43, K—B2, B—B4 (ch); 44, K—K, Q—Kt8 (ch); 45, resigns.

(1) With this move Black attempts to seize the initiative.

(2) This move proved embarrassing for Black whose plans had envisaged B—Kt5 with a view to increasing the pressure on the centre Pawn.

(3) Not PxP, for then Kt—Kt5, etc.

(4) 11 . . . K—R was to make this move possible. Kt (B4) to K6 is still playable, but White would now only obtain a Rook and one Pawn for two Knights, which would not be good enough. Play would proceed as follows:—13, Kt (B4)—K6, PxKt; 14, KtxP, Q—

Q3; 15, KtxR, RxKt; 16, PxP (better than P—Q5), QxP; 17, B—Q2, Q—Q3.

(5) It is necessary at all costs to remove the Bishop at Kt6.

(6) White should not have allowed this exchange. B—Q2 should have been played. Apparently it was thought that R—K3 followed by P—Kt4 would win.

(7) It is a maxim that the best way to meet an attack is to hit at the flank.

(8) If now P—Kt4, then 26 . . . BxP; 27, R—R3 (ch), K—Kt; 28, Q—R4, B—R3; and if 29, P—Kt5 then Q—Q4 winning.

(9) A curious situation would arise if Black played instead B—Q4. There would follow 29, R—R3 (!), Q—R7; 30, R—B2 (!), QxR; 31, QxB (ch), R—B2; 32, R—K, and White would have the better of it.

The solution to last week's end game is as follows:—1, Kt—B4 (ch), BxKt; 2, PxP, P—K5; 3, K—K2, K—K4; 4, K—B2, K—B4; 5, K—Kt2, K—Kt5, and wins.

FORTHCOMING SAILINGS.

The following are the sailings for the Near East and India, the ports of departure and closing dates for cargo being given in parentheses:—

Anchor Line.—S.s. Circassia for Bombay (Birkenhead, May 23). (For passenger sailings and dates see advertisement).

Anchor Brocklebank Line.—S.s. Magdapur for Calcutta (Birkenhead, May 31); s.s. Maihar for Calcutta (Birkenhead, June 7).

Bibby Line.—S.s. Leicestershire for Port Said, Colombo, and Rangoon (Birkenhead, June 1).

British India Line.—S.s. Mandala for Bombay and Karachi (London, May 28); s.s. Nalgora for Colombo, Madras, and Calcutta (London, June 4).

Cunard Line.—S.s. Pavia for Gibraltar, Malta, Patras, Piræus, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza, also Algiers and Volo if inducement offers (Liverpool, Glasgow and Swansea, June 18); s.s. Sea Glory for Gibraltar, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Venice, Trieste, and Fiume, also at Corfu, Gruz, and Ancona if inducement (Liverpool June 11, Swansea June 14).

Johnston Line.—S.s. Jessmore for Piræus, Syra, Volo, Salonika, Smyrna, Constantinople, Bourgas, Varna, Constantza, Sulina, Galatz, and Braila (Liverpool, May 21).

P. and O. Line.—S.s. Rajputana for Bombay (London, June 3); s.s. Nagoya for Colombo, Madras, and Calcutta (London, June 11).

Prince Line.—S.s. Sicilian Prince for Tunis, Malta, Alexandria, Syrian Coast, and Cyprus (Manchester, May 21); s.s. Soldier Prince for Tunis, Malta, Alexandria, Jaffa, Haifa, Beyrout, Famagusta, Larnaca, and Limassol (London, May 25).

Ellerman and Papayanni Lines.—S.s. Assyrian for Malta, Alexandria, Jaffa*, and Haifa* (Liverpool May 20, Glasgow May 21); s.s. Andalusian for Gibraltar, Malta, Alexandria, Jaffa*, and Haifa* (Liverpool, May 27); s.s. Manchurian for Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Gravosa, Ancona*, Venice, Trieste, and Fiume (Liverpool May 28, Swansea June 2); s.s. Dido for Patras, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza (Liverpool, May 28); s.s. Algerian for Algiers*, Malta, Syra*, Smyrna, and Constantinople (Liverpool, June 11). * Subject to sufficient inducement. Cargo taken on through B/Lading to:—Algerian ports via Algiers; Moroccan ports via Gibraltar; Tripoli (Barbary) via Malta; Syria and Cyprus via Alexandria; Greek out-ports via Piræus or other convenient port; Fiume via Trieste.

For the first three months of this year Yugoslavia's export trade amounted to 1,065,000 tons of the value of 1,548 million dinars.

The traffic receipts of the South Indian Railway Company for the week ended April 16 were Rs.10,38,939, making the total from April 1 Rs.23,26,610.

The Greek Chamber has approved the commercial agreement between Greece and Great Britain and provisional agreements with Belgium and Yugoslavia.

The traffic receipts of the Suez Canal Company for the week ended May 6 amounted to 3,780,000 francs as compared with 3,730,000 francs for the corresponding period of the previous year.

The Oriental Telephone and Electric Company recommends a final dividend of 6 per cent. on the ordinary shares, free of tax, making 10 per cent., plus a bonus of 2 per cent. on the ordinary shares, free of tax.

Spies Petroleum Company announces that cabled advice has been received from Bucharest by Hamilton's Oil Concessions (Roumania) as follows:—"Production for week ended May 13, 120 tons. Well No. 8, cleaning. New well No. 9, 970 metres deep; new well No. 10, 237 metres deep."

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GERMAN MOTORISTS' VISIT TO YUGOSLAVIA.

*(From a Correspondent.)**Liubliana, May 2.*

Motoring as a sport has developed rapidly of late in Yugoslavia, as indeed it has throughout Europe. That it has not progressed quite as much there as in the neighbouring States, Austria and Italy, is due to the fact that Yugoslavia has no motor car works of her own, but is dependent upon imported cars. Yet the country occupies an important place in international road traffic, for one of the most attractive routes from Italy to Vienna runs through a corner of Yugoslavia and at the same time gives access to the beautiful Yugoslav Riviera.

This year the summer motoring season in Yugoslavia opened with a very important event. For the first time since the War, a body of German motorists visited the country. Although the feeling of hostility between Germany and the Southern Slavs was never so very acute—the Empire was never contiguous with any part of the present Kingdom of Serbs, Croats, and Slovenes—yet until recently the people still saw in every German a member of the dominant element in the late Austrian Empire which was wont to curtail their freedom and prevented their national independence. To-day conditions have changed, and the free Yugoslav people gave a warm welcome to the German guests. Of course, the event had a political as well as a merely sporting side to it. Yugoslavia, it should be remembered, exports annually 80,000,000 dinars worth of goods to Germany, and her imports from Germany amount in value to 83,000,000 dinars.

The German cars crossed the frontier on Saturday, April 30. It was interesting to note that by no means all the cars were of German make. There were Chrysler and Buick cars, Daimlers and Steyrs, but, of course, out of the whole procession of 125 cars the greater number were German. Besides cars, a contingent of 15 motor bicycles took part in the excursion, altogether an excellent turn-out for a course of 2000 km. The motorists had come from Munich and were travelling via Venice and Abbazia to Vienna. In Italy flowers had been showered upon the cars.

When the German president of the excursion, M. Kroth, arrived at the frontier, he was welcomed by the

delegates of the Liubliana Automobile Club, who explained to him the arrangements made for the German visitors during their stay in Yugoslavia. The Governor of Liubliana telegraphed his greetings and welcome. The visitors, who were specially impressed by the smart discipline of the Yugoslav police and customs guards, then drove on over good roads and through delightful scenery, first through Liubliana, Slovenia's chief town, and then to Bled, the acknowledged beauty-spot of Slovenia. Bled is a small village, enlarged by a colony of villas, hotels and all the establishments necessary to an up-to-date summer resort, and situated upon the shores of a small, but lovely lake surrounded by lofty mountains, still snow-capped at this season. Year by year its medicinal springs, bathing facilities, and an Alpine climate tempered by the shelter of the mountains, attract large numbers of visitors, both native and foreign. The roads are good, though beset with turns—an inevitable difficulty in a hilly country.

At Bled the guests were billeted at the various hotels, and after supper there was a reception at the largest café with speeches by the presidents of the automobile clubs, who spoke in cordial terms of the international character of sport and the far-reaching importance of motoring in the interests of bringing the nations together. The German Consul-General referred to the activity and rapid development of Yugoslav agriculture and industry, and the visitors again and again expressed to their hosts their surprise at the organised efficiency and the sporting spirit displayed by their Yugoslav colleagues. German is a compulsory subject in all Yugoslav schools, and so the visitors were able to converse with the natives without difficulty.

Early next day the procession of German cars went to Bohinj, preferred by many even to Bled for its more sombre beauty. There they had a look at the dark lake of Bohinj and the falls of the Savica—natural charms hardly equalled anywhere else in the Alps. At the foot of the Triglav they enjoyed a picnic. At this point it is possible to proceed by car along a good road to within easy distance of the region of the snows, far up the valley and to the source of the Sava, where it gushes from the rock in a great fall, then hurries through Slovenia, a swift, turbulent Alpine water, broadening and slowing down as it passes through Croatia, until at last it joins the Danube at Belgrade, a Yugoslav river from source to confluence.

Meanwhile representatives of the Yugoslav automobile clubs had left Bled for Kranj to make arrangements for the further progress of the German motorists, and by midday had arrived at Jezersko, the picturesque Alpine pass between the Karavanke and the Savinja Alps, known equally well under the name of Kamnik (Stone) Alps. This road has been scoured out by the terrible floods of last autumn which had simply played havoc with it. The most necessary of the repairs have already been completed. The bridges are only wooden ones; the surface is not smooth, but any one who had seen the devastation along this route last winter could not but marvel that it was possible to take motor vehicles over it at all, so completely had it been demolished by the floods. The water carried away half the village, cattle-sheds disappeared together with the animals in them, houses collapsed and left no trace, while the inhabitants barely escaped with their lives. This happened little more than six months ago, and already new houses are rising, embankments and bridges have been restored—in rather temporary fashion, it is true, but there they are, and on a higher level in the gardens cherry trees are in bloom, hiding the ruins with their blossom, as if to comfort the victims of the flood with hopes of other and fairer springs.

In wide, smooth zig-zags the roads winds up the mountains, the summit of which was reached a quarter of an hour before the first of the German cars, all decked with flowers, came snorting up the steep incline. The Germans expressed most cordial thanks for their reception. The customs formalities went off quickly and

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without a hitch, and amidst endless cheering the guests proceeded on their way.

The Jezersko road is not really difficult for hill-climbing cars; but it proved something of a test for motorists accustomed to driving only in the plains. All the same, not one engine gave out, save that of a motor cyclist who was then taken in tow by a Yugoslav car and so conveyed in safety to the top of the pass. A good many of the cars arrived over-heated; but the reason for this was the wretched state of the road further down. Within a few months, however, it will have a surface as good as that of the rest of the Slovene roads.

The visit of the German motorists has opened up fresh international connexions for Yugoslavia; over four hundred foreign visitors have gained some insight into the country's political conditions and have seen something of the landscape charms of the country. They have been shown that the Near East is still Europe and that life is quite worth living in the Balkans. If a party of British motorists were to visit Yugoslavia they would experience a welcome no less cordial, a hospitality no less warm and spontaneous.

EGYPT EXPLORATION SOCIETY.

A lantern lecture on The City of Sais will be given by Professor P. E. Newberry, O.B.E., M.A., on May 25 at 8.30 p.m. in the Meeting Room of the Royal Society, Burlington House (by kind permission of the Council). This lecture is the last of a series arranged by the Egypt Exploration Society, and a few free tickets are available for non-members upon application to the Secretary, 13, Tavistock Square, W.C.1.

The traffic receipts of the Egyptian Delta Light Railways for the ten days ended April 20 amounted to £E7,515, making the total from April 1 £E14,840.

NEWS FROM ALL SOURCES.

The production of the Minerva (Roumania) Oil Company for April, including oil received from royalty wells, is 1,037 tons gross.

A recent Greek decree permits the import of certain vegetables, fruit and plants, etc., under certain conditions.

According to a notice recently published by the Roumanian Post Office the use of coded telegrams, either for Roumania or abroad, is suspended until further notice.

Furness Withy and Co. have obtained the Egyptian State Railways' contract for 100,000 metric tons of Welsh coal for delivery at Alexandria over May, June, and July at 32s. 3d. c.i.f. The lowest tender was 32s. by the Evans and Reid Coal Company, whose tender included coal not on the railways' list.

Egypt offers a very limited market for motor boats and engines (says an American Consular report). Very few are used, and those largely by Government officials. The only type of engine for which even a small market is believed to exist is the outboard motor, and its proper introduction would entail a considerable amount of missionary work.

Mr. Philip H. Mortimer, who has been one of the joint general managers of the Westminster Bank since 1922, has retired after 47 years' service. Mr. Mortimer is a member of the Art Workers' Guild and paints in water colours, and examples of his work have been shown in many exhibitions. The directors of the Westminster Bank have appointed Mr. E. F. Robinson, an assistant general manager, to succeed Mr. Mortimer. Mr. W. Bentley, a superintendent of branches, of the head office, has been appointed an assistant general manager.

Apart from the large railway contract secured by Sweden in Turkey, the Turkish Republic has shown interest in deliveries of other materials from Sweden (says a report from the United States Assistant Trade Commissioner at Stockholm). It is possible, also, that the large unexplored forest areas in Asia Minor will be subject to Swedish surveying work, probably from the air; with this end in view, negotiations are being carried on with the Aeromaterial and Aerotransport Corporations. Swedish lumber experts have made a hasty estimate of the forest supplies and, according to commercial Press reports, it is expected that an air survey will be made and maps drawn.

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THE WEEK'S FINANCE.

(By Our Financial Expert.)

London, May 16.

There were still a good many optimists who anticipated a reduction in Bank Rate on Thursday last, but the decision to make no change had little effect on the gilt-edged market, where prices have maintained their steadiness. A reduction in Bank Rate was not expected by the money market, which is now taking a more sober view in regard to the monetary situation and the outlook for Bank Rate. It is realised, for example, that now that we are again working on the gold standard, with a free gold market, Bank Rate movements are primarily determined by the tendency of the foreign exchanges and the movement of gold. Our present gold reserve, though large, is smaller than before the War, when considerable amounts were held by the banks in addition to that held by the Bank of England. The necessity for very large gold reserves at the present time is emphasised by the continuance of an unfavourable trade balance, and the expansion in banking liabilities. The directors of the Bank of England, no doubt, have in mind the advisability of conserving our gold resources as far as possible in order to meet the autumnal drain without undue disturbance.

The Markets.

Business on the Stock Exchange was not on a very large scale during the past week, the attention of members being largely occupied with arranging the details of fortnightly settlement. As already mentioned gilt-edged stocks have remained quietly firm and a good tone has prevailed in the foreign market as a whole, Chinese bonds showing a tendency to recover. Home rails, however, after early strength on the favourable comparisons made by the traffic returns for the year to date with those of last year, which now show the first effects of the strike period, have reacted a little. Industrials, generally, have been quiet and the tone irregular. Dunlops have fluctuated little, but maintain their recent rise, Courtaulds are good, and iron and steel shares have been steady, but in the textile group British Celanese weakened. The rubber section has witnessed no expansion in business and oil shares have shown uncertain movements, the centre of interest being British Controlled shares. The publication of the delayed report, showing a profit for the year ended July 31 last of £410,100, after writing off development expenses of £233,100, did not seem to be a factor in the movement of the shares, which have fluctuated erratically. There has been considerable buying of the shares of the new Imperial Chemical combine and the prices of the three classes of shares have hardened.

FOREIGN EXCHANGES.

Country.	Method of Quoting.	Parity of Exchange.	Latest Quotations.
Alexandria.....	Piastre to £	97½	97½
Athens	Drachmæ to £	25.22½	368½
Belgrade.....	Dinars to £	25.22½	276½
Berlin	Marks to £	20.43	20.50½
Berne	Francs to £	25.22½	25.25½
Bombay	Sterling to Rupee	18d.	17 15/16—31/32
Brussels	Belga to £	35	34.96
Bucharest	Lei to £	25.22½	770
Budapest	Peu to £	27.82	27.85½
Calcutta	Sterling to Rupee	18d.	17 15/16—31/32
Constantinople	Piastres to £	110	915—930
New York	Dollars to £	4.86 2-3	4 85/9 16—1
Paris	Francs to £	25.22½	124
Prague	Kronen to £	24.02	163 15/16
Rome	Lire to £	25.22½	89½—1
Sofia	Leva to £	25.22½	670—680
Teheran	Krans to £	51	51
Vienna	Sch to £	34.58½	34.52½
Warsaw	Zloty to £	25.22½	43—44

The Trade Balance.

The returns of overseas trade for April, although a little better than those of the previous month, still record a very heavy adverse balance, reference to which has been made in a preceding paragraph. There was an excess of imports last month of over £36 millions, as compared with £41 millions in March and £38 millions in April 1926, while for the first four months of the current year the import surplus is no less than £155 millions, against £133 millions in the corresponding period of 1926. Although the present balance is much worse than at the corresponding date of last year, this excess will no doubt be redressed in the coming months, when comparison comes to be made with the strike months of last year and a better position may be hoped for at the end of the year.

European Investments.

The leaders of British finance and industry continue to follow the proceedings of the Economic Conference, to which we called attention last week, with the closest interest. It is earnestly hoped that the Conference will indicate—and that the world will follow—the main lines along which prosperity may be restored. The investor, it is interesting to recall, has played an important part in assisting the measure of financial rehabilitation so far achieved in Europe. We refer to the Reconstruction Loans. These securities provide the investor, and especially the investor of modest means, with excellent foreign investments. They are mostly well-secured and give fair yields.

The Austrian Guaranteed Sterling Bonds return £5 19s. per cent. The Belgium 7 per cent. Stabilization Loan gives a yield of £6 11s. per cent. An equal return is obtainable on the German 7 per cent. Sterling Bonds. The Hungarian 7 per cent. Sterling Bonds give a very generous yield, the figure being £7 6s. per cent. In each case principal and interest are payable in sterling.

COMPANY NOTES AND REPORTS.

EASTERN TELEGRAPH COMPANY.

The report of the Eastern Telegraph Company, Ltd., for the year ended December 31 last states that the revenue amounted to £3,436,690, from which is deducted £2,338,729 for the ordinary expenses, leaving a balance of £1,097,961. After providing for income tax payable in England, interest on mortgage debenture stock, and dividends on the preference stock, which in all absorb £247,053, there remains a balance of £850,909, to which is added £555,717 brought from the preceding account, making a total available balance of £1,406,625. The directors have placed £400,000 to the general reserve fund, and have applied £493,002 from that fund to write off the balance of the expenditure on new cables and cable renewals, etc. Three interim dividends of 2½ per cent. each, and a final dividend of 2½ per cent. have been paid on the ordinary stock, amounting together to £500,000, making a total distribution of 10 per cent., free of income tax, for the year ended December 31, 1926. These appropriations absorb £900,000, and leave a balance of £506,625, which is carried forward to the next account.

It was announced at the general meeting of the Julius Berger Contracting Company in Berlin that railway construction in Turkey and Roumania had been obtained to a total value of 160,000,000 marks.

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Amritsar	Chittagong	Kandy	Mandalay	Zanzibar	Mombasa		Kampala	
Bombay	Cochin (S. India)	Karachi	Newera Eliya		Nairobi, Nakuru			

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The Economic Conference.

The conditions of commerce in Central Europe are still by no means ideal, and the International Economic Conference has raised many hopes and fears in the hearts of its members. Turkey shows a tendency to leave her isolated position and is seeking an opening in Western affairs. Certain other Balkan States view with great misgiving any attempt at consolidation which would weld together the former members of the Dual Monarchy. Russia supports a policy which aims at making each State self-supporting, but in such a manner as to impede trade. Talking of the Conference, *L'Indépendance Roumaine* states:

The fight will be sharp, for competition is great. Large industrial countries who are beginning to realise that trade is slackening will direct a powerful attack on countries producing raw material, who are now desirous of establishing their own factories to use their own material. One knows their cry: it's that of the division of labour, such as would eventually draw a hard line of demarcation between agricultural countries, who would no longer be permitted to start a national industry, and countries of industrial export, who would be free to sell their products to the former without suffering any competition in autochthonous enterprises. Another attempt to realise the same object, on a smaller scale, is shown in a telegram from Vienna in the *Temps*. A "Committee of the Economic Congress of Central Europe" has sanctioned and will present to the International Conference a memorandum elaborated by M. Elemer Hautos, the Hungarian economist, with the object of establishing a new economic régime in Central Europe. This memorandum begins by describing... the situation in Central Europe in the darkest of colours.

The remedy could only be to establish a special customs régime for all States successors to the old "Austria-Hungary," on the basis of a preferential and reciprocal customs contract.

Emanating as it does from Budapest and Vienna, it is evident that the proposition would only tend to reintroduce under another form the economic régime of pre-War days, which was so favourable to both cities:

The Austro-Hungarian industries were grouped round these two capitals, as a result of the systematic policy of exploiting the provinces of the Habsburg Empire. The raw material arrived from Transylvania, Croatia, and Slovakia, but their conversion took place in Vienna and Budapest, to the profit of Austrian and Hungarian workers and contractors.

When the oppressed provinces were freed, the Austro-Hungarian industry was suddenly found to be without raw material, and the artificial centralisation which the former Governments had established then came to light. Such was also the case with the flour milling industry, which converted Roumanian and Yugoslavian corn to the profit of Hungarian capitalists: with the petrol refineries which worked on the products of Galician pits; with the famous factories of musical instruments, the wood for which is grown in our magnificent forests of Buco Vinia....

Roumania, and all other countries successors to the Empire, are in duty bound to start industries for converting on the spot their own raw material. It is a national necessity, which coincides moreover with an incontestable economic truth. If the Geneva Conference would do useful work, it is in this direction that it must turn its efforts.

Turkey in European Affairs.

Turkey's present constructional policy vies with almost any of the Near East States. She is now looking for

some opening in the West, and considers her admission to the Conference as a hopeful sign that she may soon join the League. *La République* writes:—

In the December session to decide the convocation of the Conference, the Council of the League of Nations agreed that it was desirable that not only the State members of the League should participate in the Conference but also those countries which had not entered the Society, mentioning very specially Russia and Turkey. The Council also decided that all the work and the documents collected and printed by the Commission should be communicated to the League during the suspension of the Convocation....

It is doubtless in this hope (of assuring a universal peace) that the Government of the Turkish Republic has not hesitated in sending a representative to the heart of this Areopagus, which also the non-members of the Society, America and Soviet Russia, are attending.

Europe seems to attach the greatest importance to the participation of Russia and Turkey in the Conference, in which event she seems to see the first step or proof that we will end by entering the League.

To that end, the distance is still long and the difference too great between the economic conference and the League of Nations, but the truth is nevertheless that close contact may modify to a certain degree the humour of the members....

And why should we not ourselves enter the League, if it were decided to reform the organisation in essential ways and in such a manner as is suitable for the high and supreme mission of which the Society is in charge?

The Danube Commission and the Iron Gates.

L'Indépendance Roumaine, in an article on the recent Paris Conference on the Danube, begins by giving a history of the International Commission and continues:—

The side of the problem under discussion to-day is that of the financial administration of the portion of Danube from Turnu-Severin to Bazias and known under the name of the Iron Gates. This part of the large river, where the Hungarian Government, by virtue of the Convention of London of 1871 and the Treaty of Berlin (1878) in the position of delegate of the Great Powers, has executed important works, was before the War under special Hungarian Administration. After the War, owing to certain treaties, the Iron Gates, together with the administration of the canal and the special pilotage service, passed into the hands of a mixed commission, members of which were one delegate from the C.I.D. (Bratislava) and one representative of each bordering State: Roumania and Yugoslavia....

In 1895, in order to cover the huge expenses necessary for the important work to be effectuated on the Iron Gates, the Hungarian Government issued a loan of 45 million gold kronen or 47½ million gold francs.

This loan was distributed not only in Austro-Hungaria but also in England, Germany, France and the Netherlands, where the majority of title-deed holders are to be found. (According to the Austrian Annual Report of 1901, 94 per cent. of this issue was found to be in foreign hands.)

At the end of 1918 the amount of this loan unredeemed still remained at 41 millions 712,000 gold kronen. The Reparations Committee, by their decision of December, 1922, and March, 1924, have laid all this loan at Roumania's door.

This was an injustice in that not only the Hungarian Government, of whom we are to-day the successors, profited by this loan, but it had been used for works of general European interest. All the States without exception which fly their flag upon the banks of the Danube have profited by it.

The Reparations Commission did not understand this point of view and made Roumania solely responsible for the settlement of the loan.

It was natural that the Roumanian Government should protest against this decision, which moreover the Commission have ended

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by altering, at any rate, in part. Thereupon the Commission, realising the iniquity of their first resolution, entered into negotiations with the Serbian and Roumanian Governments, together with the syndicate of title-deed holders of the old Dual Monarchy. Out of these discussions have come two agreements:—

(a) The first contains the obligation assumed by the C.I.D. (Bratislava) of contributing annually to the funds of the syndicate of the Austro-Hungarian title-deed holders, in order to guarantee the interest, the total revenue from the taxes of the Iron Gates, deducting the necessary expenses of the respective administrations.

(b) The second agreement contains the following decisions: (1) The coupon of the loan title-deeds is reduced to 32 per cent. of its former value. A revision of this figure can only be made in 1932. (2) The Yugoslavian Government has undertaken the responsibility of 25 per cent. of the amount of the loan. (3) In case the yield of the taxes be insufficient to cover the coupon, the Roumanian and Yugoslavian Governments are guarantors for the whole of the loan, capital and interest, at the reduced value of 32 per cent., in the proportion of 25 per cent. for Yugoslavia and 75 per cent. for Roumania.

This second agreement has only been signed by the Roumanian delegate *ad referendum*. It is stipulated that if the agreement is not ratified by September 1, 1927, it will become void. . . .

The article continues by mentioning that the yield from the taxes of the Iron Gates, after deducting expenses, will only leave 200,000 gold kronen, an insufficient sum to cover the interest, thus causing the balance to be found by the State Budget. Moreover, if new works and repairs were to become necessary for the navigability of the Danube, Yugoslavia and Roumania would be called upon to put up the necessary money.

The administration should either be left in the hands of Serbia and Roumania, in which case the two States could come to an international agreement: or it should continue in the hand of the C.I.D., who would then be responsible for all past financial agreements. The result of the Paris Conference denies both States the natural right of sovereignty in their own waters while imposing on them the financial responsibilities for this same right. The article closes by expressing a hope that the Government will refuse to ratify such an unjust agreement, and one which can therefore never prove successful.

M. J. A.

The exports of senna from the Sudan for the first three months of this year amounted to 168 tons.

The profit of the Anglo-Greek Magnesite Company for 1926 was £15,370, making available, with £10,184 brought forward, £25,554. A dividend is proposed of 5 per cent., £5,000 being allocated to the reserve, leaving £10,304 to be carried forward.

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Port Said: English Agency, P.O. Box 240.

SUDAN.

Port Sudan: The Egyptian Library, Post Office Box No. 44.

PALESTINE.

Haifa: Newspapers Agency Steimatzy, Jaffa Street.
Jerusalem: B. Y. and W. A. Said, 23-24, Jaffa Road.
Newspapers Agency Steimatzy, Jaffa Road.

SYRIA.

Beyrout: Sarrafian Brbs.

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Basrah: Jashanamal, Bridge Street, Ashar.

BULGARIA.

Sofia: Librairie Francaise et Etrangere, 4a, Bvd. Tsar Ostvoboditel.

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New York: Brentano's, Fifth Avenue and 27th Street.
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THE EGYPTIAN MARKET.

The Alexandria Commercial Company, in their report for the week ended May 5 state:—

Since our last report the futures market has been very excited and fluctuations have been wide; to-day's closing prices show big rises on the prices of a week ago. The week's summary of price movements is as follows:—Sakellaridis: May, 30.50 dollars, 2.05 dollars up; July, 30.73 dollars, 1.88 dollars up; November, 31.70 dollars, 1.95 dollars up; January, 31.40 dollars, 1.75 dollars up. Ashmouni: June, 21.90 dollars, 1.42 dollars up; August, 22.25 dollars, 1.45 dollars up; October, 22.85 dollars, 1.20 dollars up.

Sakel.—Rather alarming news on the situation in the flooded areas of the cotton growing districts of the Mississippi Valley has continued to pour in during the week, and local speculators, who, for some months, have taken little or no interest in the market, have not been slow to seize upon the opportunity to do something; they have bought thousands of kantars, mostly Novembers, during each session and the wildly extravagant advance of the past few days is the result. Commercial houses have shown but little interest in the market; the demand from abroad has been little, if any, better than that of recent weeks.

If there is any improvement in the news from America and it is shown that the damage caused by the floods will not have any very serious effect on the outturn of the crop as a whole, a good part of the long position will be hastily sold out and this liquidation in a market already heavily overbought may produce a serious reaction in values.

At the first May tender, 5,000 kantars dockets were issued.

Uppers.—We have had a series of active markets and prices show big advances all along the line; the same factors which have induced the rise in Sakel are responsible also for the rise of Uppers prices. Uppers have not advanced to the same extent as Sakel, but this is explained by the fact that several operators have been selling October against their purchases of November Sakels. On the other hand, however, it is said that England and the Continent have been heavy buyers of October during the week. The demand from spinners has not been exceptionally good, being about the same as last week.

The week's receipts amount to 118,320 kantars against exports 175,824 kantars; the stock in Alexandria stands at 2,924,224 kantars.

The official figures of arrivals and exports for the period September 1, 1926, to April 28, 1927, are as follows:—Arrivals: Lower Egypt, 4,528,000 kantars; Upper Egypt, 2,794,000 kantars; total, 7,322,000 kantars. Exports: Sakel, 2,391,223 kantars; Ashmouni, 2,891,164 kantars; Various, 368,279 kantars; total, 5,650,666 kantars.

Spot: During the week under review we have had an improved demand from abroad and more active markets at Minet el Bassal and spinners have shown more interest. Sales for the week amount to about 18,300 bales, of which we estimate 9,000 bales Sakellaridis, 8,500 bales Ashmouni and Zagora, 500 bales Pilon, and 300 bales other varieties. Sellers have in some cases profited by the rise to get out of their cotton and have met the market readily, but a good deal of cotton is hedged and so cannot be offered at a cheap basis. Offerings are about the same as last week, both in quantity and quality.

Sakellaridis: Has met with a better inquiry and a fairly good business has been done covering all grades. Spot differences are unchanged and well maintained for the grades from Good Fair/Fully Good Fair upwards, but for Good Fair and below they have eased.

Ashmouni and Zagora: Are in very fair request for all grades and a good business has been done largely in the medium qualities. Spot differences are without change from last week.

Pilon: A fairly good business has been done at about last week's differences.

Brown, etc.: A small business has been done. Spot differences are unchanged. A few bales of Nahda have also changed hands.

White: Has met with a fairly good demand. Spot differences are unchanged for Fully Good Fair and better, but rather easier for the lower qualities.

Up-country: A good deal of spot business has transpired during the past week as a result of the rise in futures but it has been practically all speculative buying, without discussion as to price, and naturally the purchases have not been hedged. New crop business has been practically nil owing to the exaggerated ideas of growers.

The Ministry of Agriculture has issued a decree prolonging the period during which the ginning factories may work up to May 7. With so much cotton in the factories and the village stores, this prolongation is generally considered insufficient and it is expected that a further delay of several days will eventually be allowed.

Arrivals in Alexandria during the next few days must, of necessity, be heavy as a result of the rush to gin before the factories close.

Crop, 1927: All our interior agencies are unanimous in reporting that the plant is progressing satisfactorily. The condition of the crop is better than the condition of last year's crop at the same date. Weather conditions during the past week have been favourable and the water supply is everywhere sufficient for requirements. On the subject of the acreage, the same uncertainty exists. There does not seem to be much doubt that the law restricting the acreage to one-third has not been strictly observed. We estimate the reduction of acreage at about 20 per cent.

THE LIVERPOOL COTTON MARKET.

Messrs. Reynolds and Gibson report as follows for the week ended May 11:—

Egyptian Futures.—Sakel Contract.—Throughout the past week this market has developed a rather nervous undertone; consequently price movements have been somewhat sharp and erratic; in the earlier days reactionary tendencies were kept in check by fresh speculative buying, but more recently this support has been withdrawn and with many operators inclined to realise their holdings values have gradually declined, to-night's close showing losses on the week of 24 to 21 points for near and 50 to 77 points for more distant positions. American new crop reports and assessments of damage caused through the floods continue to monopolise considerable attention; however, judging from the action of the markets directly concerned, these influences appear to be discounted for the time being, and probably "bullish" enthusiasm in our option will continue on the wane unless any fresh detrimental news from the above source commences to be circulated. The very rapid appreciation recently witnessed in the Alexandria market had undoubtedly resulted in the working up of a rather unwieldy speculative long account, and, with the necessary outside trade support not being forthcoming at the higher levels reached, the subsequent unloading process could not be affected without an easing in values. We are now at the period when new crop news will be the deciding factor, and from now onwards the progress will be carefully noted. The Alexandria General Produce Association's monthly report for April is as follows:—"Sowing generally effected usual time, now finished everywhere. Area planted cotton is, according to locality, 15 to 20 per cent. less than 1926 on account of application of law restricting area of cultivated cotton. As to varieties planted, proportions are almost the same as 1926. Sakellariidis still occupies first place. In certain districts South Delta, Zagora predominates as formerly. For some days at the beginning of the month there was sharp wind with slight showers, but in general temperature during the month was favourable to germination and growth of plants. Their development is normal and young plants have healthy and robust appearance. Resowing has been slight, and water irrigation has been sufficient. Cutworm caused slight insignificant damage."

The fluctuations witnessed have been rather too drastic to enable spinners to operate with any degree of freedom. However, trade reports have shown a rather better tone and provided prices show steadiness at around present levels, or perhaps better still commence a slow recovery, we think considerably more support from this quarter would be encouraged. On the other hand, probably a continual falling away would be detrimental and lead to a further curtailment in the offtake which at the present juncture can only be described as moderate. With regard to local differences, the current position, which at the time of our last report ruled distinctly on the easy side, has started to firm up again, and now stands at only about 17 points under July, also our option has hardened somewhat in comparison to Alexandria, but even so, we continue

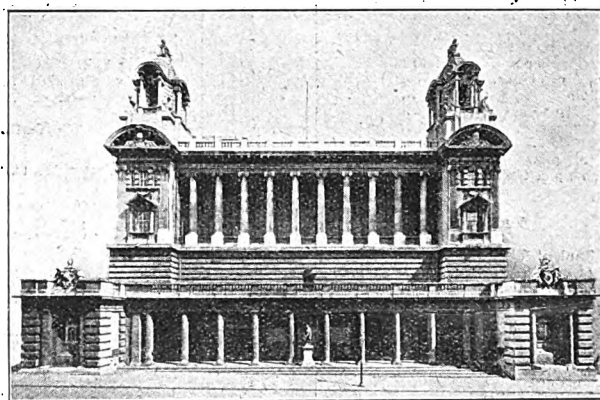
to run so far below parity that it is not feasible to expect any short commitments of importance being attracted here. For the immediate future it would appear probable that prices will continue to fluctuate round the present level, with the main controlling influence being centred in the American market. We consider the best policy to follow for the time being is to take advantage of any outside easing to effect conservative purchases, preferably in the later summer months.

Upper Contract.—There has been rather freer trading in this option during the past week, and a fair number of buying orders, the majority of which have emanated from American sources, have been in evidence. The support accorded has been sufficient to maintain values at a very steady level, so that despite adverse movements in other markets, we have practically no alteration in our level to report on the week. Only a moderate amount of trade buying has been in evidence and spinners at the present moment appear to be holding off until some factors crop up to sway values decidedly one way or the other. New crop news is as follows:—"Planting effected normally. As to area planted same remarks apply to Upper Egypt as to Lower Egypt. Zagora and Ashmouni have been planted almost exclusively. Condition of young plants good and water for irrigation is, generally speaking, sufficient and no attack of worm notified." To conclude, we do not think prices will show much alteration for the time being.

Egyptian Spot.—The market has not displayed such a confident tone during the past week, and has reacted rather nervously to the mixed news which has been received from America regarding the flood damage. Nevertheless, a further slight advance in quotations has been registered.

Purchases of Egyptian cotton proper have continued to be of merely moderate dimensions, although the daily inquiry has been perhaps on a slightly broader scale. If anything, the tendency has been towards the cheaper grades, and holders of the so-called "inferior" cotton have undoubtedly benefited. More interest has been shown in Pilon cotton, but buyers appear unwilling to pay more than about 13½d. for their quality. Uppers have continued in very fair request at the usual range of 11½d. to 12d. Sakels, 8½d. to 10½d. and 14d. to 16d., have received a share of attention. In Sudan a steady business has been maintained, but the American seed variety has not been so much in request as was recently the case. Sudan Sakel has sold freely in the neighbourhood of 17d. to 17½d.

C.i.f. business has shown some slight improvement. Forwardings to spinners for week ending the 6th inst. were returned as 7,381 bales Egyptians and 1,679 bales Sudan. Estimated sales, 1,400 bales Egyptians and 3,000 Sudan. Quotations of Sakel have been advanced 15 to 25 points, and those of Uppers 10 points. F.G.F. Sakel to-day, 16d. F.G.F. Upper to-day, 12.30d.



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TENDERS INVITED.

Tenders are invited for the following contracts, and must be made by the dates mentioned.

(Particulars of tenders marked D.O.T. are to be obtained from the Department of Overseas Trade, 55, Old Queen Street, S.W.)

TURKEY.

Rail Jacks and Spares. A Turkish railway invites tenders for the supply of 150 rail jacks and 75 sets of spares. May 25. (D.O.T.)

EGYPT.

Leather, Etc.—The Financial Secretary, Egyptian Army, War Office, Cairo, invites tenders for the supply of leather, heel ball black for boots, eyelets London for boots, pegs wood for boots and rivets shoe, stain black for leather, leather band for tarboushes and forwa sheepskin with wool to the Department of Ordnance Services, Egyptian Army, Citadel, Cairo. June 1.

Marine Oil Engine.—The Director-General, Mechanical Department, P.W.M., Cairo, invites tenders for the supply of one multi cylinder petrol paraffin marine oil engine of about 20/24 B.H.P. with reducing reversing gear, stern shaft and propeller, required for a launch for Public Works Ministry. May 28.

Iron Chain.—The Director-General, Mechanical Department, P.W.M., Cairo, invites tenders for the supply of 2,000 kilos of chain, iron, required for the Government Workshops, Bulaq, Cairo. May 28.

General Stores.—The Director of Equipment and Finance Department, Ministry of the Interior, Cairo, invites tenders for the supply of general stores required by the Police Stores, Bulaq, in 1927-1928. July 2.

Boots and Laces.—The Financial Secretary, Egyptian Army, War Office, Cairo, invites tenders for the supply of 16,550 pairs of boots and 8,300 pairs of laces to the Department of Ordnance Services, Egyptian Army, Citadel, Cairo. June 28.

General Stores.—The Prisons Administration, Cairo, invites tenders for the supply of various articles required for the year 1927-28. The schedule of requirements is divided into the following sections:—(1) Cotton yarn, cloth, clothing, sacks, etc.; (2) buttons, eyelets, needles, threads, etc.; (3) tents, cordage, twines, bedsteads, enamelled articles, cardboard, etc.; (4) metal polish, blacking boot, heel balls, chalk marking, etc.; (5) paints, oils, grease, acids, etc.; (6) leathers, native and English; (7) fibres (Indian and Mexican), rattan, horse-hair, bristles, etc.; (8) electrical lamps and articles, etc.; (9) copper hardware; (10) tools (carpenters', saddlers', shoemakers', and smiths'), machines, files, etc.; (11) buckles, nails, ironmongery, fire hose, belting, mild steel, galvanised plates and steel, etc.; (12) timber, sindian wood, sanaa wood, handles shoum, etc.; (13) dyeing of clothing, cloth, etc. May 24. (D.O.T.)

Electrical Equipment.—The Ministry of Education, Cairo, invites tenders for electrical equipment for Beni Suef Trades School. May 28. (D.O.T.)

Plant for School of Engineering, Giza, Cairo.—The following plant is required for a School of Engineering, Giza:—One 100 k.w steam turbine D.C. generator set with condensing plant; one water tube boiler; one 150 B.H.P. Diesel engine; one Booster set; one experimental Diesel engine of 40-40 B.H.P.; one overhead travelling crane of 10 ton capacity. June 15. (D.O.T.)

Stock and Share Markets.

LONDON EXCHANGE		Prices on May 16	Railways.		Prices on May 16	Coal.		Prices on April 27
Government Stocks.								Rs.
Egyptian 4 p.c. Unified Debt	...	83½	Assam-Bengal	...	83	Baraboni	...	3
Do. Pref. 3½ p.c. 1890	...	72½	Bengal Nagpur	...	95½	Bengal	...	450
Do. Turk 4 p.c. 1891	...	87½	Egypt Delta Light Rly.	...	49/16	Burrakur	...	15½
Do. 3½ p.c. Eg. Trib. Bonds '94	...	80	Southern Punjab	...	194	East Indian	...	22½
Greek 5 p.c., 1881	...	54				Equitable	...	18½
Do. 5 p.c., 1884	...	54				Pench Valley	...	24½
Do. 4 p.c. Rentes, 1889	...	44½				Raneegunge	...	30
Do. 5 p. 1890	...	54				Standard	...	62½
Do. 5 p.c. Funding Loan, 1893	...	52						
Do. 4 p.c. Rents, Loan, 1902	...	53½						
Do. 4 p.c. Loan, 1910	...	54½						
Do. 5 p.c. Loan, 1914 (Lon. issue)	...	87½						
Do. 7 p.c., 1924	...	97½						
Persia 5 p.c., 1911	...	79½						
Roumania 4 p.c. Ext.	...	72						
Do. 4 p.c. Consolidation	...	47½						
Sudan 5½ p.c. Guar. Bds.	...	107½						
India 3½ p.c.	...	7025 32						
Do. 3 p.c.	...	60½						
Do. 2½ p.c.	...	50½						
Do. 5½ p.c.	...	103						
Do. 4½ p.c.	...	90½						
Turkish 4 p.c. Unified	...	24½						
Banks.			Rubber.			Cotton.		
Agri. Bank of Egypt	...	7½	Ceylon Para Rubber Ord.	...	13/3	Bengal Nagpur	...	25½
Bank of British West Africa	...	4	Doolgalla (Ceylon) Rub. Est.	...	20½	Bombay Dyeing, etc.	...	92½
Bank of Roumania	...	80/3	Grand Cent. (Ceylon) Rubber	...	41 3rd	Bowreah	...	325
Barclays Dom. Col. Pl.	...	28½	Hewagum Rubber Co.	...	26/9	Buckingham and Carnatic	...	215
Lloyds	...	62/6	Kepitigalla Rubber Estates	...	31½	Cawnpore Textiles	...	44
P. and O. Banking	...	9½	Malayalam Rub. and Produce	...	40½	Century	...	42½
Eastern	...	67/15				Central India	...	53½
Chartered Bank of India	...	19½				Elgin	...	92
Ottoman Bank	...	11½				Khatau Makanji	...	115
Imperial Bank of Persia	...	9½				Muir	...	292
Land Bank of Egypt Ord.	...	14½				New Ring	...	288
Westminster	...	18½				Phoenix	...	423½
National Bank of Egypt	...	35				Svadeshi	...	582½
National Bank of India	...	49½						
Land.			Shipping.			Jute.		
Kassala Cotton	...	8/6	Anchor 5½ p.c. Prt.	...	7½	Alliance	...	667½
Sudan Plantations	...	45/16	Cunard	...	24/3	Barnagore	...	264
			Furness Withy	...	37/6	Budge Budge	...	35½
			Khedivial Mail Ord.	...	1	Clive	...	46½
			P. and O. Deferred	...	270	Dalhousie	...	548
						Delta	...	672
						Fort Gloster	...	1,060
						Gourepore	...	812½
						Howrah	...	51
						Kamarbatty	...	749
						Kankannarrah	...	564
						Khardah	...	533
						Kinnison	...	1,206
						National	...	36½
						Standard	...	547
						Union	...	779
Mines.			Tea.			Miscellaneous		
Balaghat Gold Mining	...	5½	Assam Co.	...	43/6	British India Corporation	...	4½
Burma Corp.	...	15/1½	Bengal United Tea Ord.	...	215/16	Bengal Paper Mills	...	37½
Champion Reef Gold	...	12½	Bramapootra	...	37	Bengal Timber Trading	...	160
Mysore	...	15/6	British Indian Tea Ord.	...	3½	Burn and Co.	...	289/16
Nunodroog	...	11/3	Cachar and Dooars Tea Ord.	...	4	Cawnpore Sugar	...	12½
Ooregum Gold Mining Ord.	...	15/6xd	Ceylon Tea Plantations Ord.	...	65/16xd	Champaran Sugar	...	174
			Consolidated Estates	...	4xd	Howrah Oil Mills	...	
			Darjeeling Co.	...	23			
			Dimbula Valley (Ceylon) Ord.	...	31½			
			Dooars Tea Ord.	...	41 3rd			
			Dooloogram Tea	...	1½			
			Doom Dooma	...	49/32			
			East Assam	...	311/16			
			Empire of Ind.	...	211/16			
			Halem Tea	...	29/16			
			Jhazie Tea Association	...	411/32			
			Jokai (Assam) Tea Ord.	...	4/9/16			
			Lanka Plantations Ord.	...	218/32xd			
			Lungla (Sylhet) Tea Ord.	...	27/3			
			Nuwara Eliya Tea Estates Ord.	...	59/16			
			Pabbojan	...	6½			
			Scottish Assam	...	115/16			
			Upper Assam	...	227/32			
Oil.			Insurance.			ALEXANDRIA		
Anglo-Egyptian B.	...	1½	General Accident Fire and Life (£5, £1½ paid)	...	8	Prices on May 6, supplied by G.L. Mortera, Alexandria & Cairo.		
Anglo-Persian Ord.	...	415 32xd	London & Lancs (£5, £1 paid)	...	23½	Agricultural Bank of Egypt	...	£71
Do. 8 p.c. Cum. 1st Pl.	...	27/3	Royal Exchange (£1)...	...	7	" " Foud.	...	£625
Do. 9 p.c. Cum. 2nd Pl.	...	28/6	Sun Fire £10 (£2 paid)	...	24½	Alexandria Water Co.	...	£14 11/16
Do. 5 p.c. Debs.	...	96½	Trade Indemnity (£10)	...	13	Assoc. Cotton Ginners	...	£27/32
Ref. Burmah	...	10½				Behera Ord.	...	£16½
Burmah Oil Co. Ord.	...	531/32				Ciments d'Egypte	...	Frs. 125
Do. 8½ Cum. Pref.	...	26/3				" Div.	...	£ 5/16
Phoenix Oil and Transport	...	23/6				Compfoir Fin. & Com d'Egypte	...	Frs. 1,020
Steaua Romana	...	13/6				Credit Foncier Egyptian	...	£ 2,250
						" Fondateur	...	Frs. 104
						Crown Brewery Priv.	...	£5 11/16
						Filature Nationale d'Egypte	...	£24
						Frigorifique d'Egypte	...	£16 1/16
						Immeubles d'Egypte Soc. An. des.	...	£14½
						Land Bank of Egypt Actions	...	£158
						" Parts de Fond	...	Pt. 300
						Menzaleh Canal Navigation	...	
INDIAN EXCHANGES.			Miscellaneous.					
Government Loans.			Alexandria Water Co.	...	14½			
3½% Government Paper			Associated Cotton Ginners	...	17½			
			Egyptian Hotels	...	7½			
			Do. Markets Ord.	...	25/6			
			Do. Salt and Soda	...	22½			
			Mortgage Co. of Egypt 5 p.c. Pref.	...	83/16			
Banks								
Imperial Bank of India								
Bank of India								
Central Bank of India								

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RESERVE FUNDS - Drs. 57,091,594.50

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 Reserve Liability of Shareholders - £1,000,000

Paid up Capital - £1,000,000
 Reserve Fund - £400,000

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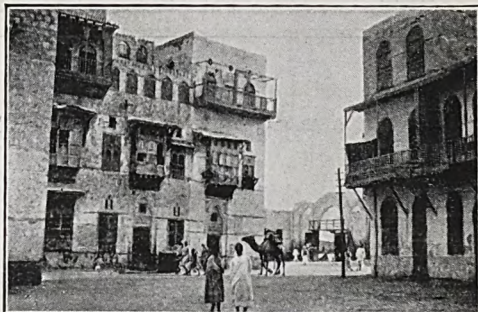
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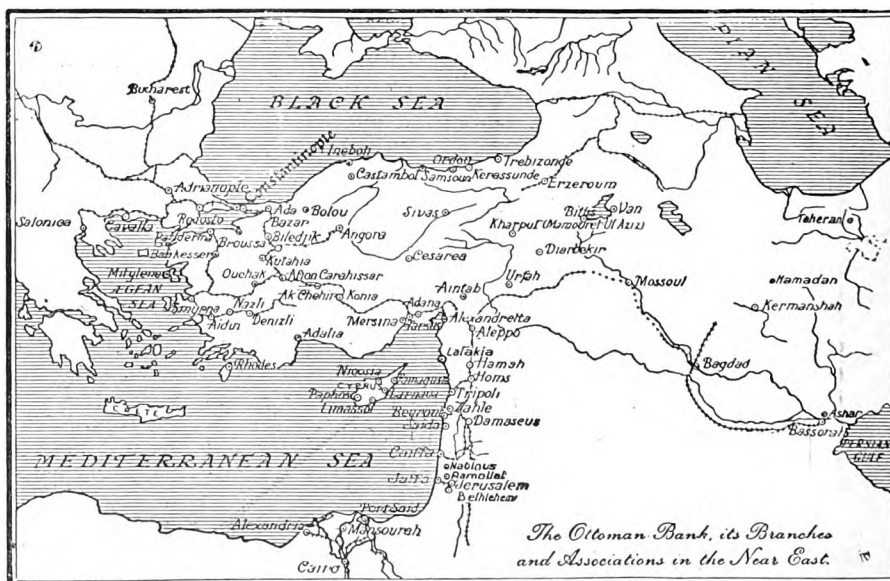
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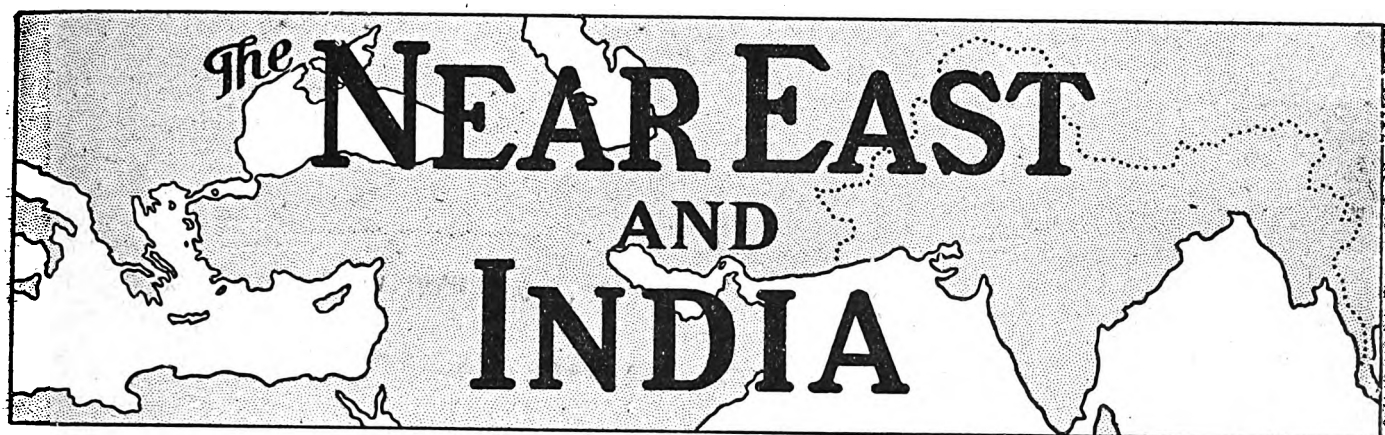
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No. 836.—VOL. XXXI.

THURSDAY, MAY 26, 1927.

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Notes of the Week.

Egypt and Constitutionalism.

In a number of countries constitutionalism is not proving as easy to work successfully as was confidently anticipated by those who favoured its adoption. One of the difficulties that confront those who are novices in the science is to understand where the dividing line between executive and legislative functions has to be drawn. Even in Turkey, where sovereign power is vested in the Grand National Assembly, the latter has too shrewd an understanding of its position to attempt any serious encroachment upon the duties of the Council of Ministers. In Egypt, as in Persia and elsewhere, the Legislature shows a disposition to regard Ministers as entirely under its orders in regard to details of administration. It is not content merely to legislate and to advise and to act as a check upon the Government; it is anxious itself to exercise the functions of any and every Department of State. This, at least, would seem to be the only explanation of a state of affairs that led to the resignation of Adly Pasha and has now forced Sarwat Pasha to threaten to lay down his office within a few weeks of his acceptance of the post of Prime Minister. The immediate cause for legitimate for any body of persons, whether Deputies or Senators, who sought to dictate to the Government in regard to the reinstatement of a dismissed official. It is legitimate for any body of persons, whether Deputies or not, to urge their views on the Government; but the policy of the Egyptian Deputies would seem to be to insist that their point of view must immediately be carried into effect. The parliamentary position in Egypt is admittedly anomalous, inasmuch as one political party possesses a large majority in the Legislature, while the Prime Minister belongs to a different, and very small, group. Yet it is by no means certain that the troubles of Sarwat Pasha, and of his predecessor, are due solely to this anomaly. A Wafd Prime Minister, in all probability, would be exposed to the same treatment, which arises from the failure of Deputies to understand that ordered Government in a country requires that a Cabinet, which has been accorded parliamentary sanction in the ordinary way, should be free

from interference in its executive duties, although subject to the approval or disapproval of the Legislature.

Persia and the Imperial Air Route.

The obstacle that was encountered, through the decision of the Persian Government not to allow the construction of landing stages in Southern Persia, on the opening of the Cairo-Karachi air route, was most unfortunate; but it is by no means final. The Air Minister, Sir Samuel Hoare, indeed, in a speech a few days ago to the Colonial Conference in London, said of this Persian section of the Imperial Air Route: "Sooner or later this obstacle will be surmounted or circumvented, and the line will reach its original destination." The probability would appear to be in its circumvention, for the Persian Government, which has no objection to the passing of foreign aeroplanes over Persian territory, wishes to fix another, more northerly line, for international aerial traffic. Obviously this change of plan from the original agreement of certain Persians with the British is due to the fact that the country of Riza Shah Pahlavi desires to be brought into closer contact with the outside world than the southern, original line across Persia would have implied. From the Imperial point of view this consideration may provide difficulties, but they should certainly be capable of amicable solution. It is to be hoped that the urgency of a settlement of the matter will be impressed upon the Teheran Administration.

Science in Arabia.

The days of romance in Arabia are not yet dead; in a sense, indeed, her career is but now re-beginning. For centuries the Peninsula has lain unchanged, and apparently unchangeable, with now this, now that chieftain exercising transient and local control. Now, however, it is feeling closely the contact with the West, a contact which, as we reported last week, has already resulted in the establishment of wireless communication between Riyadh, Hail, Mecca, and Madina. A few days ago King Ibn Saoud, under whose auspices this modern development has become possible, sent the first wireless message be-

tween his two kingdoms of Najd and the Hijaz. It is to be remembered, further, that motor-cars now ply in the Hijaz between Mecca and the Red Sea coast, and in Najd between Riyadh and the Persian Gulf. By such mechanical means, in short, the Arabian Peninsula is coming, slowly but surely, to some comprehension of what scientific progress consists. There seems to be no doubt that the only limit to the introduction in Arabia of modern methods of travel and of communication is that imposed by the financial situation of the country. It may be that Arabia will always be a poor country, but there is no question that the ruler of the Wahhabis is resolved to exploit what resources his section of the Peninsula may hold. It is even possible that the Hijaz and Central Arabia may take more kindly to contact with Western civilisation than the Yaman, that happy land to which European eyes perhaps more naturally turn in expectation of discovery, but in which it seems, despite considerable "propaganda," exceedingly difficult to make headway. The chances are at least reasonable, however, of greater progress being made in Arabia generally in the next decade than was made during the preceding century.

Autres Temps, Autres Mœurs.

There may be those who will thrill with pride in the achievement of the new Turkish Republic in having turned Yildiz Kiosk, the residence of Sultan Abdul Hamid, into a Casino. For our part, we should doubt the desirability of this particular form of change. The thought that in the spot where Sultans and other mighty rulers foregathered now stands a restaurant, gives rise to something more than philosophic musing. Could the Kemalists have done nothing better than to introduce—or, rather, to superimpose—here a cabaret show, gaming tables, and the like? Is it so fine a boast that, where once the tyrant dwelt, now haunts that restless but eternal element of Turkey's population, the Jew and the Levantine? The suspicion, which at first was modified by the genuine achievement of patriotic Kemalists, that political changes in Turkey were not preceded by any moral change, grows deeper. It is true that in the Casino at Yildiz Kiosk, officers and officials of the Turkish Republic are forbidden to play, but evidence goes to show that, in addition to the cosmopolitan band which such institutions always attract, there are a large number of real Turks, including many females, at the gaming tables. Turkish visitors to Europe will, admittedly, have seen similar things in the more advanced West; but it seems necessary to point out that night clubs, cabarets, and the like are not a sign of civilisation. If Turkey wishes to copy the West, she should, through her representatives who come to Europe, search a little deeper than the glittering surface of things.

The Exodus from Palestine.

The end of the Zionists' depression in Palestine is not yet in sight. It is stated that last March there were 265 immigrants into and 734 emigrants from the Holy Land. This emigrating movement is assuming serious dimensions, for it has been indulged in every month since last autumn, and the total excess of emigrants over immigrants since that time is given as 2,910. Nor does there appear any immediate probability of any marked tilting of the scales. The large schemes of construction have not yet come into full play, and though the position in the country districts is fair enough, prospects for Zionist workers in the towns are far from favourable. Indeed, the enforced doles which Zionist organisations have paid to unemployed Jews have been a considerable tax on their financial resources. This is, in fact, a most critical time, and it should be said that on the whole Zionists are bearing their woes and shouldering their responsibilities in a most admirable way. Here and there, it is true, one detects a tendency to allot the chief blame for the present state of affairs to the Mandatory Power for Palestine, but for the most part Zionists are keeping a stiff upper lip, convinced that the clouds will eventually break, and resolved, when the sun shines again, to go forward on sounder and surer lines than in the past. The mistakes that surrounded the booming of Tel Aviv, for instance, will not be repeated, and it is reasonable to suppose that, as a result of the Commission of Inquiry, a firmer, more constant and comprehensive endeavour will be made to enable Jews to produce from the land of Palestine, and not merely to stay there in order, as is said, "to take in one another's washing."

Foreign Rights in Persia.

Quickly following our recent comments upon the capitulatory régime in Persia comes the announcement from Teheran that the Persian Government has notified the Powers enjoying special jurisdictional privileges that those privileges will be abolished on May 10, 1928, the intention being for Persia to negotiate fresh treaties from which capitulatory rights shall be absent. As we remarked in our issue of May 12, this step has been provoked by the reorganisation of the judicial system under Davar. The Persian Government is, of course, quite within its rights in denouncing, at twelve months' notice, capitulatory rights contained in treaties with certain nations. It is interesting to note, however, that France and Spain through their treaties with Persia claim the perpetuity of capitulatory rights. On the basis of "most-favoured-nation" treatment, therefore, it is to be assumed that Great Britain could, if she wished, claim similar privileges. In any case, the working of Davar's new organisation will now be more minutely watched than ever.

Italy and Abyssinia.

Abyssinia, or at least the capital, Addis Ababa, has been keeping high day and holiday in celebration of the visit of the Duke of the Abruzzi. All business, it is reported, was suspended during the week of the Duke's stay, which ended on May 25, and a full and varied programme was provided in his honour. The significance of the occasion lies in the fact that the visitor is an Italian and that, seemingly, all parties and all classes in the country took part in the festivities. The Duke stayed with the Regent Ras Tafari, but on his arrival he proceeded first to the palace of the Empress, where a reception was held. There was a big muster of chiefs, as well as a military display. In the face of the special honours shown to the cousin of King of Italy there can hardly be room for serious misgivings among the Abyssinians that their country is in immediate danger from Italian penetration; and the Duke may be able to satisfy himself that the dispatch of the Abyssinian protest to the League of Nations regarding the Anglo-Italian Agreement entailed no permanent cloud on the relations between Italy and Abyssinia. Of the success of Signor Mussolini's gesture there can be little doubt.

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THURSDAY, MAY 26, 1927.

COALITION DIFFICULTIES IN GREECE.

Greece is finding the path of political coalition a difficult one to follow. When last December General Kondylis, who had successfully burst the bubble of the Pangalos Dictatorship, was preparing to hand over the reins of power to a constitutionally-formed régime, the popular demand for a coalition was so strong that the political leaders were obliged to fall into line and a Cabinet was formed under the presidency of M. Zaimis, comprising the heads of all the chief parliamentary groups. As a result of this sound move it was confidently expected that Greece would enter upon a period of political quiescence and would at last be able to bring the united genius of the people to bear upon the more serious problems with which the country is confronted. Practically for the last twelve years Greece has been able to call upon only fifty per cent. of the national talent for the difficult task of administration. The division of the people into two hostile camps has compelled whatever Government has been in power to rely almost entirely on those of its own political complexion, or less than one half of the nation, not only for filling all official posts from that of Prime Minister to that of village postman, but also for staffing its military, naval, educational and judicial services. It was only when a genuine coalition of all parliamentary parties had been formed, in response to the manifest wish of the nation as a whole, that there seemed a prospect of Greece's being able to rise superior to the obstacles that have retarded her material reconstruction and her moral rehabilitation. The early promise of the Coalition Cabinet has, unfortunately, not yet been fulfilled. From the outset it was seen that, even if the desire to bury the hatchet was as strong among the political leaders as it was in the nation as a whole, the traditional individualism of the Greek was going to prevent some of the Ministers from subordinating their own personal interests to the national interests. The first six months of the Coalition Cabinet's history have witnessed a series of crises within the Ministry that appear to have turned more on personal considerations than on questions of principle, although, no doubt, in the background have been the antagonism that still prevails between the monarchical and the republican systems, and the misgivings with which a section in each party regards the activities of the other. In this respect individual Ministers seem to have paid deference to the extremists of their parties rather than to have responded to the desire of the majority of the rank and file for a genuine political truce.

It is inevitable that a series of recurrent crises in a Ministry during the short period of six months must circumscribe the scope of the Government's achievement in the practical work of administration. Thanks to the sound foundations laid by foreign helpers, the scheme for refugee settlement has been carried on without serious interruptions. Much still remains to be done, and the Government requires a further loan for the purpose. This matter is closely connected with the general question of Greek finances, and in no direction has the administrative

paralysis engendered by Cabinet disagreements been more apparent than in the absence of any successful attempt to grapple with the financial situation. The difficulties are admittedly great; but in the face of the urgency of the problem it is apt to strike the foreigner as incongruous that practically everything else should not have been made to give place to the most pressing national necessity. Good will on Greece's part is not lacking; but the trouble has been amid the frequent Ministerial changes to work out any adequate scheme of financial reform and to secure for it the necessary period of application. Successive Finance Ministers have had to adopt makeshift measures; under the Coalition Government, although a marked improvement can be recorded in the financial situation, the troubles within the Cabinet cannot fail to affect the feeling of confidence abroad in the stability of the political situation in Greece, which is essential to any comprehensive scheme of reform.

What little headway the Government has made in healing the nation's wounds is shown by the nature of the recurring crises. To take the more recent incidents; there has been the delay in the passing of the Constitution to which the President, Admiral Koundouriotis, called attention when suddenly announcing his decision to resign on the ground that he was unwilling to hold a post which promised to remain indefinitely without constitutional sanction. His gesture, there can be little doubt, was intended as a warning to Ministers that they ought to abandon their petty squabbles and make some effort to advance the nation's business. Admiral Koundouriotis has withdrawn his threatened resignation, because the representations made by the Prime Minister must have convinced him that his withdrawal at that moment would have rendered M. Zaimis's task impossible and must have plunged Greece back into a still more hopeless political morass. Both this question of the Constitution and that of the reinstatement of dismissed officers in the Army and Navy turn on the old feud between Republicans and Monarchists; but behind the second question lies the all-important problem presented by the interference of the Army in politics. When the Coalition Cabinet was formed it was understood that the political leaders had agreed among themselves that the burying of the hatchet should include the reinstatement of officers who had been dismissed for their political opinions. Ever since that day a considerable proportion of the Government's time appears to have been taken up by attempts to clear this question out of the way. The anti-Venizelist Ministers have pressed for the fulfilment of the undertaking, while the Republican Ministers have been forced to try to whittle down the arrangement owing to the attitude of the existing Officers' Corps in the Army, which refuses to accept the reinstatement, at least of all the officers whose claims have been endorsed by the Anti-Venizelists. Neither party to the dispute wishes to give way, in the belief that their political future is at stake. The only common meeting-ground is a desire to eliminate the interference of the Army with politics. Discretion, therefore, points the way to a compromise in regard to the actual number of officers reinstated, provided that there can be real agreement subsequently as to the measures to be taken to render the Army politically impotent. The offenders to-day are the Venizelist or Republican officers now in the Army, who are dictating to the Ministers representing their political group in the Cabinet. A condition of reinstatement for the Monarchical officers must be an oath to abstain from all political interference in the future. If the leaven provided by this group is not going to be sufficient to keep the Army on right lines, it may be better for Greece to meet her trouble now once for all and to challenge the Officers' Corps to a final trial of strength. It is the attitude of the Army that is responsible for the ineffectiveness of successive Greek Governments, and a repetition of the incidents that marked the abolition of General Pangalos's Praetorian Guard would be preferable to an indefinite prolongation of the present state of affairs.

The Near and Middle East

From Our Own Correspondents.



Cairo, May 14.

King Fuad in the Fayum.

Last week-end King Fuad motored to the Fayum and inaugurated the new road that has been constructed across the desert from the Pyramids. He spent four days there and received such a warm reception that it is to be hoped that this will encourage him to visit the various other provinces of his kingdom. His Majesty, who has now taken up his residence at Kubbeh Palace, will leave Egypt at the end of the next month for London, where, as already announced, he will be the guest of King George. He will spend from ten to fourteen days in England, and will then cross to the Continent in order to take a cure and pay an official visit to the King of Italy. In October King Fuad will return to Paris, as the guest of the President of the French Republic. This will be the first time he has left his country since he ascended the Throne in 1917.

Searchlight Tattoo.

The British garrison, in collaboration with the Royal Air Force, gave a really brilliant Searchlight Tattoo this week on the racecourse at Gezira. Every arm of the British forces in this country took part, and the display made a very deep impression on the foreigners and the many Egyptians who attended it. Lord Lloyd was present on two of the four evenings, King Fuad being his guest on the last night. The Tattoo, like last year's, was given in aid of military charities, and it has proved so conspicuously successful that it seems a thousand pities that it cannot be given earlier in the year, when it would provide a welcome addition to the attractions for the tourist public and a correspondingly greater accession to the funds of the charities. It is understood that the difficulty lies in the fact that the movement of so many troops on the racecourse would cut up the turf too much and make it impossible to carry on racing. But if Gezira cannot be used, there is Heliopolis racecourse, where the enormous space in the

centre would constitute an admirable arena for such a display.

The Mixed Court of Appeal.

There is great agitation in Alexandria over the proposal to remove the Mixed Court of Appeal to Cairo, and a special meeting was held under the presidency of His Excellency Ahmed Ziwar Pasha in order to discuss the situation. A resolution was passed putting on record the serious prejudice which would be caused to Alexandria if the transfer were to be made. Subsequently the Municipal Council considered the question, decided to support the movement against the transfer, and delegated a committee to wait upon the Minister of the Interior and bring the matter to his notice.

The protagonists of the proposal, who are leading members of the commercial community in Cairo and the Egyptian and European members of the Cairo Bar, state in support that the situation has completely changed since the Mixed Tribunals were created in 1876, when it was laid down that the Court of Appeal should sit in Alexandria. One of the great reasons for this provision was that it was desired to remove the appellant jurisdiction as far as possible from the influence of Ismail Pasha, which was much feared at that time, and as a guarantee against which this jurisdiction had been created as a protection for the European commercial community.

Another strong reason was that the commercial centre in Egypt was Alexandria, where all the business houses had their head offices and the foreign representatives were stationed. Since then the interior has undergone considerable development. Alexandria is still a commercial centre, but only for the export of cotton; Cairo has become the heart of the import trade and of the other export activities of the country. In fact, from a capital of purely native character it has developed into a cosmopolitan city of outstanding commercial importance. Its population is more than double that of Alexandria. Its courts command an area many times the size of that within the jurisdiction of Alexandria. The cases which go forward to appeal are greater than those which emanate from the Alexandria Court of First Instance, and it is the University and Law School centre.

While there is a good deal to be said for the point of view of Alexandria, which stands naturally to lose by the transfer of the appellant jurisdiction to which its lawyers and merchants have been accustomed for nearly six decades, it does seem wrong that the litigants from the whole of Egypt, with the exception of the provinces of Behera and Dakahlia, should be compelled to incur the expense and inconvenience of going to Alexandria when Cairo is the strategical as it is the more natural centre for them all. The principle of bringing the appellant jurisdiction as near as possible to the litigant most concerned has already been sanctified in the case of the native courts, where a Court of Appeal has been instituted at Assiut in order to save the people in Upper Egypt from the trouble and expense of coming all the way down to Cairo. There seems no just reason why the same principle should not be followed in the case of Mixed Courts litigants. Indeed, the time is not far distant when, just as there is a Court at Mansourah for the convenience of the community in the eastern portion of the Delta, so there will be an offshoot of the Mixed Courts at Assiut or Minia to meet the growing needs, in the matter of judicial facilities, of the population of Upper Egypt.

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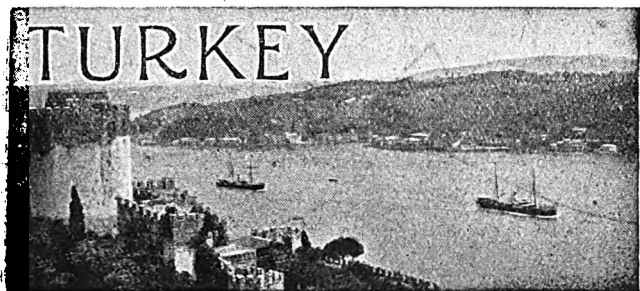
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Constantinople, May 11.

The Ex-Khedive's Claim.

The most prominent question during the past week has undoubtedly been that of the claim of Abbas Hilmi Pasha, ex-Khedive of Egypt, against the British Government. It came before the Anglo-Turkish Mixed Arbitral Tribunal yesterday and to-day. This case, which is the most important with which the Tribunal will have to deal, has excited great interest here, and was followed as attentively by certain Turkish and foreign diplomatic representatives as by the Press and general public. Very able counsel was engaged by both claimant and respondent, Sir Maurice Sheldon Amos, K.B.E., representing the British Government, while Tahir Bey, Member of the Permanent Court of The Hague and Maitres Bergery and Kayser, two eminent French lawyers, appeared for the ex-Khedive. The latter's claim is preferred under Articles 65 and 66 of the Treaty of Lausanne, but in order to invoke these the following must be established:—(a) that claimant is a Turkish subject; (b) that Egypt comes within the interpretation of the term "territory detached from the Ottoman Empire in virtue of the present Treaty" or (c) that Egypt was, on October 29, 1914 subject to the sovereignty or protectorate of His Britannic Majesty.

At the opening of the proceedings Counsel for the defence was invited to state his case, and Sir Maurice Amos, despite the disadvantage of the pleadings being in French, delivered a lucid and convincing exposition of the British Government's contentions. These contest the Tribunal's competence to deal with the claim on the grounds that the ex-Khedive is not a Turkish subject (he represented himself as an Egyptian subject in a document entitled "Memorial of Claim" dated November 23, 1923, communicated to the British Government) and that, according to Article 19 of the Treaty, his property is situated in territory regarding which the provisions in Articles 65 and 66 have no effect. The point regarding the ex-Khedive's nationality was one upon which there was much discussion, and at the close of the proceedings a telegram from Ismet Pasha was read in which the claimant is described as being "incontestably Turkish." No judgment has yet been given, but this will be communicated to the interested parties in due course.

Luxurious Motor Cars.

According to the local Press there is a movement afoot to compel the public to curtail their extravagant tastes. Someone—it is not stated whom, but apparently some Authority is indicated—objects to the expending of so

much money on the *de luxe* type of motor cars. Since the adoption of meters on the taxis in Constantinople the owners have disposed of the poor looking objects which used to serve as taxis and have gone in for more luxurious types—which naturally gain the preference of the public—and this fact is deplored on the grounds that too much money is finding its way abroad. The above-mentioned Authority, contemplates, therefore, restraining this indulgence by compelling future taxicab owners to adopt standard all-weather cars of modest price and looks. Furthermore, there is now some question of changing the present mode of application of Customs duties on motor cars which is based on the weight of the article to that of imposing duty according to price. The latter modification does not appear to be at all unreasonable, but the intention to dictate what one shall pay for a car is nothing less than absurd.

Reform in Dress.

Apart from the above project regarding motor cars, Nexiha Mouhieddine Hanoum is now agitating for the adoption by Turkish women of a modest and uniform mode of dress with a view to preventing the expenditure of the national fortune for the acquisition of "unnecessary" articles *de luxe* made abroad which form so important a part of the present-day fashions. There is no doubt that Nezih Hanoum will find little support in this idea, unless it be from the husbands concerned, as the Turkish woman of to-day is only too weary of the recently discarded uniform costume of bygone days and eager to be able to compete with her European sisters on equal ground.

Sport and Temper.

An extremely regrettable incident occurred here on Friday last during the football final for the "Jumhuriyet" Cup between the teams Galata Serai and Fener Bagtche. Shortly after half-time, with the score at one all, a certain amount of rough play was apparently introduced into this hotly-contested match, which soon developed into an indiscriminate rough and tumble between the players. The referee being utterly powerless, the police were constrained to lend their assistance, but this unfortunately acted only as the signal for the beginning of a tumultuous battle amongst a large portion of the 5,000 spectators. The sporting authorities here and official circles at Angora are naturally exceedingly grieved at this occurrence which, as they point out, demonstrates that the sporting instinct has not yet completely triumphed over the primitive passions. Galata Serai and Fener Bagtche are two teams of which Turkey has just reason to be proud and they have on more than one occasion proved their mettle against visiting national teams, who took away with them a different conception of what they had previously been content to describe as uninitiated beginners. It is to be hoped, therefore, that these footballers will take the wise counsel from Angora that the written and unwritten laws of sport be completely respected and that the pursuance of vendettas be abandoned.

An Arbitrary Measure.

A new difficulty which, while not being of any great

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The Daily News. "An extremely valuable work of reference."

The Times, in the course of a half-column notice (under "Books of the Day") says: "With best part of 1,000 pages at his disposal, Mr. Montague Bell is able to deal with them (the Balkan States) very thoroughly, and to find room for ample and detailed information about every form of political, financial, economic, commercial, and educational progress. . . Mr. Bell is not content to limit the information he imparts to the geographical details and statistics of all sorts usually to be found in books of reference. He deals very fully with finance, debts, banking, commerce, shipping, insurance, and industry, and provides useful historical summaries, complete with lists of past Prime Ministers and the present strength of parties in the various Legislatures. Indeed, even those who are well acquainted with Balkan and Near Eastern affairs will be surprised at how much there is to learn about those countries; and Mr. Bell himself seems to hope that if the Near Eastern nations can be persuaded to take a greater interest in the present, and its multitudinous and important interests and activities, they may begin to forget about that unpleasant past which has hitherto been such a drag upon their progress. He has certainly provided them and their friends with ample means for taking that interest."

The Morning Post. "A long-felt want is supplied . . . For purposes of reference his book is invaluable. . . Good maps and detailed information regarding every sphere of the activities of these countries are provided in a clear and accessible form."

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importance, is nevertheless causing considerable unnecessary inconvenience, is arising from the recently applied measure prohibiting the delivery in Turkey of bound books sent from abroad by book post. These are now subject to customs duty, and in order to eliminate the necessity for the Postal Authorities of recovering from addressees the duties liable on such parcels, instructions have now been given to return all books unless sent by boat and included on the ship's manifest. Such procedure is absolutely without precedent, and causes, apart from the trouble of clearing these articles from the Customs House, a month's delay of the boat journey.

May 18.

Greeks and Mussulmans.

The *Jumhuriyet* published on May 13 the information that the Greek Authorities at Dedeagatch had dismissed—on the pretext that they wished the port services to be assured exclusively by Greeks—seventy-five Mussulmans who were natives of that town. "It is obvious," this paper stated, "that the Greek Government still persists in its determination to force all Mussulmans to leave Greece by depriving them of the means of subsistence." While it is very possible that this report is by no means erroneous, the *Jumhuriyet* appears to forget (or perhaps prefers to ignore) the fact that thousands—not tens—of Greeks have been summarily dismissed from their employment in Constantinople in order to make room for Mussulmans. Furthermore, the Port Monopoly of Constantinople—not to mention numerous other public services—does not permit the employment of Greeks in its services, and only a week ago the Prefecture of Constantinople attempted to refuse the granting of a motor driving licence to an Austrian who wished to work as a taxi-driver. This would appear to be another instance of a very black kettle making disparaging remarks about a pot.

Municipal Improvements.

A mission, under the presidency of Assif Bey, Prefect of Angora, sent to make a study of the manner in which European cities are administered, has now returned after visiting France, Italy, Belgium, Switzerland, Germany and Austria. Assif Bey states that the services of experts have been engaged in France, Germany, and Austria and these will shortly arrive at Angora, where they will undertake the planning and building of a modern capital.

Angora, however, is not the only town in Turkey which it is determined to modernise. According to Mezim Bey, the Mayor of Diarbekir, his counsellors have planned considerable improvements to be introduced this year. Diarbekir's municipal revenue, which for 1924 was only £T31,000, has now been brought up to £1,93,000, and with this they intend to build an ice factory, a theatre, cinema and casino, and organise a decent fire brigade. Last year's revenue was devoted to the construction of a new Town Hall and the repairing of the main street, and with the coming financial year's improvements Diarbekir will certainly assume the aspect of a quite modern town. There is no doubt that the numerous municipalities of the interior towns are now each vying with the other. Angora is decidedly pleased with this state of things.

Popular Party Congress.

The Popular Party Congress, which was to have been held on May 19, has, owing to the great amount of work still to be done in the Grand National Assembly concerning the examination of new Bills, been postponed until some time about the middle of June. Great importance is attached to this Congress as Mustapha Kemal Pasha is expected to pronounce an epoch-making speech lasting for some hours. Feverish preparations are being made in order that this momentous discourse may be broadcasted. The broadcasting of concerts has already started in Constantinople on a modest scale, but the occasion of the President's speech will be the first on which radio has been used for such purposes.

Book Reviews

WORLD POLITICS THROUGH AMERICAN SPECTACLES.

"EUROPE AND THE EAST." By Norman Dwight Harris. (London: George Allen and Unwin, Ltd. 20s. net.)

"IMPERIALISM AND WORLD POLITICS." By Parker Thomas Moon. (New York: The Macmillan Company, 15s. net.)

The more or less simultaneous appearance of these two studies of world politics by two American professors affords a stimulating contrast in historical writing. Professor Harris of Northwestern University sets out to relate the story of European expansion and intervention in Asia and the Pacific Ocean, while his colleague of Columbia University covers the same ground as one item in a wider review which embraces all five Continents. Each approaches his task fortified by wide knowledge and conscientious study; but the former is as obviously possessed of critical ability that can approach each subject impartially as the latter is handicapped by the fact that, having given his dog a bad name, he cannot help hanging it. In "Europe and the East" we have a very readable and valuable study of the relations of Western Powers with the Near East and with Asiatic countries, and Professor Harris has rendered good service in condensing his subject within the present compass without sacrificing the details that are of importance. He is happier, indeed, in his detailed reviews, as, for instance, in the chapter on the Defence of India, than in some of his rapid surveys. Thus in a reference to the Balkan Peninsula, it is inaccurate to include Montenegro among the Balkan communities which had thrown off the Ottoman yoke between 1829 and 1878 and had arisen from dependent nationalities to independent self-sustaining States, and it is straining history to enumerate as among the factors that led to this successful evolution "Pashitch in Serbia, Venizelos in Greece," in view of the fact that the former made his first appearance in Serbian politics in 1878, and the latter in that year was only fourteen years old.

On the subject of Turkey Professor Harris follows up a trenchant analysis of the Lausanne negotiations with the verdict that the Treaty, in spite of serious drawbacks, contains a real basis for a lasting peace and for the work of reconstruction in the Near East.

... By giving the Turks a square deal and making possible the re-establishment of a Moslem Power at the gateway between Europe and Asia, the fears of the Mohammedan peoples were quieted, a strong friend acquired by France and England in the Moslem camp, and the way opened for the creation of a just and honourable relationship between the European States and the Mohammedan communities of the Near and Middle East. And with the establishment of a stable Turkish State co-operating with European Powers and with a galaxy of independent Moslem communities, such as Egypt, Palestine, Iraq, el Hedjaz, Afghanistan, and Persia, a splendid step will have been taken toward the stabilisation of conditions in the Orient and the development of international confidence and good-will between the Christian and Moslem worlds. But this is not all. The permanent settlement of the old international feud for the possession of Constantinople and the Straits is set at rest by the official recognition of the Turkish claims to that region.

Certain "dark clouds" on this fair horizon are the exchange of populations, the method of providing protection for Christian minorities and aliens in Turkey, and the failure of the European Powers to keep their promise to Bulgaria regarding an outlet to the Aegean Sea for that State. With regard to the first cloud, it has to be supposed that Professor Harris wrote this passage some time before the book was published (there is no indication in the book of any date, either by the publisher or by the author), as it is generally allowed to-day that the exchange has worked out far better than was anticipated and must be regarded as in the long run the best course for both countries. Our author is somewhat fearful of the Turks'

capacity to maintain financial, economic and commercial independence owing to "the web of intrigue and diplomatic manoeuvres which will be spun about them by the Powers in order to promote the selfish ends of European capitalists," and in spite of his recognition of the great improvement that the new order in Turkey is on the old comes back in the end to a note of interrogation as to whether the new national régime will succeed.

From the Near Eastern question Professor Harris turns to the Middle East, and after a chapter describing the expansion of Russia comes to "The Persian Muddle." The Kingdom of Persia, one of the oldest monarchies in the world, has lived, he points out, through more tragic vicissitudes than any other nation on earth, and fallen, at length, into a state of decay that has been more stultifying than anything experienced by any modern political community. After playing an important part in the politics of the Middle East, it gradually declined during the 17th, 18th and 19th centuries, until it became an impotent, disorganised and discredited State of the third grade, without resources, leaders or friends. "And one may truthfully say that it exists to-day only through the grace of God and of the British Empire." In spite of this exordium, Professor Harris has little commendation for British policy towards Persia during the 150 years over which Anglo-Persian relations have extended.

This sympathetic and praiseworthy policy failed to get either party anywhere, because it was neither constructive nor continuous. And it failed to inspire confidence, since it was not accompanied by enlightened, sustained efforts to promote the development of Persia. For, unfortunately, the British diplomacy blew hot and cold by turns. And the Home Government by its procrastination and indifference deliberately threw away, from time to time, those favourable opportunities for constructive statesmanship which the genius of individual Ministers, such as Sir Henry Drummond Wolff and Sir Frank Lascelles, created. Nevertheless, thanks to the energy of the Viceroys of India and the labours of British diplomats, consular representatives and merchants in the Middle East, British influence remained dominant in Persia almost to the end of the 19th century.

In the meantime, however, the Russians, had been acquiring "a most remarkable strategic position" in northern Persia. Tracing the growth of Russian influence, the author comes to the Anglo-Russian Agreement of 1907. This celebrated treaty he regards as one of the most remarkable diplomatic triumphs of recent times. "It was a great step in the direction of international conciliation and co-operation, being based on the principles of fair play, equal rights and free competition." Yet "no other treaty of modern times has been more bitterly assailed and criticised, both in Europe and in Persia." Its three weaknesses were: It was made without reference to the interests or welfare of Persia; the way was left open for a joint interference in the affairs of Persia at any time and for any reason that might be considered a "difficulty"; and, thirdly, being drawn on broad and indefinite lines, the document was open to various interpretations. The subsequent course of events is described in scathing terms by Prof. Harris. On the Shuster affair he is particularly incisive; "the proofs are conclusive that the guilt of Great Britain in this affair was as great as that of Russia, because the British Government not only countenanced the Russian intervention, but abetted her in it." In general, Great Britain knew what was required in the interests of Persia, but for one reason or another failed to carry it out. For the Anglo-Persian Treaty of August 9, 1919, Prof. Harris has only good words to say. "No State was better qualified to assist Persia in this labour of reorganisation than Great Britain, or more favourably disposed to co-operate on a just basis. And there was no reason to doubt her good faith." But the Treaty was a complete failure.

The British statesmen had grasped the salient points in the situation in the Middle East with rare insight. (The reference is to 1919.) ... Unfortunately, through short-sighted diplomacy, stupid blundering and unpardonable delays, the English Government threw away

an unprecedented opportunity to advance the interests not only of Persia and the other States of the Middle East, but also of the British Empire and of Europe. A more colossal diplomatic failure has seldom been seen in recent times.

It is of interest at this point to turn to Professor Moon's version of these events. Imperialism, it has to be remembered, is not only the title of his book, but is also an ever-present obsession. He writes :—

The end of the War found Persia occupied by British troops, and Britain relieved of Russia's partnership. In vain the Persians sought to avert the clearly impending British protectorate by appealing to the Paris Peace Conference. The Conference was deaf.

On August 9, 1919, the Persian Cabinet accepted the inevitable by signing an Anglo-Persian Treaty. . . . If, in the preamble, the British Government reiterated its pledge "to respect absolutely the independence and integrity of Persia," the formula need not be taken too seriously. What Great Britain intended was a modern, subtle form of imperialist control no less effective, but much less candid, than what it used to be the fashion to designate by the euphemism "protectorate."

To show that prejudice and ignorance recognise no limits, Prof. Moon thus sums up Persia's wonderful accession of good fortune in the developments of the Anglo-Persian Oil Company :—

"The development of the oil industry may mean an end of Persian independence; but in these days of more subtle forms of imperialism, Persia is more likely to remain nominally independent while her underground wealth is owned and exported by foreigners, from whose prosperity a few crumbs of economic benefit will fall to Persia's share, in the form of taxes, increased commerce, increased business."

As millions of pounds sterling in royalties would disturb the picture of Prof. Moon's indirect economic crumbs, they are ignored.

The two books afford many similar instructive contrasts in the interpretation of contemporary events. The general attitude of the two historians is well brought out in their estimate of Great Britain's activities in various parts of the world. Prof. Harris, as we have seen, knows how to castigate blunders and to put his finger on weak spots; but he does examine actions and analyses their effects. Prof. Moon is convinced at the outset that everything is for the worst and merely marshals his evidence in support of this useful and stimulating theory.

Here is Prof. Harris on Great Britain's work in India :—

The world owes a debt of gratitude to those intrepid and valiant men who, with a just and cheerful spirit, amid privations and difficulties, served as policemen and pioneers along the route to the East in a noble effort to promote the welfare of mankind and the interests of European States. . . . The policy of Great Britain was one of conciliation, co-operation and friendship. She gave a fair compensation for value received, and strove honestly to win and retain the confidence of all the border peoples.

Prof. Moon's reading is as follows :—

In Africa and in southern Asia British imperialism since 1874 has been principally concerned, as the imperialism of other nations in the same period has been concerned, with the economic exploitation of coloured peoples, rather than with white settlement.

There may be good points in "Imperialism and World Politics," but the manifest bias of the author must necessarily make him suspect as an interpreter of world tendencies. We have dealt here only with parts of the two books of special interest to readers of THE NEAR EAST AND INDIA. As already indicated, both cover wide ground. "Europe and the East" devotes nearly half its pages to the Far East, and enhances its usefulness as a book of reference by a Selected Bibliography of 29 pages.

HELLAS AND PERSIA.

"THE CAMBRIDGE ANCIENT HISTORY." Vols. IV. and V. (Cambridge University Press.)

There is no use wasting the space at our disposal in recording praises of the "Cambridge Ancient History." It has already established itself firmly as a necessity for the student and for the ordinary cultivated man. It needs no words of praise from us.

We propose, therefore, rather to indicate what the prospective reader of these two volumes may expect to find in them. First, he may be sure of finding editing as nearly perfect as is humanly possible. The total effect is almost epic. It was partly in order to bring out this quality that we have preferred to review these two volumes together. In them we see the Persian Empire rising and growing, the progress of the Grecian City Powers, the clash of the two, with the miraculous victory of the latter. Then follow the rapid growth of the Athenian Empire with its strength and fatal weakness, the brilliant but suicidal wars between the Greeks, and, finally, the entrance once more of Persia on the scene with results fatal, at first to Athens, but, as we shall learn in future volumes, indirectly fatal in the end to Greek freedom. The story flows on, evenly and inevitably, from step to step, from epoch to epoch, and the beginning is in Vol. IV. and the tragic end in Vol. V. The two together make a wonderful tale of a wonderful time.

As regards detail, we do not propose to say much. It is, in general, sufficient to say that each section is in the hands of a writer very specially qualified by his scholarship to take charge of it, with the one conspicuous exception of those relating to Etruscan matters which seem to us to be definitely below the standard of the rest of the work. The writers, most of them, can write as well as they can instruct. Perhaps the sections which stand out above the others in this respect are those by Professor Bury and, very specially, the masterly chapter on Herodotus and Thucydides by the veteran scholar Dr. Macan. The narrative torch is passed on from one hand to another with amazingly little loss in continuity. Many of what we may call the supplementary chapters are particularly well done, as, for instance, that on the economic background in Greece in the fifth century by Mr. Tod, and that on the outer Greek world in the sixth century by Professor Ure. The latter subject is one of great importance and it is a pity that so little space could be given to it. Could the author not give us the treatise on the subject which is so badly wanted? Chapters on Greek art by Professor Beazley are excellent. The same may be said of Mr. Cornford's lucid summary of what we know of Greek Mystery Religions and of the course of Greek Philosophy before Socrates. It is far from easy to produce, on such large subjects, a chapter which is at once a sufficiently full and clear summary of the available knowledge, while retaining literary grace. To us it has seemed that Mr. Sheppard, in his brilliant essay on Attic drama in the fifth century, has rather allowed the latter quality to overshadow the former.

Not only is a sixth volume to appear very soon, but we are to have volumes of illustrations to accompany those volumes which have already appeared. To these all readers of this invaluable history will eagerly look forward. In the matter of bibliography and index they are already splendidly cared for. It only wants the promised pictures to make the feast complete.

C. S-W.

KALIDASA'S SAKUNTALA.

"KALIDASA'S SAKUNTALA." Edited by the late R. Pischel. (Harvard University Press. Published in Great Britain by Humphrey Milford: 22s. 6d. net.)

This fine edition of the famous romantic play has a certain romance of its own attached to its production. As long ago as 1898 the late Professor Pischel undertook to prepare for the Harvard Oriental Series a revision of his

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edition of the Bengali recension of the "Sakuntala," which had appeared in 1877. At last the result is before us. How Pischel died before his work was ready for the press, how Professor Cappeller carried on that work, how the War intervened between the printing—at Stuttgart—of the first 26 sheets and that of the remainder—these and other vicissitudes are described or hinted at in the prefatory note by Professor Lanman, general editor of the series. Yet the book well maintains the standard of its predecessors: it is a satisfying, substantial volume, well printed on good paper, and the Nagari type used is as pleasant to the eye as any I have seen.

The 1877 edition mentioned above was the first critical edition of the play to be made; at any rate, the first from the longer recension. It was a great work, prepared from a collation of many MSS., Bengali, Nagari and Dravidian, and containing a very full list of variant readings. The present edition remains strictly critical (there are no explanatory notes), but the number of variant readings included has been greatly reduced by the exclusion of such as are evident blunders, or as occur merely in the stage directions; and the text has been improved, especially in the Prakrit passages, the divergences from the first edition being clearly shown in a special list. Further, Professor Cappeller has added a section giving Sanskrit equivalents for all the Prakrit words, in the order in which they occur in the play, with references to Candrasekhara's commentary, to Pischel's edition of Hemacandra, and to Pischel's own Prakrit Grammar; satisfying thereby the needs both of students of the Prakrits, and of those who read only Sanskrit. Finally there are schemes of all the metres used, with a list showing the metre of every stanza in its proper order.

In consideration of the vast amount of Sanskrit literature that survives, and of the great importance of much of it, there has been remarkably little critical work done upon the texts; time will bring more, but at present it is still a new study for Western scholarship. Hence the importance of a work such as this of Pischel and Cappeller: it makes a landmark in the history of Oriental textual criticism. The book's value for the promotion of Prakrit studies has been already mentioned; it only remains to say that even those who are not scholars, or even students of Sanskrit, should be grateful for the provision of a good text of this play, which through the medium of translation may become accessible to all.

C. A. RYLAND.

THE FRANCO-POLISH ALLIANCE.

"THE COMEDY OF POLAND." By Major O. d'Etchagazer. (London: Allen and Unwin. 7s. 6d.)

We make no apology for calling the attention of our readers to a book which deals with a country just outside those treated of in THE NEAR EAST AND INDIA. After all, it has a common boundary with Roumania, and the dissolution of Poland, if it comes about, is not unlikely to have very serious effects even farther afield.

This is not the book of propaganda to which readers of works on the Near East are usually treated. It is written by a French Army Major who has seen much service in Poland since the Armistice and has spent much industry in efforts to ascertain in what way the alliance between his country and Poland is likely to benefit the former. Having arrived at the conclusion that its effects can only be disastrous to France, he wrote, in 1925, his book which he called "Pologne, Pologne . . .," which now appears in English under the rather unfortunate title of "The Comedy of Poland"; for it is no comedy that is represented by the author. His object is to warn his countrymen, before it is too late, that they are backing a horse which may easily lead them into great danger and even

disaster, while this terrible risk has no compensations to make it even apparently acceptable. We cannot but think that his efforts must have had some effect, though it is hard to see how France can now honourably withdraw from the position which she rashly took up after the Armistice.

Shortly, he looks upon the Polish nation as a hopeless jumble of antagonistic peoples, only half of whom are Poles. These latter are found by him to be dishonest, inefficient, ignorant, lazy, self-satisfied and corrupt to the core, with the exception of some of the well-educated higher and middle class. The Government seems to him to exist mainly for the enrichment of its members and their underlings, while the Army is, even apart from its dangerous admixture of race, a perilous fraud, useful only as a means of getting rid of war material and money. The only return which the French have had for their sacrifices, pecuniary and otherwise (and these have been great), is the almost entirely successful prevention of any French trade with Poland. His conclusion is that, if France helps Poland to remain an independent State, she is letting herself in for a task of enormous extent and danger. To him the only really possible solution of "la question polonaise" is another partition. But between whom?

This somewhat crude summary of the Major's book does no justice to its clever writing, to its documentation and to the wealth of witty anecdotes which it contains. It may well appear to many readers, as it does to the present writer, to indicate a curiously one-sided view. We have no space now to enter upon such questions. The fact remains that the book is serious, well-written and is well worth reading.

C. S-W.

What of ARMENIA? A Gesture of Friendship

towards the Armenians is now being carried out with the support of the Christian public of Great Britain, the League of Nations and the French Government. Land in Syria has been secured, on which some thousands will be able to live and prosper by agriculture, the recognised industry of 85 per cent. of the Armenian People. Thus the pitiful congestion in the unsanitary refugee camps will be relieved and one of the greatest problems of the present day will be partly solved.

In view of this great opportunity for succour which God has presented, The . . .

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earnestly appeal to readers of "The Near East & India" to show PRACTICAL SYMPATHY towards these destitute and sorely distressed fellow-Christians

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ARABIAN TRADE RESOURCES.

BY COMMANDER C. CRAFTURD, R.N. (RET.)

Arabia holds undeveloped trade resources. Here is a small incident that illustrates the point. Our little ship buried her nose in the green seas. Shaikh Yusuf clasped his hands to his stomach. "Oh Allah The Merciful," he wailed. Shaikh Yusuf was my guest; he was growing seasick, and he needed rousing. In a few moments our ship would be running between the sheltering reefs of Kamaran roadsteads and into the calm waters of Kamaran Harbour, one of the best harbours of the southern Red Sea. Meanwhile, she bobbed and curtsied to the dancing waves while Yusuf wailed his distress.

"Oh! I wish I were back on the firm ground of my own home land," he sighed. "Nonsense, Shaikh," I laughed. "Here you have all the riches of the seas, freedom and the strength of the salt sea breeze. What is there in your land? Nothing but fleas, flies, and sand." Yusuf was roused. "My land holds everything," he answered indignantly. He told me tales of waving crops, sheep, goats and camels; a land flowing with milk and honey. "What would you?" he queried. "You Europeans are always greedy for gold. Would you like a bag of gold?" We were coming to the calm waters, so I ended the conversation. "Why, yes, Shaikh, if you like." I laughed. "Every Arab is greedy for a cup of coffee. Come along and have one."

I forgot Shaikh Yusuf and his fairy tales, till one month later. We were cruising in the Farisan Bank, a network of coral reefs and atolls. A canoe hailed us. "Ho Qabtan. Ho Captain, stop your ship. I have a present for you." The canoe came along side, and a fisherman stepped aboard. He carried a sack over his shoulders and dumped it down on the deck. "Thank God that job is over," he remarked, and turned to go. "Wait a minute, Muhammad, we are just beginning to like you. What have you got in that sack?" we asked. "I do not know," he answered. "I was told it is a sack of gold." It was gold, an alluvial gold sand, and while we were examining it Muhammad and his canoe disappeared.

It is unfortunate that in the pressure of war service I lost Shaikh Yusuf's address; for in his Eastern manner he had offered me the development of his gold deposits.

That experience was by no means an unique one. I have made inquiries all round the Arabian sea coasts. There is gold in plenty; there are plenty of undeveloped resources in Arabia, both mineral and agricultural. "Render Arabia self-supporting": that is my message, and it holds a perfectly practical proposition.

If His Majesty's Government had devoted one per cent. of its Middle Eastern military expenditure to commercial development, both Arabia and Iraq would be self-supporting. From 1918 onward His Majesty's Government has been forced to undertake responsibilities in Iraq, Palestine, Transjordan and Arabia proper. In 1918 we were somewhat ignorant of Arab problems, though it is probable that we were not so ignorant as other European Powers. There is no sense in finding fault; the price of ignorance is a large one. We have paid for our ignorance to the tune of over four hundred million pounds. The point that needs emphasis is that Arabia is not yet self-supporting.

Now a hungry man is an angry man: a body of hungry men is a danger to the community. If we bring industry to Arabia, we still abolish the many dangers which threaten us, so long as the Cradle of Islam is restless. We could certainly render Arabia self-supporting. We do not need a subsidised trade, but we do need Government encouragement. It is quite justifiable to ask for that encouragement. In the past our Government has gained political concessions that have proved of very little value, while the practical-minded Arab rulers have gained British cash. They have invested the cash in ammunition. In other words the Arab ruler buys trouble for a neighbouring State. He pays in British gold; and it often happens that further British gold is required to quieten the trouble. Now that we have gained experience, it is time to stop fooling with the British tax-payer's money. Whenever it is necessary or politic to pay money to an Arab ruler, we should make some endeavour to forward British trade interests at the same time. If we give an Arab ruler several thousand pounds we have a perfect right to ask: "What are you going to do with the money?" Each Arab State has some trade or trade resources awaiting development. We can insist that some of our payment shall be devoted to the development of trade. We are dealing with a race who are mainly Semitic. If we demand a full twenty shilling value for our pound, they think all the more of us.

In all the districts under the rule of King Ibn Saoud the industries are mainly pastoral. They would shoot ahead if more water were available. In most of the Tihama and probably in most of this King's territories artesian well boring would prove a success.

All the Arabian Tihama is backed by high hills that catch the monsoon rains. The rainfall is lost to the surface, but it is probable—indeed almost certain—that all of that rainfall is recoverable through artesian well boring, that will tap great underground streams and rivers. Artesian well boring has been started in the Bahrain districts and has met with marked success.

The pilgrim trade of the Hijaz is well established and will continue so long as Islam exists in its present form. If the pilgrim trade is developed satisfactorily the import of pilgrims should easily reach one million pilgrims per annum. At present the only pilgrim port for Mecca is Jidda, but the deep water port of Lith offers better navigational possibilities and has a shorter road to Mecca. The Lith road is at present impractical, but it is probable that a full development of the Pilgrim trade will eventually open both roads. After the pilgrimage to Mecca, a large number of pilgrims journey to Madina. Some of the pilgrims journey overland from Mecca to Madina, but the majority return to Jidda, travel by sea to Yanbo, and from there by road to Madina. The main requirements of these pilgrims are, cotton goods, grey sheetings, and blankets. Practically all low price goods can find a market. In 1912 and prior to that date, cheap Austrian glass and cheap china goods figured largely among the imports to the Hijaz. In 1920, I gave the Overseas Trade Department detailed information regarding the imports and exports of Arabia from about 1912 to 1918. A great deal of that information was gathered from Turkish sources. I now learn that the Turkish statistics were exaggerated, and cannot be regarded as reliable. They do serve, however, as some guide to the requirements of Arabia, and the openings for Red Sea trade. In 1918 and 1919, the

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Late Mr. Wyman Bury also furnished trade reports regarding Southern Arabia, and he certainly knew what he was writing about.

At present it is advisable to remember that low priced articles may meet with a ready market during the pilgrimage season; but I should advise *quantity* not *quality*, as the guiding maxim in initial ventures of Red Sea trade. So soon as Red Sea trade develops to steadiness, quality will, of course, tell. The retail trade must be in the hands of Muslims, and the Indian is a good middleman, acceptable to the Arab. The wholesale trade can be developed through Aden, or through the Red Sea ports direct. I should advise merchants who are not well acquainted with Arab trade to begin their activities through Aden. The Arab is averse from the Western banking system, and though there is no reason why payments should not be made through a bank it will be best to commence operations at a British port. My own experience suggests that it is inadvisable to give large credit accounts to Arab merchants, until all reasonable precautions have been taken. While the Arab merchant does not use a Western banking system, he fully understands a cheque, and frequently prefers a cheque to a cash payment.

With a reasonably good pilgrim season, the pilgrim ports will stand an import of £750,000 and an export of £500,000. Neither that import nor export could be attained immediately. Arabian trade has been at a standstill since 1914 and must redevelop. The Hijaz ports in their present state could not handle a greater trade than I have indicated, but both the ports and their trade could develop to a greater state. The export resources can certainly develop to balance the import trade.

The main imports are: light cotton goods, grey sheetings, light blankets and low price goods of every description, excluding toys, dolls and non-Muslim articles. The main exports are "Mocha" coffee (the genuine article), skins and hides of poor quality. The Mocha coffee is of high quality, being hand picked, hand graded and sorted, from trees that have never known the coffee disease. The skins and hides are of poor quality because they are not scientifically dried. They are cured with insufficient wood ash and are baked in the hot Arabian sun and deteriorate accordingly. They are suitable and known to the Indian market. During famine time, and when the monsoon rains fail, the skin market is at its best, because the badawin then kill off their animals, throw away most of their meat and sell the skins.

The trade resources of Southern Arabia seem far more plentiful than those of the Hijaz. Southern Arabian trade is not ready for immediate development, being somewhat unsettled at present. The unrest, however, between the Yaman, Asir, and the Aden Protectorate, can be quietened very quickly. In the past various representatives of the British Government made treaties with minor Arab rulers. Now the Imam of the Yaman, who is the main Arab Ruler of Southern Arabia, objects to those early treaties with minor rulers, whom he considers should be subject to his control.

In my opinion the divergencies of opinion that exist between His Majesty's Government and the Imam can be adjusted. The adjustments may take from six to twelve months, and after that Southern Arabian trade will be open.

When we dive into obscure Middle Eastern history, we find that Al Yaman, "The Happy" land, held and still holds amazingly rich resources. The Yaman of ancient times was not limited by what we consider its present geographical boundaries, but most of its wealth was contained in the Yaman country of the present day.

My article, however, grows over long. I had intended to take you round the Arabian coasts that I know so well, past many a forgotten seaport of Sabaeen times, ports of world renowned wealth, and on to the Persian Gulf ports, and their pearl fisheries. I have merely taken you through two thousand miles of sea coast. That, perhaps, is sufficient for one article.

In conclusion, I repeat my main conviction. I have waited seven years, watching for the propitious time. Now I deliver my message: "Render Arabia self-supporting."

NEAR EASTERN PRESS.

A Balkan Locarno.

The suggestion in the Near East Press of a Balkan Locarno, although the obvious solution of the great problem, seems a little previous in appearance. Certain questions remain unsolved—such as Macedonia, the perpetual hotbed of trouble, minorities in all countries, access to the sea, and transport in commercial enterprise. Moreover, one is still confronted with the difficulty of settling agreements with unstable Governments.

With regard to Turkey's part in Balkan affairs and the prospect of a Balkan Locarno, it is evident that the lesson of the Great War has not yet been lost and that the intervention of any Power in Balkan affairs is viewed with mistrust. With regard to this *La République* (Turkey) says:—

If one is to believe a telegram sent from Vienna to the French Press, the efforts of our Minister for Foreign Affairs to prepare a Balkan Locarno, or a Union of Balkan States, are on the eve of a great success. Negotiations to this effect, which have begun, and tend to end in an agreement between Angora and Belgrade, in which Greece and Bulgaria would equally participate.

To nullify the efforts of Italy to encircle Yugoslavia, the latter has agreed with the point of view of the Turkish Minister for Foreign Affairs. Turco-Bulgarian relations have for some inexplicable reason entered a better phase. A *rapprochement* between Greece and Turkey would be possible, owing to the settlement of the larger part of those questions pending between these two countries.

We state here, every time that occasion presents, what we think of a Balkan Union in which Turkey would participate. It is not that we do not desire such a Union, but the fact is that circumstances have never been favourable for its realisation, and are not more so to-day than yesterday. The impossibility of such a realisation can be explained by the fact that the Balkans and the Balkan peoples are far from combining those aptitudes necessary for such an organisation. And whence, therefore, are all these rumours which have been spread for some time past in order to persuade the world that they are on the eve of realising such a combination?

The reason is so simple that anyone could see it without thinking for long: it is that most likely one of these Balkan States is in an uncomfortable position and that it believes it possible to draw certain advantages from such an announcement. Well, let us say at once that in parallel circumstances, of imperative and urgent necessity, it is impossible to dream of such a union or alliance. The Balkan States can only form a Locarno between themselves with a cool head, and at a moment when they have no external complications. It is



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only thus that they could show a proof of their maturity and peaceful sentiments.

Thus, from one point of view it seems not only absurd and impossible but even injurious to talk of a Balkan union in which Turkey would take part, as long as the conflict between Italy and Yugoslavia has not definitely subsided, for in this case we should be but fanning the flames. And that is not all, since in justice we cannot but lay a large part of the responsibility at the door of Yugoslavia, in this affair of the Treaty of Tirana and its consequences. Yugoslavia, formerly but a small State, having swiftly grown larger owing to a lamentable aberration in the succession of Austria-Hungary, has been seized with a great desire to walk into the shoes of the fallen Empire in the Near East. We believe it to be impossible for Yugoslavia to deny this. Moreover, although Bulgaria continually shows her dislike for Serbia, Yugoslavia nourishes the hope of one day winning to her side this rather fierce neighbour.

Greece fears Yugoslavia, because she is aware of her plan to descend on Salonika, and the perpetual fear of Serbian imperialism pushed Albania into the arms of Italy. If Yugoslavia is to-day about to be seized in an iron grasp, she should certainly be fair in owning that she is herself responsible for this state of affairs up to a certain point. How, then, can Turkey suggest, under these conditions, a Balkan Union in which she would take part?

And what is worse is that these States come and beg the assistance and favour of the Great Powers. For example, Greece is always ready to receive orders from England, Albania has made an agreement with Italy, Bulgaria is looking everywhere for somewhere to hang on, and Yugoslavia herself is but an ally of France who defies everyone by declaring to whoever may wish to listen that she can make an agreement with Russia or ally herself with Turkey whenever circumstances demand.

All these complications obviously show that no Balkan Union could work under present conditions, for the very reason that those elements which should serve as foundations are far from secure.

Foreign Intervention in the Balkans.

Another article in the same paper contains the following:—

The Balkan question consists of two truths which are in perpetual conflict, and which are responsible for great misfortunes, not only for the Balkan people, but also for the whole community. These are the truths:—

1. The formula of "the Balkans for the Balkans," for which, may it be said, no solution has been found.
2. The intervention of some Great Power in Balkan affairs, wherever she sees an opening for executing her political designs. Humanity has always had to suffer terribly for such an intervention in the Balkans. Read the whole history of this unhappy region, and, observing recent events, you will always see these two truths in perpetual opposition.

We know the situation which has existed since the end of the War: the Balkan States lack confidence in each other, and each one looks for external support. This is where the second point quoted above comes in:—

Everytime a Great Power sets foot in the Balkans to carry out its own designs it will bring disaster not only to the Balkans themselves but to the whole world. Such is the present Balkan policy of Italy—a policy supported by England—which shows the sinister signs preceding a great danger. And what else can the Balkan people expect from such a policy, but loss and disaster?

Macedonia.

After such a discussion of a Balkan treaty one turns with mixed feelings to the Balkan trouble. Macedonia, the source and victim of much injustice on all sides, presents a further difficulty with regard to the exchange of Greek and Bulgarian communities, in which Bulgaria is, as often, the loser. One can but hope that the question may be settled

before an unprejudiced court. The Yugoslav representative of the *Morgenblatt* writes:—

For some time past already the Macedonian Emigration—by which is understood the "legal" grouping of the Bulgaro-Macedonians living in Bulgaria—is displeased with the Government coalition and the Liaptcheff Cabinet. The Macedonians feel further supported in their apprehension by the firm resolution of the Government, in accordance with the undertaking in 1919 between Venizelos and Stamboliski, for the taking over of the Bulgarian churches, schools, monasteries and cemeteries under Greek control. According to the International Greco-Bulgarian Commission for voluntary emigration, the pecuniary value of these societies must be valued and liquidated, as also should the Greek churches, schools, monasteries, etc., in Bulgarian territory be valued and taken over by Bulgaria. So a reciprocal exchange would take place between the two States. Now, the Bulgarian possessions are much more significant in number and value—more than 300 to the 70 Greek institutions—so the Bulgarian Government would suffer a severe loss in this transaction, which in the precarious financial situation of the State would be hard to bear. It is also questionable whether the Greek Government would be prepared to pay the balance. On the other hand, if Bulgaria does not hold to the definition of the Agreement, she loses her rights of all indemnity and the articles concerned pass into the possession of Greece; and Bulgaria much nevertheless pay for the Greek common property on her territory, which according to the gold standard amounts to several millions. . . . On these grounds it has been resolved to set the liquidation in motion and the Prime Minister, M. Liaptcheff, the well-known Macedonian, declared to one of the Macedonian Delegation that he agreed with the intention of the Minister for Foreign Affairs and that the liquidation would be started.

The Macedonian Emigration protests with all its strength against this and contradicts the Bulgarian Government's right of disposal of the institutions and their goods. The churches, schools, monasteries and cemeteries and similar institutions in Greek Macedonia belong solely to the communities concerned, and only these can dispose of them. They are *res sacrae* and unsaleable. . . .

The article concludes by saying that the Macedonian meetings of protest against this exchange have been forbidden by the Government. The National Macedonian Committee has laid the matter before the League of Nations, but with very little hope of success. There has also been a suggestion of bringing the matter before the International Law Court at The Hague. If this matter is left unsettled it will bring greater trouble to Bulgaria's foreign affairs. M. J. A.

ALBANIA AND ITALY.

The Albanian Legation in London has received from its Government the following telegram:—

"By an exchange of Notes made on April 26, 1927, between the Albanian Minister Plenipotentiary in Rome, H.E. Jemil Bey Dino, and the Italian Premier, H.E. Signor Mussolini, the Governments of Albania and Italy declare that, if requested either jointly or separately by one or more Powers to enter into negotiations which relate to the interpretation or application of the Treaty of Tirana, or the participation in it of third States, or which in any way affect the relations between Albania and Italy, neither of the two Governments will take part in such negotiations without previous consultation on the subject between Albania and Italy or without a perfect agreement and a simultaneous participation of both countries in such negotiations."

The Greek Ministerial crisis arising out of the proposed nomination of M. Politis as head of the Greek Legation in Paris has been averted by a compromise. M. Karapanos, the present Minister at Paris, is to be recalled and the post left vacant till the Foreign Minister returns from Geneva, says the Athens Correspondent of the *Morning Post*.

Draft suggestions for a commercial treaty between Turkey and Bulgaria have been handed to the Bulgarian Minister in Angora by the Turkish Government. It is expected that the Greco-Bulgarian negotiations for a definite commercial treaty to take the place of the provisional agreement at present in force will be resumed shortly.

Mr. V. H. Patel, Speaker of the Indian Legislative Assembly at Delhi, and other distinguished Indian visitors were the guests of the Ulster Parliament and the Speaker of the House of Commons (Mr. R. W. H. O'Neill) at luncheon in Belfast on May 18. Mr. Patel, responding to the toast of "The Indian Legislative Assembly," which was proposed by the Speaker, said that they had been warmly welcomed in places where they least expected it. Speaking of India, he said that the people there wanted to remain within the Empire, but on grounds of equality. There had been an extraordinary awakening among the masses of the people, and they wanted perfect equality with other nations. They had come to realise that the British Government would never yield to threats or violence, and they knew that only by constitutional and peaceful methods could they come to attain their ideal.



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PERSONAL AND GENERAL

TO-DAY

May 26, 1927 (New Style).
 May 13, 1927 (Old Style).
 Julkaada 24, 1345 A.H., of the Muslim Calendar.
 Iyar 24, 5687, of the Jewish Calendar.

Lord Leconfield will return to London this week from Egypt.

Captain the Earl of Altamont has arrived at 7, Upper Belgrave Street from India.

The Maharaja of Rajpipla, with his suite, has arrived at the Savoy Hotel for the season.

The Prince of Wales received the Maharajahdiraja Bahadur of Burdwan at St. James's Palace on May 18.

Field-Marshal Lord Plumer and Lady Plumer, who left Palestine on May 15, expect to arrive at the Rembrandt Hotel to-morrow.

Dr. Raghunath Purushottam Paranjpye (upon his appointment as a Member of the Council of India) was received by the King at Buckingham Palace on May 17.

Dr. C. A. Hewavitarne (who was Commissioner for Ceylon at the British Empire Exhibition in 1924) and Mrs. Hewavitarne have arrived in London from Colombo, and are staying at 43, Hill Street, Berkeley Square, W.1.

Mr. Ganeshilal, Jnr., of Agra, India, had a command audience of the King and Queen at Buckingham Palace on May 21, to show to their Majesties his collection of Indian historic and other jewels and embroideries. The King and Queen were much interested in the collections.

Professor Sir Flinders Petrie, F.R.S., is giving a public lecture on "Recent Discoveries in Palestine: The City of Gerar" at University College, London, this afternoon (May 26), at 2.30 p.m. The lecture will be repeated on Saturday, May 28, at three p.m., and on Monday, May 30, at 5.30 p.m.

We regret to have to record the death of M. Kyril Popoff, the able Director of the Bulgarian Statistical Bureau. M. Popoff, who died while attending the International Economic Conference in Geneva, was largely responsible for raising the Statistical Bureau under his charge to a level that has at present not been attained by the similar organisation in any other Balkan State.

Mrs. Charles Hancock and Mr. C. G. Hancock gave a luncheon party at the Ritz Hotel on May 18, their guests including the Roumanian Minister, the Greek Minister, the Czechoslovak Minister and Mme. Masaryk, the Egyptian Chargé d'Affaires and Mlle. Sidarouss, the Countess of Haddo, Lord Airedale and the Hon. Angela Kitson, Lord and Lady Strachie, Viscountess Pirrie, Lady Whitburgh and the Hon. Sybil Borthwick, Sir David Murray, the Roumanian Consul, and Lady Stavridi.

Air Vice-Marshal Sir W. S. Brancker will preside at the 6th Annual R.A.F. Middle East Dinner at the Trocadero Restaurant on June 2. The dinner is a reunion of those who served as officers with the R.N.A.S., R.F.C., or R.A.F. during the War in Palestine, Mesopotamia, Salonika, Mediterranean, Egypt, East Africa, India or Aden. Applications for tickets should be made not later than to-morrow (Friday) to Brig.-General W. B. Caddell, Vickers House, Broadway, Westminster, S.W.1.

The report that the Nizam of Hyderabad was sending his sons to England for their education is unfounded. The question, however, may be considered at a later date.

NEWS IN BRIEF.

M. Rakitch, Yugoslav Minister in Rome, left for Belgrade on May 19.

The Mediterranean Fleet, it is understood, will leave Malta, under Admiral Sir Roger Keyes, on June 22 for a two-months' cruise.

Mr. Joseph C. Grew, American Under-Secretary of State, has been appointed United States Ambassador to Turkey.

M. Alexander Karapanos, who has been Hellenic Minister in Paris since November, 1925, was recalled by telegram to Athens on May 19.

M. Marinkovitch, Yugoslav Minister for Foreign Affairs, returned to Belgrade on May 18 from the conference of the Little Entente at Joachimstal.

The Bulgarian Government have given the Aero Company of Prague the right to erect an aircraft factory at Kazanlik, on a site to be provided free of cost by the State.

M. Briand lunched on May 20 with M. Mitileneu, Roumanian Minister for Foreign Affairs, who had arrived in Paris especially to confer with the French Foreign Minister.

The Pope has appointed Mgr. Andrea Cassulo, Titular Archbishop of Leontopolis, and at present Apostolic Delegate in Egypt and Arabia, to be Apostolic Delegate in Canada and Newfoundland.

Mr. Richard Griffith, who died on May 21, at Carnarvon Hospital, served with the Royal Welch Fusiliers at Suvla Bay, and afterwards, with the R.A.M.C., in Egypt and Mesopotamia.

Official figures show that during the month of March 265 persons entered and 734 left Palestine. Each month since last August (inclusive) emigrants have exceeded immigrants, the total excess figure being 2,910.

The Bishop of Dornakal, speaking at the Church Army headquarters on May 20, said that he hoped to study Church Army methods in order to establish an Indian Church Army, adapted to the special needs of India.

The Palestine police officially announce the arrest and identification of the brigands concerned in the hold-up on May 5, when the Anglican Bishop in Jerusalem was robbed. The whole episode was witnessed by shepherd boys.

Excavations carried out at Agrinion [Vrakori] at the expense of a wealthy local tobacco merchant, M. Papastratou, have resulted in the discovery of the walls of the ancient town and the foundations of various temples, says *The Times* Athens Correspondent.

Flying Officer Cocks and Leading Aircraftsman Bowston, who are flying to Lympne (England) in a privately owned D.H.9 aeroplane, left Karachi for Basra on May 19. The flight began at Lahore on May 11. They arrived at Karachi on May 16.

According to the daily Hebrew newspaper, *Davar*, the Palestine Budget for 1927 to 1928 shows a deficit of £90,000, because Palestine is covering part of the expenditure of Transjordan. Otherwise the Budget would show a surplus of £80,000.

While the Archbishop of Athens was officiating on May 21 at the Feast of St. Constantine in the Church of St. Constantine at Piræus, a barber tried to cut off his beard as a protest against the Gregorian calendar, introduced in 1923. The barber severed part of the beard, wounding the Archbishop's cheek and hand.

The Royal Air Force fliers under the command of Air Commodore Samson, who left Cairo for Cape Town on March 30, which they reached on April 21, and who left Cape Town on the return journey to Cairo on April 25, landed at the Heliopolis aerodrome on May 22, thus completing their 11,000-mile flight without a hitch.

Mr. Walter Leaf, of Sussex Place, Regent's Park, N.W., Chairman of the Westminster Bank, and one of the founders of the International Chamber of Commerce, Chairman of the Central Electric Supply Company, Limited, who died on March 8, aged 75, left estate of the value of £124,186, with net personalty £117,640.

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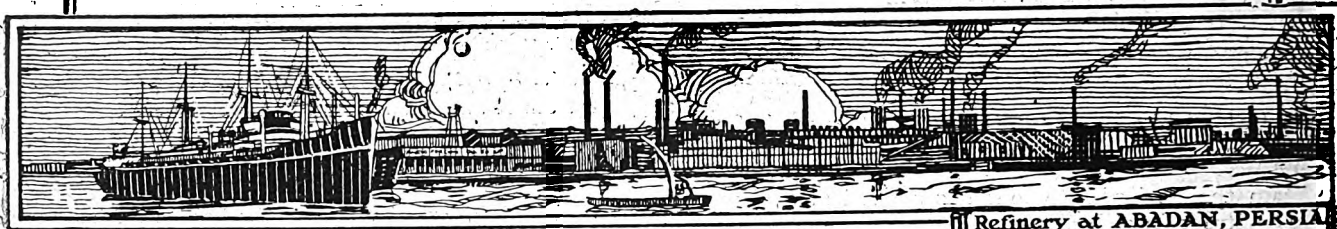
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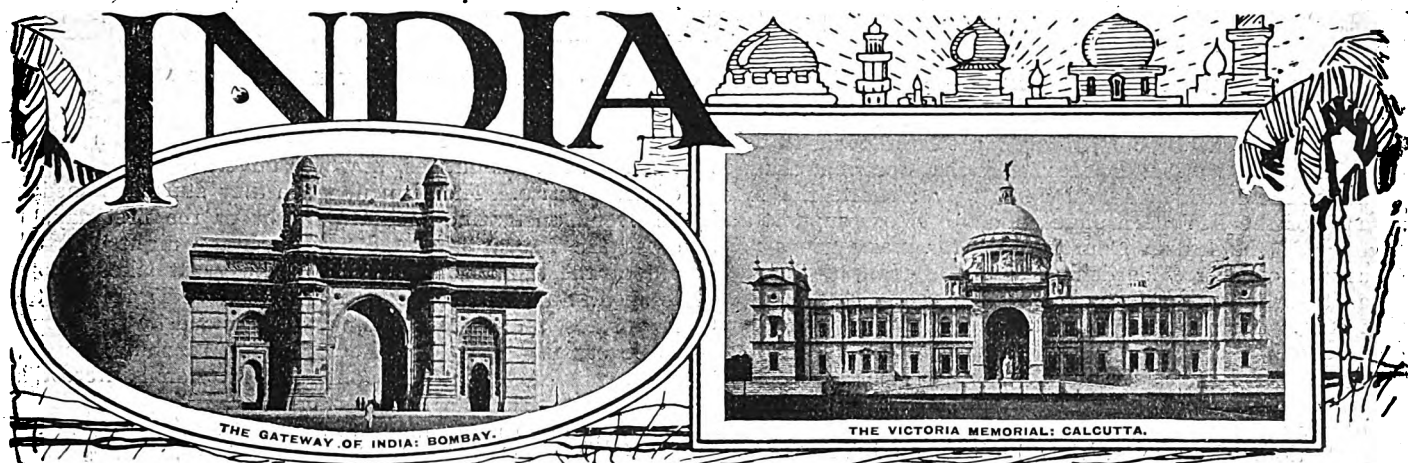
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LIVERPOOL	COLOMBO	ORAN
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THE CHURCH IN INDIA.

The approaching dissolution of the legal union at present existing between the Church of England and the Anglican Church in India may not attract any great measure of public attention. It is, nevertheless, a matter of much historical interest, which may vitally affect the spiritual welfare of a large section of our Indian fellow-subjects, and particularly of our European and Anglo-Indian brethren, who are resident, whether temporarily or permanently, in that country. It was well pointed out in the article by Canon Fisher which appeared in our last issue that some such development as that now proposed is inevitable. The Churches in the great Dominions of the Empire have obtained full autonomy. It would be difficult to refuse similar rights to the Church in India, which aspires to the full status of a Dominion. Moreover, the more purely missionary Churches in China and Japan have also reached practical autonomy. Further, the present legal position of the Church in India is so confused and anomalous that legislative reform would in any case be necessary. It would, for example, be illegal, as Canon Fisher points out, to use the Revised Prayer-book in Indian Churches, however fully it had been accepted and sanctioned in England. Apart from these national and legal considerations, it is obvious that the Anglican Church in India can have no sure and permanent foundation if it is open to the charge of being an exotic institution, subject to alien control. With smaller grants from Government, such as must be expected under the altered constitution, and possibly reduced financial support from the English in India, and from missionary bodies in England, it is increasingly necessary that the Indian Church should be self-supporting, even if such a condition was not demanded by a proper self-respect. While, however, we must agree with the necessity for some change, and cannot but admire the broadmindedness and skill with which the proposals for this change have been prepared and brought forward, it cannot be denied that the conditions are very different from those prevailing in the Dominions or countries above referred to, and that problems of considerable complexity are involved. It is in particular almost as morally incumbent to safeguard the spiritual interests of the domiciled Europeans and Anglo-Indians as it is to save them from political destruction.

It is, however, desirable to give some figures which may remove possible misconception. It might be imagined from the references to the Church in India that the Anglicans comprise the greater part of the Christians in India, or, at least, the great majority of the Protestant Christians. It must, in the first place, be remembered that, while the Christians in India increase proportionately more rapidly than the adherents of other religions, they still only number four and three-quarter millions, or about one and a half per cent. of the whole population of the country. Of these four and three-quarter millions, the Anglicans can claim little more than half a million. While it is true that they comprise about two-thirds of the Europeans, and about one-third of the Anglo-Indians, their Indian members are less than one-eleventh of the

total Indian Christians. They are far out-numbered by the Roman Catholics, and even by the Syrian Christians. They exceed the numbers of any separate Protestant denomination, but are far less than the total of these denominations, some of which are, through working in the aboriginal tracts, likely to add more rapidly to their numbers than the Anglicans can do, and are also likely to add to their strength by amalgamation. On the other hand, the Anglican Church has an importance out of proportions to its mere numbers, on historical and official grounds, through the adherence of the majority of Europeans to it, and through the possession of an able and respected hierarchy. Already its Indian members are to the Europeans and Anglo-Indians as eight to three; and more than one-third of its thousand ordained clergymen are Indians.

The first difficulty or danger that must be regarded as at least possible is one of departure from the doctrinal or moral standards as they exist at present in the Anglican Church. Such departures may take two forms. First, there may be assimilation with other Protestant Churches, or even with branches of the Syrian Church. Such assimilation may obviously be very desirable in itself. It cannot be other than disconcerting and undesirable to find in a non-Christian land so many different sects nominally following the precepts of the same Holy Book. Such dissensions and rivalries as exist would doubtless have had a more unfortunate effect, had not the Hindus themselves been divided into an infinite variety of sects and beliefs, and did they not therefore regard it as natural that the followers of another intellectual religion should be similarly divided. But, however desirable such union of fellow-Christians may be, it may not be acceptable to followers of Anglican tenets, if it involves, as it inevitably must, some sacrifice or compromise of principle. The second form of doctrinal departure would be more serious, though perhaps less probable. It is well known that all the leading Indian religions are profoundly and continually affected by each other. This is particularly the case when a large number of the adherents of one religion are comparatively recent converts from another. Everyone acquainted with district life in India knows how one family will keep the tenets—or, at least, the observances—of two religions, and how the followers of many religions will worship together amicably in one shrine. There is no reason why the Indian Christians should be exempt from similar tendencies. The census reports show how narrow is the line in some places between recent Christian converts and their unconverted brethren; and in Roman Catholic Churches on the West Coast we believe it is still the case, after centuries of Christianity, that those who claim Brahmin descent sit separately from their fellows. There is the possibility also of undesirable political activities. Some of the Indian Christian bodies have already indicated a tendency to extreme materialism, as shown by resolutions of sympathy with Nationalist leaders, apparently unnecessary and superfluous. It would doubtless be unwise to attract too much attention to this tendency. The Indian Christians must naturally include a large proportion of well-educated but disappointed men, for whom advancement or even employment is difficult.

while the whole number of Indian Christians is proportionately so small that they may not unnaturally feel it necessary to stand well with the majority, if the strong and impartial control of the English is to be weakened.

Doubtless the Indian Church must be allowed to work out its own salvation. But it is clear that doctrinal changes and political tendencies may not only alienate the sympathy of the European population, on whose support and guidance the Indian Church must for many years rely, but may cause real hardship to isolated communities, and particularly to the domiciled Europeans and Anglo-Indians. Such opposition and misgivings as have been expressed in connection with the proposed changes have been founded on this possibility. The inherent dangers have been guarded against by a series of elaborate clauses. Their very elaboration, however, suggests the possibility of friction. Moreover, they limit the ministrations of chaplains of "maintained" Churches to the European troops, and the Civil Servants of Government and their families. It may be observed that it is not these that require protection so much as the non-official community. Perhaps a more probable danger than actual friction is alienation of sympathy and a consequent spirit of indifference on the part of the Europeans. In small stations in India the Roman Catholic Church has sometimes been known as the "Kristân" Church, while the Anglican Church has been called the "Sahib's" Church. It would indeed be lamentable if the "maintained" Churches in the big cities were separated, either in fact or in spirit, from the Indian Anglican Church. Other possibilities of difficulty naturally present themselves. There are, for example, the questions of marriage and divorce which have caused such confusion in the past. It is claimed generally by the supporters of the proposed legislation that the position of the laity will be greatly strengthened. It would appear, however, at first sight that the Bishops of the new Church, instead of being appointed as they are at present, by an outside authority whose position and impartiality is beyond cavil, will be elected by their fellows on the Episcopal Bench. If the principle of popular election is admitted, the drawbacks and abuses which have occurred at all other popular elections in India, may not be found absent.

So far we have considered only the practical aspects of the question. A word may perhaps be allowed on its sentimental side. There is always sadness about the end of an old song. The ecclesiastical connection between the Church of England may be said to have begun with the despatch of Edward Terry as Chaplain to Sir Thomas Roe. It has seen many honoured names, of whom Cobbe and Heber may perhaps be especially recalled. The union of three hundred years is being, in effect, dissolved. Change of a revolutionary nature was, however, in fact inevitable, and the doubts and dangers above alluded to must not blind us to the value of the sincere efforts made to make the change as little injurious as possible. An especial tribute is due to the patient labours of the Bishops of Calcutta and Bombay to achieve this end. The good wishes of all interested in the welfare of India must go out to this considerable adventure.

CURRENT TOPICS.

The Great Flight.

On Sunday evening, after several hours of anxious suspense, the news was received in this country that the two intrepid airmen, Flight-Lieutenant C. R. Carr and Flight-Lieutenant L. E. M. Gillman, had been picked up in the Persian Gulf, 45 miles from Bunder Abbas, and less than 700 miles from Karachi, their first objective. They had not, it is true, reached their goal but disappointment at their failure, in that sense, must not be allowed to detract from the very great merit of a magnificent achievement. As the airmen left Cranwell Aerodrome shortly before eleven o'clock on the Friday morning and were apparently forced down, owing to a mechanical defect, at just after eight o'clock on Saturday evening they had

been in the air for nearly 34 hours during which time they must have covered at least 3,415 miles. Details of the trip will be awaited with very great interest, both in India and this country, for the idea of a non-stop flight from England to India has captivated the imagination of the public in both countries, however unversed in the science of aeronautics. The airmen, when they started, hoped to be over Constantinople by midnight of the first day, to cross the Taurus Mountains through the night with the aid of the full moon reflected in the great lakes below, to spend Saturday above the country of the Tigris and the Euphrates, and in the evening, also guided by the moon, to be cruising along the Persian Gulf, reaching Karachi shortly before dawn on Monday. Additional interest is lent to the airman's achievement by the fact that while efforts are still being made to secure a satisfactory settlement of the unforeseen hitch in the Cairo-Karachi service, a survey has been made of the alternative route along the Arabian coast of the Persian Gulf, and the probability of making a crossing from the extreme point to Baluchistan. It is not a promising route, for it is along a deserted coast without any regular ports of call and the mishap to Flight-Lieutenants Carr and Gillman, happily as it has ended, will, we hope, serve to redouble the efforts of those responsible for the conduct of the negotiations with the Persian authorities.

Mr. S. C. Bose's Release.

It is a little difficult to follow the sequence of events that have culminated in the Bengal Government's sudden decision to release Mr. Subhas Chandra Bose "in order that he might be free to proceed with his treatment unhampered by any restrictions as to any place he may select." For some time past it has apparently been freely rumoured in Calcutta that Mr. Bose's condition was much more serious than was suggested in the earlier reports. Only a few days before the news of his release was received in this country Earl Winterton stated, in reply to a question in the House of Commons, that he was being brought to Calcutta in order that he might be examined by four doctors, one of whom was to be the Governor's own personal attendant. It was, however, generally understood that the somewhat unusual step was a preliminary to Mr. Bose's removal to Almora, a hill station in the United Province and the new development appears to have taken Calcutta by surprise. Sir Stanley Jackson's decision, which was presumably an act of clemency dictated by the state of Mr. Bose's health, has naturally been hailed in Indian circles as "the inauguration of a new policy" and the new Governor's approaching visit to Simla as the guest of the Viceroy—in accordance with recognised procedure—has given rise to the suggestion that the possibility of a general amnesty is by no means so remote as at one time appeared. No doubt the question will form one of the main subjects of discussion on that occasion and while such a contingency is viewed with considerable misgiving in many quarters the *Statesman*, which reflects a large body of responsible and informed European opinion, is by no means antagonistic towards the suggestion. "In the new atmosphere created, with new minds weighing the risks and difficulties involved by a general release," the paper says, "it should be worth while to consider whether a policy of amnesty is not within the bounds of statesmanship. If the Government should decide that it is, the conclusion will be as welcome to Europeans as to Indians." As we have previously observed, the question is essentially one for the Bengal Government to decide, and its responsibility is a grave one.

Sir Atul Chatterjee, High Commissioner for India, returned last week from a visit to the Scottish universities, where he discussed with the authorities matters affecting the welfare of the Indian students, some 300 in number, in Scotland. He found general satisfaction with the conduct, discipline, and industry of the young Indians at Edinburgh, Glasgow, Aberdeen, St. Andrews, and Dundee. Accompanied by Lady Chatterjee, Sir Atul Chatterjee left for Geneva on May 21 to attend a meeting of the governing body of the Labour Conference organisation and subsequently to serve as a delegate for India at the International Labour Conference.

CALCUTTA LETTER.

(From Our Own Correspondent.)

Calcutta, May 5.

The Viceroy and Calcutta's Mayor.

Their Excellencies Lord and Lady Irwin, who were in Quetta last week, have now returned to Simla. There is a lull at present. The Ministers are touring. Hot weather holidays are being enjoyed, and Calcutta has nothing more exciting than the Mayor's election to report. Mr. Sen Gupta, the Swarajists' own man, obtained 45 votes against 40 secured by Mr. J. N. Bose, after much canvassing. The *Englishman* remarks that Mr. Sen Gupta's success "may be acclaimed by the extremists as a political triumph, but it means that the interests of the people are likely to remain subordinate to the interests of a school of political thought."

Indian States' Future.

The proposed appointment of a Statutory Commission seems to have created a stir among the Indian Rulers. There is evidence of a kind of fear, lest the Commission should be in favour of a Constitution that would be adverse to their present Governments. The Ruling Princes appear to be determined to maintain their own rule in their respective States. *Forward* says that "their attempt at checking the tide of democracy in the country will be bringing odium on their name." A great number of Indian States have agreed to send representatives to the Opium Conference. Patiala and Kashmir, however, do not appear in the published list. The Conference will be held in Simla, under the Presidency of the Hon. Mr. S. R. Das.

The Ryot and the One-Rupee Note.

Several papers here support Sir D. M. Hamilton's criticism of the suppression of the one-rupee note. It is alleged that the discarded bit of paper stood for the moral and material progress of the country. Without the development of her paper currency, especially of the one-rupee note, India can have no future worthy of the name, they say. Paper being cheaper than silver, it is difficult to understand why the one-rupee note has been lopped off on the ground of economy. But it will be reinstated by the Currency and Finance Commission, and everybody, especially the ryot—that is, the peasant, the cultivator, and the workers—will save more easily, it is proved, than when silver coins are used. "The proper banking system for India," says Sir Daniel, "is the one which makes provision for the financing of the great industry by which India lives. India has no use for an automaton sitting on a heap of 400-ounce gold bars in Bombay, throwing men out of employment by raising the bank rate when he finds the gold bars wearing thin." A sane view.

The Y.M.C.A. Controversy.

We have not heard the last word in the controversy about the alleged political activities of the Association. The *New Empire* very wisely remarks that if it be a heinous crime to couple religious views with any reform movement, then the English Churches are guilty of that crime. The prominent Church leaders have been in the habit of preaching their political views from the pulpit. In the turmoils of Shanghai the National Christian Literature Association has identified itself with the present national movement. It is considered as a very encouraging sign of the times that in most branches of the Y.M.C.A. an opportunity is given to young men for mastering facts and figures about the problems of the day, without being led away by partisan notions. Whatever Mr. Hobbs and Mr. Becker may say to the contrary, it would certainly be absurd to restrain the curiosity of the younger generation regarding men and things of their time.

Broadcasting in India.

The Manager of the Indian Broadcasting Co., Ltd., wishes it to be known that the service is to be drawn—

at present, at any rate—from material available in India, exclusively. It is not a practicable proposition to relay the programmes from England, because the reception is too uncertain, and the time six hours ahead. The service will start with market reports, weather forecasts, and daily events, in several languages; the rest of the broadcasting will consist of lectures, concerts, dance music, educational matter, and Government *communiqués*. It will be arranged in such a manner as to appeal in some respects to Europeans and in some other respects to the Indians. The studio is almost ready to receive lecturers and performers. The building of the broadcasting station is growing fast in Cossipore, and will be finished before the rains.

Here and There.

It is understood that the Maharaja of Kashmir and the Raja of Poonch have given permission to Messrs. Leete and Widdicombe for visiting their respective States by air. They are allowed to arrange joy-rides and to take aerial films.

Four years ago, at this time of the year, the Alliance Bank of Simla closed its doors. It is reported that the liquidators have informed the *Pioneer* that they hoped to pay a third dividend of one anna in the rupee next month or so. Another four years will probably elapse before the assets are realised in full.

The Japanese Tennis Champion, Okamoto, has returned to India after a trip to Japan. He married Miss Sumie Hayama, the Singles and Doubles Champion of Japan, during his recent visit there. She intends to play in the next Bengal Championship. She will be the first Japanese woman to take part in a championship in India. Okamoto says that there are many tennis players of promise at present in Japan.

The Tramways Co.'s season tickets are exceedingly popular. Within the last week more than Rs. 50,000 worth of season tickets have been sold. On one trip the monthly ticket is Rs. 5s., but on paying Rs. 10s. per mensem, one may travel any distance on any of the lines and any number of times a day. It saves taxi hire, and that's what the taxi drivers do not like. It also saves the trouble of carrying small change.

Messrs. Shaw, Wallace, and Co. have just started a new Agricultural School at Tollygunj, Calcutta. It is fully equipped with up-to-date appliances, and the young men will be taught both theoretically and practically. Sons of middle-class gentlemen with a fair amount of education will be admitted. Tuition, board, and lodging are free. Perhaps I ought to have said, to begin with, that Messrs. Shaw, Wallace, and Co. are representing a great enterprise—The Fertiliser Propaganda of India, Ltd. The sale of nitrates and phosphates is involved.

Those who have visited Calcutta and know what Chinatown was, will be pleased to hear that the narrow, dark, and smelly winding lanes are being replaced, gradually, by wide roads with adequate lighting. The dingy shops are fast disappearing under the Improvement Trust's schemes, and it is doubtful whether another Chinatown will ever be re-created in those wide and well-lighted avenues. Tortuous Blackburn Lane has sheltered many an evil deed. Those who will want to see the real Chinese eating-house and the shady gambling dens will have to go elsewhere—Rangoon or Hong Kong—but Calcutta is purged of them now.

The Bengal National Bank has closed its doors and suspended payment. It is an event of great importance to the supporters of the *Swadeshi* movement. The Bank has passed through many vicissitudes, and it can be said that it has lived only on the affection and the patriotism of the people of Bengal. The fall was not a wholly sudden event. It was expected, and the inevitable has happened. The "great tragedy" is the loss of confidence in indigenous enterprise. *Forward* appeals to the Bengalis to save the institution, to keep the lamp of *Swadeshi* burning, but up to date there has been no generous offer to save the concern.

BOMBAY NOTES.

The financial feature of the week has been the refusal of Government to accept tenders at rs. 5 27-32d. for Council Bills, the rate being a very fair one in the present market. It is of course open to Government to bring the price back to rs. 6d. by a further deflation of currency: but it is a little surprising to find that Government withdrew forty crores last year, and has already since this financial year began on April 1 withdrawn eight crores more.

How far this policy can be continued, nobody knows: but the opponents of an eighteen-penny rupee are at any rate entitled to claim that deflation is being carried pretty far. And while something drastic in the way of deflation is no doubt necessary when a currency is below par, it seems to be a rather dangerous policy to adopt such extremely vigorous measures in order to raise exchange above its pre-War figure.

An Interesting Contrast.

It is rather amusing to contrast Sir Basil Blackett's stern determination to deflate, with Sir Malcolm Hailey's policy seven years ago. The rupee having then been fixed at 2s. gold, its sterling value was governed by the value of sterling in the only then existing gold currency, that of America, with the result that its theoretical value at one time reached nearly 3s. The Government of India, instead of waiting for 2s. and conserving their efforts to maintain the rupee at that level, which might quite conceivably have been possible, took the exceedingly heroic line of attempting to establish this theoretical, not to say wholly fictitious, gold standard, and backed their fancy to the extent of offering several millions of Reverse Councils weekly, at rates which were eventually about 3d. above the bank's prices. This may have been advisable and it might conceivably have even succeeded, but Government determined to combine high exchange with cheap money, and the proceeds of the Reverse Councils of every week were handed back to the market with which to buy the Reverse Councils of the succeeding week. Such a policy inevitably failed, and when the rupee eventually reached the 2s. level, Government had no resources left with which to attempt to stem the tide.

Sir Basil Blackett knows that you cannot get a rising exchange without deflation, but he has managed to deflate without, so far, causing any apparent stringency of money—a remarkable performance which he and his successors may be able to carry on indefinitely. But unless relief comes, the strain is likely to become more and more serious as time goes on.

A Point for Consideration.

In Bombay we have only one market from which to look for this relief. A serious shortage in American cotton, which would bring prices up to a shilling, would, no doubt, create an active demand for Indian cotton at prices which would stand the incidence of a high exchange. If this year's cotton crop is to be on the same scale as last year's, there is no prospect of higher prices. But we are already beginning to hear rumours of disastrous floods in the cotton-growing belt. These rumours are, no doubt, exaggerated: and America is a big place in which the devastation of a million acres or so will not necessarily make a very appreciable difference to the total area under cotton. But even so there seems at any rate a possibility that prices will next season be at a level which will give Indian cotton a better chance of competition.

We in Bombay, no doubt, take a narrow view of Indian finance. It may well be that Calcutta's exports of jute and tea and Madras' shipments of nuts and seed may be sufficient to support the balance of trade without much help from Bombay cotton. But it is pretty clear that with the rupee at rs. 6d. there will not be very much cotton exported from Bombay except at famine prices: and this is a point which seems to me to be well worth the consideration of those who rule the exchanges.

Two of Bombay's Best.

The present hot weather sees the retirement from India of two Bombay men with more than a Bombay reputation. Sir Robert Dunlop, C.I.E., D.S.O., came to Bombay thirty years ago, to join the solicitors' firm of Crawford, Brown and Bailey, which has brought so many prominent citizens to Bombay. A most successful lawyer, he had very wide interests, and by 1914 he had been for many years Lt.-Colonel of the old Bombay Volunteers, M.F.H. of the Bombay Hunt, and a leading figure in Bombay lodges of Scottish Freemasonry. When the War broke out he managed to become an officer in the Gunners, and got a D.S.O. He returned to India as Solicitor to the Government of India, a post exactly suited to his character and abilities, and has ever since held a unique position as confidential adviser to Government on all legal matters. Few men have had such a varied and useful experience of life in the great cities in India.

Mr. L. W. Hartley, the retiring Commissioner of Income Tax, is one of the few cases in which a man has risen from the uncovenanted ranks to a high position in the Civil Service in India. He began life, the writer believes, as an assistant in a mercantile office up-country, and was selected to join the lower grades of the Revenue Department as a collector of income tax. In that service his rise was amazingly rapid, and for many years he has been the senior income tax authority in Bombay. It is safe to say that there has never been so popular an income tax collector before. He has certainly not been remiss in his duties: but he has exercised them with so much courtesy and fairness and with so much knowledge of his intricate subject that it has become the boast, and not the lament, of the citizen of Bombay that his city pays far more income tax, in proportion to its wealth, than any other town in India, and the present scribe does not know what more an income tax authority can hope for.

INDIAN ART.

The history of painting in India is admirably illustrated in an exhibition which has been arranged by Mr. Laurence Binyon in the King Edward VII gallery of the British Museum. A few supplementary examples of painting produced in neighbouring countries, such as Turkestan, Tibet and Siam, under Indian influence, are included in the collection which has been made from the extensive store of the Prints and Drawings gallery of the Museum. Since the last exhibition of a similar kind was held in 1922, the series has been enlarged and enriched, notably by the addition of some fine examples of the Rajput schools, which give an especial interest and charm to the present exhibition, that is greatly enhanced by the interesting and instructive guide in which Mr. Binyon traces the historical development of Indian art from the early Buddhist frescoes right down to the present century.

Mr. H. Denning, C.I.E., I.C.S., Controller of the Currency, is proceeding to England on leave. Mr. J. B. Taylor, I.C.S., will officiate during his absence.

General Sir James Willcocks, of Bharatpore, India, and the Naval and Military Club, Piccadilly, left £5,568. He gave the gold Sword of Honour, presented to him in 1901 with the Freedom of the City of London, to the Royal United Service Institution.

The Judicial Committee of the Privy Council delivered judgment on May 17 in an interesting appeal relating to the question whether certain admissions and denials, on which a partition of property was based, were made in the presence of a deity. The litigation in the suit has extended over 12 years, the parties being members of a wealthy Hindu family, Lala Indar Prasad being the appellant and his brother, Lala Jagmohun Das, the respondent. The Committee agreed with both Courts in India that the statements made by the respondent in the presence of the family deity and before the Commissioner were binding upon the appellant and advised that the appeal should be dismissed with costs.

THE CHARM OF ASSAM.—II.*

"Through the Himalayas a number of glorious rivers force their way to join the Brahmaputra. In the hills these rivers come foaming down in furious rapids, or sweeping silently but relentlessly along deep reaches between cliffs clothed in thick vegetation if there is so much as a cranny in the rock to give shelter to a seed. When they reach the plain they spread out over stony bottoms where the mahseer lie, and one at any rate intersects a game reserve. Here you may see wild buffalo, bison, deer and pig as you fish, or come across a tiger taking his evening drink, while in the recesses of the forest Government is once more accumulating a fine stock of that interesting beast, the great Indian Rhinoceros.

"I hope that I shall not weary you, but so much of India is so ugly (could anything be duller and flatter than the Gangetic plain between Calcutta and Delhi?), that I can't help trying to get across to you the charm of "the mystical valley of the Brahmaputra." Travel up with me by road, then, if you will. You leave Gauhati and drive seven miles across a plain golden with rice stubble, and shut in on every side with hills. At the seventh mile you enter the hills themselves, hills covered with every form of vegetation. After a few miles you swing to the east, cross an outlying range and drop down to the valley again, travelling along through rice fields with the mountains close on your right hand. And so on through patches of jungle and forest, wide plains of rice, an occasional tea garden, an occasional river, till you come to the small town of Nowgong. Thence you head up towards the Brahmaputra, but before you reach it you turn again to the east through hills and at the foot of hills, till you reach a great swamp lying between the road and the river, where buffalo and deer and rhino can breed in peace. And so on with the gardens beginning to appear on the high ground at the foot of the Mikir hills, till you cross the Dhansiri and the mountains drop away almost out of sight to the south. On and on through tea gardens and villages, past Jorhat with mountains visible both to the north and south on a clear day, past Sibsagar, with its temples on the bank of a huge tank nearly two miles in circumference, till, after crossing more rivers, passing more villages, tea gardens and forest, you finally arrive at Dibrugarh, and look out across the stately floods of the Brahmaputra, to the blue mountains ten or so miles away.

"The Surma Valley is less interesting. It is wider, flatter, more densely peopled, its rivers are smaller and more sluggish, its opportunities for sport less good. But were it not for their great rival across the Assam range, northern Sylhet and Cachar would be thought beautiful enough, while Manipur and the Lushai Hills to the south are full of charm. And here, lest you may think me too much of an enthusiast let me quote a former Chief Commissioner of Assam, Sir Bamphylde Fuller. He is describing the journey from the Sylhet border up the steep scarp of the Khasi Hills.

"Before us the stream, now become a torrent, rushed with clear cool water down a rocky bed. Beyond the stream our view was closed by a wall of long grass. Behind us rose the cliffs, dark blue, scarred in places by bare precipices down which tumbled a lacework of waterfalls, in places dense with vegetation. The rain ceased; we climbed the scarp by a steep, winding path, discovering that what seemed thickets of jungle, were really hill-side gardens of oranges, betel, palm, pepper and bread fruit trees. As we mounted the cliff side the stifling heat of the plain fell away below us, and when at last we stood on the summit, refreshed by a cool breeze that surged with the noise of a hundred waterfalls, we understood the imagery of the Delectable Mountains."

After describing the early history of Assam under British rule, the lecturer continued: "Difficulty was

experienced in governing from Bengal so remote and inaccessible a country, and in 1874 it was formed into a separate province. The officials, other than the military civilians, served on deputation from other provinces in India, and there were no self-contained cadres. In 1905 Assam was incorporated with Eastern Bengal to form a new province which came to an untimely end in 1912. It is now a governor's province, with members of council, ministers, a local legislature and a self-contained commission. But it contains seeds of weakness. There is no community of interest between the Assamese and the people of Sylhet, some of whom, for sentimental rather than practical reasons, have demanded reunion with Bengal. This request was supported by Assamese politicians, who found in the Sylhetis formidable rivals, and who believed that much of the money spent in that district was raised in the valley of the Brahmaputra. With the indifference to hard facts frequently found in those who have been newly invested with political power, they demanded that the system of government should remain unaltered, though that system was already exceedingly top-heavy and expensive for so small a province. This is one defect of the present government. Another is the size of the official cadres, which are almost too small for healthy competition and development. But, though these may be defects, their removal would be dearly purchased at the price of amalgamation with a province which has hardly any points of contact, cultural, historical or racial, with Assam.

"During the last hundred years the history of Assam has, on the whole, been one of peaceful progress. On the frontier there has from time to time been trouble but the toll of European lives has in sum been small. For generations Assam proper was almost entirely free from political agitation. Commerce was for the most part in the hands of enterprising Marwari merchants: the Bengali dominated the Bar and filled many Government appointments, and the Assamese needed all the help that Government could give them to hold their own against these keen competitors. Officers serving in Eastern Bengal after the partition, as with most inadequate resources they waged an unequal first against widespread civil commotion, looked with longing eyes on the untroubled calm of their old province. This happy condition of affairs continued till 1920. The reforms were accepted in the Assam Valley, the recognised leader of the Assamese readily agreed to serve as Minister, the common people were indifferent, the intelligent Bengali community estopped from causing trouble in a country which was not their own, even had they wished to do so. Two misguided men were enough to stir up the valley and bring it to the side of Mr. Gandhi. Government pushed forbearance almost to the limit, but when it acted, acted with effect. The leaders were prosecuted, and convicted, though the doors of the jail at all times stood open to those who would abjure their revolutionary doctrines. One of the weapons of the Swarajists was the withholding of supplies from Europeans, and the people were organised for a no rent campaign. Under the ordinary procedure arrears are realised from those who will not pay, first by the sale of moveables and then, if that proves insufficient, by sale of the land itself. "Have no fear," the agitators said, "no one will bid at the auctions, so that we shall retain our goods and lands and keep the money we ought to pay as revenue." But they had overlooked the existence of a section of the law which empowers an officer, at his discretion, to remit the arrears and to resume the land. The mere threat of employing this section was enough, and land revenue flowed in at a pace even above the normal. Officers who for years had lived on terms of friendliness with the Assamese were astonished and distressed at this change in the demeanour of the people. But the reason was not far to seek. They had been told that Gandhi was a god. They had been told that when this god came to reign over them, land revenue would be reduced to one-fourth of the existing demand, that forest dues and forest restrictions would be abolished, and in ears which would receive the news with pleasure, it was whispered that

* Further extracts from a paper on Assam read by Mr. B. C. Allen, C.S.I., late Commissioner, Assam Valley Division, before the Indian Section of the Royal Society of Arts on May 6. Sir Edward A. Gait, K.C.S.I., C.I.E., presided.

opium could once more be grown and spirits distilled without fear of an excise department. Small wonder that a simple people should turn to a ruler who brought such blessings in his hand. They were misled, but many of them soon repented of their folly. I was camping once in a remote village, and reproved the people, then friendly as ever, for having followed strange gods. "Sahib," they said, "the babu log told us that Gandhi was Raja, and we believed them. Now that we know once more that you are Raja, of course we shall obey you. He who is Raja his subjects are we." "*Je Raja tahar proja*," were the words they used, and they represent, I beg leave to think, the political philosophy of many million Orientals.

Fear of communal tension served as a check on Hindu swarajist activities in the Surma Valley. But an immense amount of misery was caused by a movement which led thousands of garden coolies to sell all that they had at knock-out prices and start on the long and weary trek back to the villages which they had left to seek a fuller life in Assam. The talk of swaraj even spread a little way amongst the wild tribes on the frontier. To encourage unrest amongst people of this kind is the most reckless folly, yet I notice in the report of the last meeting of the Indian National Congress a reference to work amongst Assamese hill tribes. This meeting was held at Gauhati. Ten years ago the suggestion that the Congress pandal might be erected in Assam would have been dismissed as beyond the bounds of probability. The incident shows the distance to which Assam has advanced along the path of politics. May it not also suggest that a cause which has to take refuge in the beautiful valley of the Brahmaputra has forfeited the place it once held in the better mind of India. The congress at Gauhati. Does not this recall the time when the old religion disappearing before the growing force of Christianity was known as paganism, the religion of the villages?

Though the agitators were active in the valley, the Legislature was more reasonable than in the neighbouring province of Bengal. Even the Swarajists abstained from adopting an entirely obstructive programme, and the formation of a strong independent party rendered the working of the reforms quite feasible. It is permissible to doubt whether the benefits derived from the new system of government are commensurate with the heavy increase in expenditure it entails. One of the most intelligent of the non-official Bengalis in Assam had no illusions on the subject. A democrat might say that he was prejudiced, as he was ineligible for office, but his point was clear. The old Government, with which also he had no concern, was not a bad one. The new one was much more expensive and no better. The speaker was a very orthodox Hindu, and though his manner was always courteous and correct, I should imagine that he did not like the English. His testimony in favour of the old régime is, therefore, entitled to consideration.

(To be continued.)

INDIAN MAIL.

India's Future Governors.

The appointment of Sir Alexander Muddiman and Sir Charles Innes to the Governorship of the United Provinces and Burma has not unnaturally provoked further discussion in the Indian Press regarding the method of selection observed. The tradition that reserves certain provinces for the senior members of the Indian Civil Services, as opposed to the convention under which the heads of the administration in Madras, Bombay and Bengal are selected from the ranks of public men, often without previous experience of Indian conditions, has often been adversely criticised but the matter, as the *Statesman* points out, is largely one of sentiment. "Whether a man is a good Governor or a poor Governor is determined," it pertinently remarks, "not by his origin, nor by whether he is fresh from England or tanned by thirty years' service in India, but by the kind of man he is. Given the right spirit the

man from the I.C.S. is just as likely to make a success as is the European-trained politician who has to spend his earlier years in acquiring the alphabet of governing amid the strange conditions in which he finds himself." At the same time it must be agreed that the question of how future Governorships are to be filled is by no means the least difficult of the many that arise under the new conditions which obtain in that country. The *Statesman* believes that on the whole the present system of discrimination between provinces works well and there is no reason why it should not continue to do so. "Let those who are suspicious of the I.C.S." concludes its editorial comment, "and believe that they would find better rulers in the inexperienced politician from Great Britain take account of the fact that the new generation of the Civil Service will be trained from the beginning in a fresh tradition, and need not necessarily be more opposed to Indian aspirations or less inclined to allow them play than any type of man likely to be selected for Governorship by a Prime Minister at Home."

NEWS IN BRIEF.

Sir Lancelot Sanderson, K.C., former Chief Justice of the Calcutta High Court, and member of the Judicial Committee of the Privy Council, will be the chief guest and Sir William Currie will preside at the Calcutta Dinner, to be held at the Hotel Cecil on May 31.

The Annual Assam Dinner will take place at the Connaught Rooms on Monday, May 30. Mr. L. T. Carmichael, Chairman of the India Tea Association (London) will preside. Applications for tickets (£1 15s. inclusive) should be made to the hon. secretary, Mr. W. H. Pease, at 21, Mincing Lane, E.C., where a plan of the tables can also be inspected.

The approximate sum taken in the Calcutta Turf Club Derby Sweepstake this year is £400,000. Entries closed on Saturday and the draw takes place at Calcutta on May 28. The prize money is divided as follows:—First prize, 40 per cent.; second, 20 per cent.; and third, 10 per cent.; with 20 per cent. to be divided among those drawing a horse and 10 per cent. for expenses.

OBITUARY.

The death, at the age of 64, is announced of Sir Venkata Swetachalapati Ranga, G.C.I.E., C.B.E., late Maharaja of Bobbili. The first Indian member of the Madras Government under the Morley-Minto reforms, the late Maharaja was one of the best-known zemindars of Southern India. He was an exceptionally enlightened landowner and apart from his active interest in public affairs—for many years prior to taking office he represented the Madras zemindars in the Provincial Legislature—he was a great philanthropist and keen sportsman. A few years ago the Maharaja abdicated in favour of his elder son.

Sir Charles Porten Beachcroft, whose death is reported in his 57th year, entered the Indian Civil Service in 1890 and was appointed district and sessions judge in Bengal in 1906. In 1915, after serving for two years as an additional judge of the Calcutta High Court, he became puisne judge in 1915 and retired in 1921, receiving the honour of knighthood in the following year.

Lieutenant-Colonel G. A. Agnew, late of the 90th Light Infantry now the 2nd Scottish Rifles, who died at Edinburgh on May 16, at the advanced age of 92, was one of the few survivors of the Indian Mutiny. The seventh and only surviving son of Sir Andrew Agnew, of Lucknow, seventh baronet, and M.P. for Wigtownshire at the time of the passing of the Reform Act of 1832, Colonel Agnew served under Sir Henry Havelock at the first relief of Lucknow and was wounded during the second siege. On May 10, the 70th anniversary of the outbreak at Meerut, *The Times* recorded the death of Lieutenant-General O. Ludlow Smith, in his 99th year, one of the beleaguered garrison.

Lieut.-Colonel Charles Eckford Luard, C.I.E., the foremost authority on the history of the States of Central India, died at Oxford on May 17, at the age of 57. Commissioned in the 8th Gurkhas, he was transferred to the Political Department of the Government of India as assistant to the Agent to the Governor-General in Central India in 1898 and later was appointed Political Agent in Bhopal. In 1919 he became private secretary to the Maharaja of Indore and retired in 1925. He was responsible for the compilation of the Central India portions of the "Imperial Gazetteer," the author of a "History of the States," and also of a valuable bibliography of that history, in addition to directing and preparing no fewer than three decennial census reports.

Commercial and Financial Section.

NOTES AND NEWS.

170, Strand, London, W.C.2,
Tuesday Morning.

Economic Conditions in Palestine.

The trade figures of Palestine for February, which are now available, suggest *prima facie* a marked improvement in the economic situation, which, it may be hoped, will not prove merely temporary. The value of the imports shows a marked decrease compared with the corresponding month of 1926, the figures being £E436,675 as against £E527,320, pointing to a reduced purchasing power, but on the other hand the exports show a remarkable expansion from £E123,584 to £E242,324. This development is, however, almost entirely due to the increased value of the orange trade, the value of which for the month was £E153,384, or nearly £E30,000 more than the whole of the export trade in February, 1926, and while this expansion is a very welcome sign, and means much for the country, Palestine as a whole cannot benefit except indirectly. Briefly, it is the same as in the Sudan, where the prosperity accruing to the workers in the Gezira has so far left untouched the greater part of the country. An indication of the position is to be found in the latest figures for immigration and emigration, which show that in March the emigrants from Palestine considerably outnumbered the arrivals. That points very plainly to the fact that whatever may be position with regard to agriculture the economic depression still presses heavily on the towns. Happily there is no question that the outlook is more promising, though it may be a considerable time before there is any general improvement. A main factor in the depression in Palestine has been the situation in the Egyptian market, which is Palestine's immediate outlet for her produce. If, as appears probable, the cotton market maintains the harder tendency which has been in evidence of late, it will not be long before Egypt is again importing her normal supplies.

Importance of Fruit Production.

One thing the experience of the past few years has made abundantly evident, and that is that until the economic foundations of Palestine are firmly established there cannot be a great scope for small industries. When the Rutenberg scheme is carried out, and cheap power is available, the position may be different, though even then there is the question of raw materials to be considered. The immediate scope for development is in agriculture, and in this connexion the remarks made by Sir John Russel, the Director of the Rothamsted Experimental Station, in a lecture delivered recently at Tel Aviv deserve to be noted. He expressed the view that the soil of Palestine is as exhausted as that of England was 80 years ago, and suggested that the hope of progress lies in the direction of concentration on fruit production. He instanced in this connexion oranges, grapes, and bananas, and said that as soon as Central Europe was restored to its former prosperity it would want as much of these fruits as Palestine could

supply. He would, in short, have Palestine continue in the one direction which has proved really profitable in the past, but if this policy is to be logically pursued it is evident that in future the town dweller as an immigrant will be as much at a discount as he is to-day in, say, Australia or Canada.

Bulgaria's Trade.

On another page in this issue will be found a detailed analysis of Bulgaria's trade in the past ten years. Last year the value of Bulgaria's imports fell considerably below the figures for 1925, while that of the exports was fairly well maintained. In both years Germany headed the list of imports and exports, a fact which is not without interest as showing the attention she has for some years been devoting to the Near Eastern markets. Italy was second in imports and exports in 1925, but in 1926 yielded second place to Greece in the exports list. Great Britain was third in the imports list in 1925, but was displaced by Czechoslovakia in 1926, but the fact that Great Britain has so far been able to do so well in this market is an earnest of the possibilities for British trade in this outlet, and, be it added, in other Near Eastern markets.

Anglo-Egyptian Oilfields.

Special interest attached to the speech of Sir Reginald Macleod at the meeting of the Anglo-Egyptian Oilfields because of the concession which has been obtained in the Farsan Islands in the Red Sea. The Chairman pointed out that the year had been one of steady progress as regards the Hurghada field, which has been for many years the mainstay of the company. As regards outside areas drilling was continued at Ashrafi, but it is considered that the results must now be regarded as negative, and it is prosed to abandon the well. The failure to discover new oil resources in Egypt has led the directors to look further afield, hence the Farsan Islands concession, which is to be operated by the Red Sea Petroleum Company, Ltd. The results of a geological survey have been sufficiently promising for it to be decided to drill a test well at once, but Sir Reginald Macleod urged that high hopes should not be placed at this stage in the results of the operations. He added, however, that it is believed that the acquisition of the concession is a venture with a reasonable chance of success.

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Conditions in Egypt.

At the general meeting of the Egyptian Markets, Ltd., Mr. G. H. Redwood gave a survey of the economic situation in Egypt. He pointed out that the past year in Egypt was one of acute depression which had affected adversely all industrial, commercial, and financial undertakings in the country. This is, of course, the price that every country must expect to pay from time to time if it is dependent mainly on one commodity for its prosperity. As regards the outlook Mr. Redwood was able to strike an encouraging note. The general opinion among commercial people in Egypt, he said, is that the worst has been seen and that things will gradually improve. As he rightly remarked, the country is financially sound, and, as we have seen in the past, has very great recuperative powers. Given good cotton prices in the next year, and it will not be long before the last vestige of the trade depression has disappeared.

The Rubber Position.

A somewhat surprising reduction in the London stocks of rubber took place this week, and this development has naturally given rise to speculations whether at last the reduction of the quota is going to have its effect and henceforward the stocks here will show a steady decrease. In view of what has happened in the past it is unwise to be dogmatic on the subject, but the prospects certainly are in favour of this possibility. So far, however, the price of rubber has only shown a fractional improvement, and the average price for the current quarter is well below 1s. 8d., but it can well be imagined that a reduction in stocks for a few weeks might bring about such a rapid change that the necessary average for an increase in the quota would be attained. When all is said, however, the main interest in the rubber market lies not in what is happening now, but in

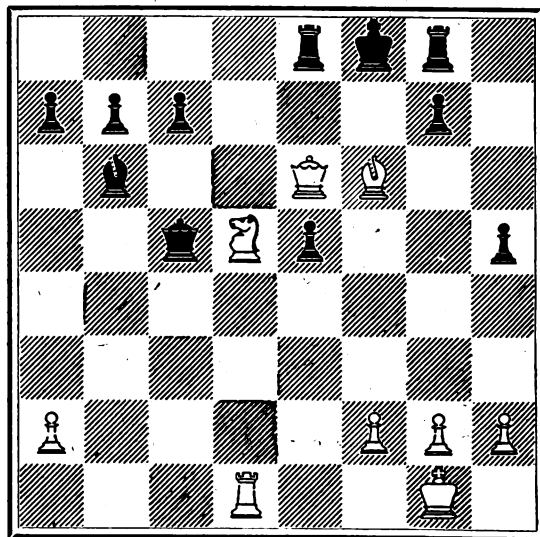
the prospects a year hence, when if there is an inadequate development of demand we may find the quota again being reduced.

COMMENTATOR.

CHESS.

By "CARO-KANN."

Here is one of the best examples that I have ever come across of a successful attack. In the position given below White (J. W. Showalter) played 1, Kt—K7, and there followed 1 . . . QxP (ch); 2, K—R, QxB; 3, Kt—Kt6 (ch), QxKt; 4, R—B (ch), and mates in two moves.



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NOTES FROM BULGARIA.

(From Our Own Correspondent.)

Sofia, May 20.

Sales of Tobacco.

At present out of the 26 million kilogrammes of the 1926 tobacco crop (of which 6 are allocated to local consumption leaving 20 disposable for export) 15 million have been sold by the peasants, and the houses which negotiate sales abroad have partly placed the tobacco. It is understood that the 1926 tobacco is not deliverable before the autumn.

Some important sales have been carried out recently of stocks of previous crops. In February the Austrian Régie bought 2,500,000 to 3,000,000 kilogrammes of the 1926 tobacco. In the same month the Polish Régie bought about 900,000 kilogrammes of the 1925 crop. This last sale was of the superior qualities. Besides these transactions certain Bulgarian houses have recently obtained from Germany large orders for the 1926 crop; it is said that the amount is 5 to 6,000,000 kilogrammes.

During April the representatives of the Italian Régie arrived in Sofia, but no business has yet been concluded. Normally this Régie buys from 1,500,000 to 2,000,000 kilogrammes, and an order of the same importance is hoped for this year. The Czecho-Slovak Régie has asked Bulgarian houses to send them offers by April 30 of tobaccos of 1925. It is not known yet what amounts they propose to purchase.

It is as yet too soon to give a forecast of the 1927 crop. As was the case last year it appears that the sowings will be reduced on lands unsuitable for tobacco cultivation.

Bulgaria's Trade by Countries.

	1925.		1926.	
	Imports.	Exports.	Imports.	Exports.
	(In millions of leva.)			
Germany	1,429	1,130	1,368	1,094
Great Britain	958	28	708	41
Austria	701	460	541	429
Belgium	252	240	219	188
United States	198	90	131	95
France	492	311	480	320
Greece	148	743	92	977
Holland	193	242	151	249
Hungary	145	65	174	181
Italy	1,019	771	864	678
Roumania	420	24	361	42
Switzerland	77	400	84	292
Czecho-Slovakia	570	349	747	407
Turkey	198	224	131	112
Other Countries	491	565	195	512
	7,291	5,642	6,246	5,617

Germany is the chief exporter to Bulgaria and also the principal purchaser of Bulgarian goods. She exports machinery and various apparatus (377 million leva in 1925 and 307 in 1926), metallurgic products (334 and 414 respectively), textiles (239 and 220), chemical and pharmaceutical products, tannin, leather, etc. On the other hand, Germany buys from Bulgaria a large part of the tobacco production (778 and 645 leva for the two years), eggs (145 and 256), raw skins (58 and 52), maize, etc.

Great Britain chiefly sells to Bulgaria textiles (712 million leva in 1925 and 461 in 1926), and also metallurgic and chemical products and machinery. Attar of roses and a little tobacco are purchased. Austria's exports include textiles (219 and 139), metals (163 and 113), machinery (115 and 110), etc.; while she imports large quantities of eggs (139 and 282), tobacco (270 and 61), maize, and raw skins.

Belgium exports metals (101 and 112), textiles (56 and 50), etc., and imports tobacco (63 and 66) and cereals. The United States exports cereals, and in normal times machinery on a considerable scale, while her exports are attar of roses (30 and 39) and tobacco (30 and 4).

France provides Bulgaria with textiles (188 and 162), leather (64 and 36), and oils and fats (58 and 79), etc.

Her imports have greatly decreased. They amounted in 1923 to 514 million leva and in 1924 to 632 millions. At present she imports in particular maize, haricot beans, and attar of roses. Greece sells little to Bulgaria, her exports being mainly preserves (53 and 40) and olive oil (63 and 24), but she occupies the second place among the countries importing from Bulgaria. Last year Greece took almost the whole of Bulgaria's disposable flour (405 million leva out of a total of 488 millions), and the greater part of the cattle exported (210 out of 228 million leva). This trade development is the more remarkable as it is restricted by the absence of direct railway communications between the two countries.

Holland sells to Bulgaria oils, Colonial produce, and textiles, and imports tobacco (76 and 154) and cereals. Hungary exports metals and machinery, and imports only tobacco (63 and 158). Italy is the chief supplier of textiles to Bulgaria (815 and 723), and she also sells motors, Colonial produce, etc. She imports a large amount of tobacco (479 and 387), and almost the whole of the production of cocoons.

Roumania exports wood from the Carpathians (234 and 142) and oil (131 and 164), but her imports are insignificant. Switzerland receives a large part of the exports of Bulgarian eggs (389 and 244), and also purchases attar of roses. She exports to Bulgaria textiles and various manufactures. Czecho-Slovakia exports textiles (234 and 183), metals (140 and 151), machinery and glassware, but only imports tobacco (338 and 388).

Trade between Turkey and Bulgaria has been declining for some years. In 1922 Bulgaria's exports to Constantinople, consisting especially of flour and cereals, amounted in value to more than one milliard leva. In 1923 they were not more than 532 millions, and they declined to 225 millions in 1924, 214 in 1925, and 112 in 1926. Turkey also purchases wood fuel (42 and 38), and cereals, while she sells textiles and various manufactures.

The Grain Market.

During the winter the cereal market has not been active except for maize. Wheat only holds a secondary place in Bulgaria's exports, a normal crop being absorbed by the consumption of the country, the needs of which are growing with the rapid increase in the population. It is interesting to note all the same the importance of the exports of flour which in 1926 were 43,700 tons as against 18,700 in 1925. The exports of flour are, however, below the pre-War figures; in 1911 67,200 tons were exported.

Business in rye and barley has been much reduced. Haricot beans have this year changed their destination, the greater part being exported to Greece and not to Marseilles.

Maize has been an active market all the winter. The white maize which Varna has dispatched in previous years to Marseilles and Italy has met with the competition of the white maize exported from Russia. It has therefore been sent to Greece, losing the drawback of about a lev by which it benefited in comparison with yellow.

Yellow maize has been especially negotiated for the Danubian ports for consignment to Vienna and Passau. Varna has been completely abandoned this season. At the markets in January and February for spring delivery prices ranged around 3.60 leva per kilogramme f.o.b. These rates declined in March on the news of an excellent Argentine crop, 3.30 leva being quoted for some time; then in April to cover pressing needs which could not wait for arrivals from La Plata the rates rose to 3.80 to

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3.90. Business was very brisk in April, and it is estimated that the stocks of maize are almost exhausted.

The sowings appear to have been good everywhere this year. The work in the spring has been carried out in the best weather conditions.

The Sugar Industry.

The production of the sugar refineries in 1926 amounted to 31,700 tons. It is estimated that this output will exceed by about 5,000 tons the needs of the country's consumption.

As regards the 1927 season the conditions agreed to by the cultivators are the same as for the previous season—620 leva per ton for beetroot. The customs tariff remains fixed at 8.25 leva per kilogramme for imported sugar. The sowings of beetroot will not exceed 19 to 20,000 hectares.



FRUIT GROWING IN CYPRUS.

Fruit is grown on a considerable scale in Cyprus, and there is an appreciable export trade in oranges, lemons, grapes, and pomegranates (says a report of the Empire Marketing Board). In the year 1926 exports amounted to 27,890 cwt. of grapes, 98,329 cwt. of pomegranates, 14,275,000 oranges, and 1,392,000 lemons. Almost the whole of the exports were to Egypt, although fair quantities of oranges were sent to Greece.

Orange cultivation is stated to be increasing rapidly, old plantations being extended and new gardens started. It is estimated, according to the *Cyprus Agricultural Journal*, that in about ten years' time oranges grown in the vicinity of Famagusta will require special vessels for export to England.

Contracts have been obtained by Clayton Waggon, Ltd., for railway steam cars for the Ceylon Government Railways and the Aden Railways, and for light locomotives for the North-Western Railways of India.

The report of the Aboukir Company for the year ended March 31, 1927, states that the sales of land sold partly by instalments totalled £17,540. The cotton crop grown was of the variety "Pilion," and gave a satisfactory yield, the increase of the last few years being more than fully maintained. Unfortunately the price at which it was sold was low. The gross receipts from purchasers amounted to £26,931, as against £32,379, of which £22,484 went to reduce their instalments, as against £27,978. The percentage of profit in these payments was higher than in the previous year, and the profit amounted to £13,178, as against £14,103. The profit, after making provision for income-tax, was £18,860, plus £22,570 brought in. A dividend of 5 per cent., free of tax, is proposed, leaving to be carried forward £11,429.

TENDERS INVITED.

Tenders are invited for the following contracts, and must be made by the dates mentioned.

(Particulars of tenders marked D.O.T. are to be obtained from the Department of Overseas Trade, 55, Old Queen Street, S.W.)

EGYPT.

Iron and Steel Materials, Metals, Etc.—The Ministry of Communications, Ports and Lighthouses Administration, Alexandria, invites tenders for the supply of their requirements during 1927-28 in respect of iron and steel materials, metals, etc. June 14. (D.O.T.)

Boots and Laces.—The Financial Secretary, Egyptian Army, War Office, Cairo, invites tenders for the supply of 16,550 pairs of boots and 8,300 pairs of laces to the Department of Ordnance Services, Egyptian Army, Citadel, Cairo. June 28.

General Stores.—The Director, Equipment and Finance Department, Ministry of the Interior, Cairo, invites tenders for the supply of general stores required by the Police Stores, Bulaq, in 1927-28. July 2.

Rails, Etc.—The Surveyor-General of Egypt, Giza (Mudiriya), invites tenders for the supply of 5,000 tons rails. August 10.

Engineers' Instruments, Etc.—The Director of Stores, Ministry of Education, Sharia Qasr el Aini, Cairo, invites tenders for the supply of engineers' instruments, drawing materials, etc., required for the schools during the school year 1927-28. June 30.

Leather, Etc.—The Financial Secretary, Egyptian Army, War Office, Cairo, invites tenders for the supply of leather, heel ball black for boots, eyelets London for boots, pegs wood for boots and rivets shoe, stain black for leather, leather band for tarboushes and for a sheepskin with wool to the Department of Ordnance Services, Egyptian Army, Citadel, Cairo. June 1.

General Stores.—The Director of Equipment and Finance Department, Ministry of the Interior, Cairo, invites tenders for the supply of general stores required by the Police Stores, Bulaq, in 1927-1928. July 2.

Plant for School of Engineering, Giza, Cairo.—The following plant is required for a School of Engineering, Giza:—One 100 k.w steam turbine D.C. generator set with condensing plant; one water tube boiler; one 150 B.H.P. Diesel engine; one Booster set; one experimental Diesel engine of 40-40 B.H.P.; one overhead travelling crane of 10 ton capacity. June 15. (D.O.T.)

FORTHCOMING SAILINGS.

The following are the sailings for the Near East and India, the ports of departure and closing dates for cargo being given in parentheses:—

Anchor Line.—S.s. Tarantia for Bombay (Birkenhead, June 4). (For passenger sailings and dates see advertisement).

Anchor Brocklebank Line.—S.s. Magdapur for Calcutta (Birkenhead, May 31); s.s. Maihar for Calcutta (Birkenhead, May 31).

Bibby Line.—S.s. Shropshire for Port Said, Colombo, and Rangoon (Birkenhead, June 1).

British India Line.—S.s. Mandala for Bombay and Karachi (London, May 28); s.s. Nalgora for Colombo, Madras, and Calcutta (London, June 4).

Cunard Line.—S.s. Cypria for Gibraltar, Malta, Patras, Piræus, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza, also Algiers and Volo if inducement offers (Liverpool, Glasgow and Swansea, June 18); s.s. Sea Glory for Gibraltar, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Venice, Trieste, and Fiume, also at Corfu, Gruz, and Ancona if inducement (Liverpool June 11, Swansea June 14).

Johnston Line.—S.s. Quernmore for Piræus, Volo, Salonika, Bourgas, Varna, Constantza, Sulina, Galatz, and Braila (Liverpool, June 11).

P. and O. Line.—S.s. Rajputana for Bombay (London, June 3); s.s. Nagoya for Colombo, Madras, and Calcutta (London, June 11).

Prince Line.—S.s. Cyprian Prince for Tunis, Malta, Alexandria, Syrian Coast, and Cyprus (Manchester, June 4); s.s. Egyptian Prince for Tunis, Malta, Alexandria, Jaffa, Haifa, Beyrout, and Cyprus (London, June 15).

Ellerman and Papayanni Lines.—S.s. Dido for Gibraltar, Malta, Alexandria, Jaffa*, and Haifa* (Liverpool, May 27); s.s. Polo for Patras, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza (Liverpool, May 28); s.s. Manchurian for Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Gravosa, Ancona*, Venice, Trieste, and Fiume* (Liverpool May 28, Swansea June 2); A steamer for Gibraltar, Malta, Alexandria, Jaffa*, and Haifa* (Glasgow, June 2); s.s. Algerian for Algiers*, Malta, Syria, Smyrna, and Constantinople (Liverpool, June 11); s.s. Mardinian for Malta, Alexandria, Jaffa*, and Haifa* (Liverpool, June 18). * Subject to sufficient inducement.—Cargo taken on through Bill of Lading to:—Algerian ports via Algiers; Moroccan ports via Gibraltar; Tripoli (Barbary) via Malta; Syria and Cyprus via Alexandria; Greek outports via Piræus or other convenient port; Fiume via Trieste.

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*MASSILIA ...	June 28	*ELYSIA ...	July 28

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THE WEEK'S FINANCE.

(By Our Financial Expert.)

London, May 24.

The stock markets have passed a very quiet week, a definite explanation for which is difficult to find. Events in China are put forward as one reason, but developments in this direction have recently ceased to be a factor. The diplomatic trouble with Russia is not enough in itself to account for it. A more feasible explanation would appear to be the recent heavy slump on the Berlin bourse, which almost reached panic proportions. The markets in London most closely affected were the mining sections, and as these have of late been in rather good fettle the setback in Berlin has been reflected more strongly in the price of mining securities than in any other department. To some extent the feeling of depression may have spread to other markets, though hardly to an extent sufficient to account for the general quietude. Recent high hopes of a further reduction in Bank Rate have been damped by the course of the gold exchanges and by the large efflux of gold from the Bank. It should not, however, be supposed that all chance of a 4 per cent. rate has been postponed. It is, of course, possible that uncertainty as to Bank Rate movements is the underlying cause of the dullness of investment markets, which during the past week have been in a very uninteresting condition.

An Interesting Experiment.

When the prospectus of the Independent Investment Company appeared in January, 1924, considerable interest was aroused in financial and investment circles. For the document heralded something in the nature of an experiment in joint stock enterprise in the country. The object for which the concern was formed was to carry on the usual business of an investment trust, but with this difference, that the Directors—Mr. J. M. Keynes among them—proposed to take advantage of "certain principles of investment which are now well recognised, but have as yet been acted on in only a limited measure." The principles were explained as follows: "It is now known that fluctuations in the relative values of long-dated and short-dated fixed interest securities and also of fixed interest securities generally and of ordinary shares are all affected by a periodic credit cycle. Changes in the short period rate of interest affect the value of long-dated securities to a greater degree than should strictly be the case, with the result that considerable profits can be made by changing from one class to another at the appropriate phases of the credit cycle." It was then explained that the Directors proposed anticipating impending changes in the cycle, a course they were able to follow as "the result of accumulated experience on these matters." The report of the company—the third since its formation—for the year to March 31 last appeared last week, and is of considerable interest as it permits some idea to be formed as to the practicability of the credit cycle theory when actually exploited over a period of years. The accounts show that a fair rate of progress has been made, but those who expected anything phenomenal in the way of profits will be disappointed. The net profits have been as follows: 1925, £18,176; 1926, £20,229 and 1927, £21,836; while dividends have been 5 per cent. for 1924-25 and 5½ per cent for 1925-26 and 1926-27, though in the latter year the payment was made on a capital increased by £70,000. Investments, taken at cost, have increased, but the gain in their market value has been at an almost identical rate. On the whole, then, nothing exceptional has yet been achieved. Nevertheless the operations of the enterprise will continue to evoke much interest, especially as a better picture of the possibilities in the credit cycle

theory will be obtainable after the lapse of another three or four years.

Newfoundland Securities.

A number of Newfoundland loans are quoted on the London Stock Exchange, so that the investor is interested in the economic condition of our oldest colony. At present prospects are more encouraging than they have been for some time past. Fishing is the chief industry of the colony and before the War provided the community with a fair measure of prosperity. But the low prices for fish, combined with the depreciating exchanges, which have been a feature of the post-War years, seriously depressed Newfoundland's chief industry. This has been reflected in a shrinkage of revenue, which has been a source of embarrassment to the Government. But to-day there are signs that the tide has turned. The fishing outlook has materially improved, that for sealing being particularly bright. Again, there is evidence of increasing mining activity. But the most important factor of all is the Privy Council's recent award of 113,000 square miles of territory in Labrador to Newfoundland.

The returns given by the Newfoundland loans do not indicate any nervousness on the part of the investor regarding the future. Thus the 3½ per cent. sterling bonds, finally redeemable 1951, give a yield of £5 3s. per cent. The 5 per cent. sterling bonds—also finally redeemable 1951—return £5 per cent. The 3½ per cent. inscribed, finally redeemable 1950, yield £5 6s. per cent. It may be added that there are fairly large amounts of each of these loans outstanding.

A large commercial firm in Athens is endeavouring to organise the regular importation of Bulgarian coal from the Pernik mines into Greece (says a Reuter message). Factories and other industrial enterprises at Athens consume about 700 tons of coal a day, which they now buy almost exclusively from Newcastle at a cost of 31s. a ton in Greece. The Greek railways also import their coal from England, but have recently made a small trial purchase of Pernik coal. The Athens firm mentioned has asked the Bulgarian Minister of Commerce for the exclusive right to import Pernik coal into Greece, and the application is being considered.

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DURBAN—Andrew Weir & Co.
EAST LONDON—Messrs. Dunn & Co.
PT. ELIZABETH—Mackie, Dunn & Co.

MOSSEL BAY—Messrs. E. Searle & Co.
CAPE TOWN—Thomson, Watson & Co.
HONG KONG—The Bank Line, Ltd.
BANGKOK—Siam Forest Co., Ltd.
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MAURITIUS—Adam & Co.

LONDON—ANDREW WEIR & CO., 21, Bury Street, E.C.3.

Company Meeting.

EGYPTIAN MARKETS.

The Situation in Egypt.

The annual general meeting of the Egyptian Markets, Ltd., was held on May 18 at Winchester House, Old Broad Street, E.C., Mr. G. H. Redwood presiding.

The Secretary (Mr. F. R. Parker) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said: I am sorry to say that your Chairman, Colonel A. St. John Cooke, is unable to preside at this meeting for the reason that he is now in Egypt, where he has been unavoidably delayed by pressing business. Needless to say, he has made every effort to be here, but unfortunately without success.

As is the custom, I will, with your permission, take the directors' report and accounts for the year ended December 31, 1926, as read. (Agreed.)

During the year with which these deal Egypt has passed through an acute period of financial depression, which has acted adversely upon all industrial, commercial and financial undertakings in that country.

In an endeavour to minimise the effect of the slump in cotton prices and to assist the agriculturist to avoid the seizure of crops and forced sales at ruinous prices to meet financial obligations, which in the autumn of the year are heavy, the Government of Egypt announced it was prepared to make advances to cotton growers up to an aggregate amount in excess of £4,000,000, if required.

This has afforded temporary relief to the fellaheen, and since the close of the year there has been a distinct improvement in the ruling market price of cotton, which has also somewhat relieved the position.

I am glad to say that this company has been able materially to assist the Government by allowing the use, free of charge, of space in its markets for the storing of cotton bales pledged by the growers against advances made by the Government. This assistance has, I understand, been greatly appreciated by the Government Departments concerned.

With regard to the high rentals of agricultural land, this became so serious and the complaints so numerous as to cause special reference to be made to the subject in the Egyptian House of Parliament in January last, with the result that it was decided to appoint a Commission of investigation, which it is hoped will bear good fruit.

I mention specially both the above subjects because they have so intimate a bearing upon the economic conditions of the provinces and directly affect the revenues of this company.

As an instance of the effect on our cattle markets of the financial depression on the trading capacity of the merchants attending them, only 1,681,000 large animals passed through our markets during the year, as compared with 2,064,000 during 1925, and of small animals, including goats and sheep, 3,356,000, against 4,026,000, or a total decrease in the numbers of all animals of 1,053,000.

You will, I think, agree with myself and my colleagues that, under these adverse circumstances, the results for the year are as satisfactory as could possibly be expected.

The gross receipts from cattle markets amounted to £60,523, a decrease of £13,737 as compared with the previous year, and those from the general markets £34,414, a decrease of £1,517. These figures refer only to the 120 cattle and general markets which are included under the Government concession. Gross receipts from the three cattle and general markets outside the concession aggregate £1,212, a decrease of £154.

Most fortunately, the valuable inoculation work done by the Government Veterinary Department is showing progressively improving results. During the year only 85 cattle market days were lost in consequence of cattle plague, as compared with 134 during 1925, 464 during 1924, and 1,564 during 1923. For the 13 years ended 1922 an average of 2,093 cattle market days per annum were lost to us for this reason. In one year (1918) as many as 4,431 days were lost.

The net receipts from the 40 abattoirs worked during the year were £1,056. The Government took over two more of these slaughter-houses at the end of 1926, reducing the number to 38.

The remaining item to the credit of the trading account is that of "Net profit on sale of chemical manures, salt, and sundries," £8,840. This, I am pleased to say, shows an increase of £2,237 as compared with last year.

With reference to our trading business, I would like to say that every effort is being made to extend this side of our activities by taking up new agencies on a commission basis for commodities for the sale of which our organisation is best fitted.

Since our last meeting we have entered into two promising agency agreements for the sale of artificial manures, but in every direction competition is so keen, and is becoming increasingly so, that I hesitate to forecast any great improvement in our receipts from this source until economic conditions in Egypt have readjusted themselves.

As to the prospects for the current year, I understand the general opinion in Egypt among commercial people is that we have seen the worst and that matters will gradually improve. We can only hope this will be the case. Egypt is financially sound and although the country is going through a hard time, it has great recuperative powers. It must necessarily take time, however, before the provinces feel the benefit of any improvement in the general situation and before such improvement is reflected in the company's receipts. A great deal depends on the next cotton crop and the price then ruling for cotton, which, of course, it is too early to forecast.

The debit side of our trading account calls for little explanation. The item "Rent, salaries, wages and expenses" shows a decrease of £340, and "Maintenance and repairs of markets" a decrease of £801. The Government charge for inspection, being a fixed amount, is the same as for previous years.

Now with regard to the revenue account.

After making provision for the share of profits payable to the Egyptian Government, which this year amounts to £22,783 7s. 10d., and after meeting the payment of debenture interest, £2,840, share capital and debenture sinking fund premiums, £3,698 1s. 6d., and carrying to general reserve £4,685 9s. 2d., your directors recommend the payment of a final dividend of 5 per cent. and a bonus of 1 per cent., making, with the interim dividend of 5 per cent. paid in November, 1926, a total of 11 per cent. for the year on the ordinary shares, absorbing £19,217, and the payment of a dividend of £10 17s. 7 27-100d. on the deferred shares, which will absorb £3,264 1s. 9d. After payment of these dividends a balance of £13,241 4s. 3d. will remain to be carried forward, as compared with £11,954 0s. 9d. brought into the accounts from the year 1925.

In conclusion, I must record an expression of appreciation of the most excellent work which has been done during the year by our staff in Egypt.

The resolution was carried unanimously.

ANGLO-EGYPTIAN OILFIELDS.

The Farsan Islands Concession.

The sixteenth ordinary general meeting of the Anglo-Egyptian Oilfields, Ltd., was held on May 19 at Winchester House, E.C. Sir Reginald Macleod, K.C.B., Chairman of the company, presided.

The Secretary (Mr. W. A. Turner, F.C.I.S.) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen,—As you will have seen from the report which has been in your hands for some days, the Board are again able to recommend to you that a dividend should be paid on the "B" shares at the rate of 12½ per cent. for the twelve months ending December 31, 1926.

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The production of net crude oil during the year was 169,211 tons, showing a decrease of 6,547 tons over the results for the previous year. You will recollect that the production for 1925 showed an increase of over 15,000 tons on that for 1924, and at our meeting last year I indicated that I did not expect that we should be able in 1926 to equal the production for 1925. I explained then that the increase of 15,000 tons was in part due to the fact that by the completion of our dehydrating plant it had been possible for the first time for several years to pump certain of the older wells which naturally gave a higher production when first put on the pump than they could be expected to maintain over a longer period. As we had anticipated, this proved to be the case and the new production obtained from wells completed during the year did not suffice to make up the whole of this deficiency.

The Accounts.

Turning for a moment to the accounts, you will see from the credit side of the profit and loss account that the figure for "Oil proceeds and value of oil stocks" is only down by some £2,200 in spite of the lower production. On the debit side it is satisfactory to see that "Working, drilling, and general expenses" are lower by £9,955, while "Refinery working cost" is also down by £7,890. Unfortunately the receipts for refining imported oil are also lower by £11,509, and "Licences, leases, and royalties" have cost us an additional £1,708. The net result is that we are able to carry to the balance-sheet a sum of £245,136, which is £1,038 more than for 1925.

From the balance-sheet itself you will see that, with the amount carried forward from last year, the sum at our disposal is £482,990. The advisability of carrying forward this comparatively large sum will, I think, be apparent to you when I come to deal with certain operations which are now being carried out on a new territory, as well as the additional requirements of our Suez Refinery.

Before dealing with other matters I will give a summary of our operations during 1926.

During the year we completed four wells on the northern extension of the field and one well on the main field, all of which gave production.

We also completed two wells on a small structure to the east of the main field which yields, from a shallow depth, a lighter and more valuable oil than is present in other parts of the field, but only in comparatively small quantities. One of these wells was successful, but the other encountered a negligible quantity of oil and was abandoned.

I have referred on previous occasions to the electrical dehydrating plant, in the successful operation of which we take a very real interest. It is correct to say that without the existence of this plant, the material parts of which were specially designed for us by the technical staff of the Royal-Dutch Shell Group, it would be impossible to operate commercially a large number of the older wells on the field. During the year this plant was further extended and has given even better results than in previous years.

I mentioned last year that a gas compression plant had been put into operation. This also has given excellent results throughout the year and is now being enlarged.

The Hurghada Field.

As far, then, as concerns the Hurghada Field, which has been for many years the mainstay of the business, the year 1926 has been one of steady progress, during which much attention has been paid to effecting economies in the working of the field by the provision of additions to central pumping powers, and to increasing our efficiency by means of the dehydrating plant and gas compression plant.

Our Gemsah Field has still further declined in production and contributed a very small proportion of the total production.

With regard to outside areas, we continued drilling at Ashrafi, but I regret to say that, while the well was located on a definite structure, drilling at depth has not revealed any favourable indications of the existence of oil. This well was still in process of drilling at the date when the report was issued, but our experts consider that the results must now be regarded as negative and final and we propose to abandon the well.

The many failures which we, in common with others, who have drilled for oil in Egypt, have experienced, have led your directors to devote their attention to the possibilities of obtaining oil in other countries, which, while outside of Egypt itself, are still within comparatively easy reach of your field at Hurghada and your refinery at Suez. I need not emphasise the importance of this latter point, and you will readily appreciate the advantages which would be derived if a concession could be obtained which in its earlier stages could be staffed, equipped and managed from Hurghada, and which in its later stages could produce oil for treatment at Suez.

With this object in view your directors decided to avail themselves of an opportunity to obtain a concession over a group of Islands in the Red Sea known as the Farsan Islands, which are situated some 800 miles from Hurghada and 1,000 miles from Suez. The concession will be operated by a company formed by us for that purpose and called by the appropriate title of The Red Sea Petroleum Company, Limited, the whole of the share capital of which is owned by your company who will finance its operations. A geological survey has been made of the area and the results have been sufficiently pro-

missing to enable the Red Sea Petroleum Company to decide to drill a test well at once. Men and material were put at their disposal from Hurghada and it was anticipated that drilling would commence there by the beginning of this month.

I would take this opportunity of advising shareholders not to place too high hopes at this early stage on the successful result of these operations. We have had disappointments in other areas and there is no certainty that this will prove to be an exception. Your directors believe that the acquisition of this concession is a venture having a reasonable chance of success, and one which can be attempted without incurring too heavy a financial risk.

Current Year's Prospects.

You will no doubt wish me to make some mention of our prospects for this year. So far our production has been maintained at almost exactly the same level as for the corresponding period of last year, and I hope that we shall be able to maintain this rate throughout the year.

With regard to the disposal of our products, the over-production of oil in America is a less serious factor in our market than in other countries nearer to the source of over-production, but in view of the low price at which coal is now sold in Egypt, your directors have decided to instal further plant so as to be in a position to carry the manufacture of products from the crude oil further than has hitherto been convenient. In our new process of manufacture additional products are obtained which it is believed will meet the future requirements of the Egyptian market more fully than has been possible hitherto.

One outstanding event of the year 1926 was the fact that His Majesty King Fuad of Egypt paid a visit to the Hurghada Field. His Majesty has always taken a deep interest in the industries of his country, and I think that we may consider that his visit to our fields is in some measure a recognition of the importance to Egypt of our industry. His Majesty made a close inspection of the fields and was good enough to express to the concessions manager his satisfaction at all that he saw. In particular he commented on the good relations existing between the management, the European staff and the native labour employed there.

I feel sure that you will wish me once again to record on your behalf our deep appreciation of the services of our managers and staff at Hurghada and Suez throughout the year. I very much regret to have to report that one of our engineering staff lost his life during an accident at the end of the year.

The report was unanimously adopted.



Exports and Imports

To assist its customers, the Westminster Bank has prepared a booklet explaining the many ways in which the commercial man may use the Bank for the furtherance of his business, how he should proceed in order to take the utmost advantage of interest, rebate, discount, rates of exchange, etc., and so combine security and caution with progress and enterprise

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EASTERN TELEGRAPH COMPANY.

Developments in Near East.

The ordinary general meeting of the Eastern Telegraph Company, Ltd., was held at Electra House, Moorgate, E.C.2., on May 24, Sir John Denison-Pender, G.B.E., K.C.M.G., presiding.

The Secretary (Mr. Edward Wilshaw) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said:—You will see by reference to the revenue account the net profits amounted to just under £1,000,000, and after charging income tax payable in England and allowing for the interest on debenture stock and the full dividend on the preference stock, there remains a balance of about £851,000, which I think may be considered satisfactory in view of the depressing conditions which have existed during the greater part of the year, largely as a result of the general and coal strikes.

We have made a transfer of £400,000 to the reserve fund and, while maintaining the same dividend on the ordinary stock that we have paid since 1919, viz., 10 per cent. free of income tax, are able to carry forward to the next year's accounts the very substantial sum of over £500,000.

I now draw your attention to the statement of the general reserve fund, from which you will see that in addition to the £400,000 contributed from the revenue account, we have received a contribution from one of our subsidiary companies of £206,500. We have thus been able to write off entirely the remaining balance of £493,000 odd, which appeared in the last balance-sheet in respect of "Expenditure on new cables and cable renewals." Notwithstanding this, the general reserve fund shows an increase of about £95,000 over the amount of the fund as at December 31, 1925.

As you well know, the company is always examining fresh fields for the development of its business, and negotiations have practically been completed both with the Palestine and Egyptian Administrations for the laying of a new cable between Egypt and Palestine. This will place the latter country in direct communication with our main cable system and benefit the trade with that country generally. I have also to report that the negotiations with the Greek Government, referred to at the last meeting, have been brought to a satisfactory conclusion, and that we have been granted a concession for fifty years which commenced on July 1 last. Negotiations were recently re-opened with Turkey, and a convention has been agreed upon and signed, and now only awaits ratification.

With a view to improving communication "East of Suez," it has been decided to lay further submarine cables between Alexandria and Port Said and underground lines between Port Said and Suez. Hitherto our communications transited Egypt by overhead landlines with consequent liability to interruption and loss of capacity due to induction troubles chiefly during the night. This improved means of communication, will enable us to instal our direct regenerator system between London and India, with substantial benefits to the service.

In my speech at the last general meeting, I referred to the excellent results obtained from the installation of the "Regenerator" system on some of our cables. During the last year, every effort has been made to instal the system on further cables as rapidly as possible.

As mentioned last year, the new system overcomes the disabilities inherent in the old system of relaying from one cable into another cable at landing points, so that it is now possible to link up these cables by mechanical relays. A notable example of this is the direct working now operating between London and Cape Town without any intermediate handling through five relaying stations. The regenerator working on the direct Cape route was demonstrated to representatives of the Press at London and Cape Town on January 19, and facilities were given them to exchange messages. The replies were received with only the delay necessary to dictate them as must be apparent when it is realised that the actual time taken for a signal to transit the six sections of the cables on the route is instantaneous. There are also the two routes now being worked direct to Alexandria, and the remaining apparatus for the balance of the main line cables throughout the whole system is being installed as rapidly as possible.

The regenerator system has proved to be extremely flexible, its adaptability having already been shown to advantage in meeting the various traffic conditions which arise in the large network of cables operated by the Eastern Associated Telegraph Companies. The feature will be accentuated when the whole of the main cables are finally equipped with the new apparatus.

You will doubtless expect me to say something on the subject of wireless, although I have little to add to what has been said on previous occasions. Having carefully watched the development of wireless during the past 20 or 30 years, I have no cause to alter the opinion formed and expressed over that period that the cables will remain more reliable than the wireless service.

The prospect of the return to normal trade conditions will, I feel sure, counterbalance to a very large extent the present-day competition with which we are faced, but the obvious solution, in the interests of the public and others, is co-operation in some form or another which would eliminate wasteful and unremunerative expenditure and, at the same time, provide a dual and alternative means of communication.

I do not think, however, you need have any misgivings as to the future, for I am confident that, given a fair field for the unrestricted development of the cable industry, it will continue to prove itself the best and most reliable means of telegraphic communication. (Applause.)

The motion was carried unanimously.

VICKERS LIMITED.

A Good Report.

Strong Financial Position.

The following is an extract from *The Times* of April 21, 1927:

The Vickers' Report.

The report of Vickers Limited for the year 1926 makes a remarkably good showing. It is the first report to be issued since the re-organisation, and it therefore covers the first year of office of the new board. It is an obvious tribute to their skill that they were able to earn a substantially larger sum than in 1925, for the year was one of the most troublous periods of our industrial history, covering a general strike as well as a prolonged coal stoppage, when business in many cases must have been very difficult to conduct, let alone at a profit. After setting aside £110,788 for depreciation and meeting debenture charges which required £173,000, the Company earned a net profit of £562,284. This is £141,310 more than was shown for 1925, but the actual increase is greater, for in 1925 practically nothing was written off for depreciation out of profits. The dividends on the two Preference stocks and on the Five Per cent. Preferred stock absorbed £418,190, leaving £144,093. This, added to the sum brought in, makes a total of £334,868. The directors have wisely decided not to pay any dividend on the Ordinary Shares, although it would have required only £205,000 to pay 5 per cent. They pursue the more conservative course of transferring £200,000 to reserve, and carry forward £134,868.

Strong Financial Position.

The directors explain that under normal conditions a dividend could have been paid, so that, unless something unforeseen occurs, the shareholders have every reason to anticipate a distribution next spring. During the year, the report states, the business of the Company was re-organised, as a result of which considerable economies both at the Head Office and at the Works, were effected.

The most striking feature of the balance sheet is the strong liquid position of the Company. Its holding of cash and British Government securities alone amounts to £1,795,848. In addition it holds marketable securities amounting to nearly £600,000, besides bills amounting to nearly £300,000. The Company is therefore well supplied with financial resources, with which to take advantage of a revival of business at home or abroad.

A Consolidated Balance Sheet.

An important innovation is the presentation of a consolidated balance sheet of the Parent Company and its subsidiary undertakings. It shows a surplus of nearly a million, the principal figures being shown in the subjoined table:—

LIABILITIES		£
Share Capital of Vickers Ltd.	...	12,468,968
Share Capital of subsidiaries (held outside group)	...	172,556
Debenture stock (Vickers)	...	3,284,784
Deb. issues of sub. coys. (held outside group)	...	107,142
Insurance fund (Vickers)	...	62,228
Reserve Fund (Vickers)	...	200,000
Creditors—Vickers	...	1,939,609
Creditors—Subsidiary Companies	...	1,188,971
Contingent Liabilities, etc.	...	2,032,873
Final Preference dividends of Vickers	...	201,595
Surplus	...	944,409
Total		£22,603,135

ASSETS.		£
Fixed Assets—Vickers	...	3,315,056
Fixed Assets—Subsidiary Companies	...	4,009,385
Stocks—Vickers	...	1,789,672
Stocks—Subsidiary Companies	...	1,526,272
Debtors—Vickers	...	1,640,407
Debtors—Subsidiary Companies	...	1,384,185
Investments—Vickers	...	817,128
Investments—Subsidiary Companies	...	*4,071,940
Cash—Vickers	...	305,848
Cash—Subsidiary Companies	...	2,051,497
Bills—Vickers	...	298,121
Bills—Subsidiary Companies	...	3,772
British Government Securities—Vickers	...	1,490,000
British Government Securities—Sub. Coys.	...	19,943
		4,169,181
Less Bank Loans, etc., of Subsidiary Coys	...	120,091
		4,049,090
Total		£22,603,135

*Including investment in Metropolitan Vickers Electrical Company.

Here again, the most striking feature is the strong financial position of the group. Cash, bills, and British Government securities held by the various Companies, after deducting bank loans and overdrafts (which amount to only a small sum), amount to no less than £4,049,090. Further, the group holds securities totalling £4,889,069. These are taken at cost or market price, whichever is the lower, so that this item probably covers a hidden reserve, since it includes the shares in the Metropolitan-Vickers Electrical Company, which stand at a considerable premium. The directors explain that the surplus includes £809,541, the sum by which the assets, less the liabilities of the subsidiary companies as shown by their audited balance sheets, exceed the value placed on them in Vickers' books."

THE ECONOMIC DEVELOPMENT OF ABYSSINIA.

The increased interest recently shown in Abyssinia, warrants a review of conditions in that little-known country—a region which is one of the few productive portions of the African Continent in which no new modern development projects have been undertaken during recent years, although some are under consideration (says an article by Mr. M. Bainbridge Hayden, in the United States "Commerce Reports.") The country's situation as a sovereign nation places it, however, in a somewhat different relation from foreign capital than is the case with its neighbouring areas that are parts of the colonial systems of European Powers.

Although the political independence of Abyssinia has been recognised by the Great Powers since 1906, and that country, under its regent, Ras Tafari Makonnen, has been a member of the League of Nations since 1923, nevertheless the modern economic developments there have been largely accomplished by foreign enterprise. The Franco-Ethiopian railway, connecting the capital, Addis Ababa, with the French Somaliland port of Jibouti, is the only railroad in the country and is entirely in French hands. The only exploitation yet made of the valuable deposits of potash salts in the north-eastern part of the country has been carried on by Italian capital. The country's foreign trade is largely negotiated through resident Greek and Armenian merchants. Even the currency of the country, the Austrian Maria Theresa dollars, is imported and distributed by foreign agents.

The subject of recent British and Italian notes was a proposed concession by the Abyssinian Government to

British interests for the construction of a dam near Lake Tana, to control the waters of the Blue Nile for the benefit of the Anglo-Egyptian Sudan, and a similar concession to Italian interests for the construction of a railroad north and south across Abyssinia, connecting Italian Somaliland with the Italian colony of Eritrea. Both these projects, while carried on by foreign capital, would be subject to the approval of the Abyssinian Government and would contribute to further the economic progress of the country.

At present, transport to the interior by the Blue Nile or by caravan through Gambela, the trading station leased by Abyssinia to the Sudan Government, is both slow and difficult, and the bulk of the country's trade is carried over the French railroad to Jibouti. The volume of trade over this route amounted in 1924, the last year for which figures are available, to 18,693 metric tons of imports and 23,885 tons of exports. These figures represent a trebling of exports since 1914, but comparatively no change in imports. Prior to 1924 there had been a heavy annual import surplus.

The chief commodities entering into the export trade, via Jibouti, are such pastoral and agricultural products as coffee, hides and skins, beeswax, grain, and ivory. The leading imports are salt, sometimes used in Abyssinia instead of money; cotton goods, constituting almost exclusively the dress material of the native population; kerosene, sugar, hardware, and empty sacks, the last being used extensively to cover the loads carried by pack animals.

Records of Abyssinian trade, via the Sudan, are kept by value rather than volume, and are therefore not easily comparable with those of the Jibouti trade. The total value of exports by the Sudan route in 1924 amounted to £262,000, and total imports to £111,000. The exports consist chiefly of coffee and beeswax; the imports, mainly textiles, salt and Sudan products.

The country's resources remain still largely unexploited, and the industrial development is negligible. Most of the coffee and beeswax exported are wild, and millet has been cultivated only since 1915. Although there are reported to be rich resources of rubber, coal, copper, silver, sulphur, potash, mica, gold, and iron, only the last four have so far been extracted commercially, and these only to a slight extent. Abyssinia may be said to represent, therefore, an almost virgin field for productive effort, and with its increasing economic development and augmented purchasing power it represents as well a new and promising market for the products of the industrial world.

The first essential to further economic development, however, is the improvement of the country's transportation and the reduction of freight charges. Such possibilities of new trade outlets as those presented by the Italian plan for a railroad to Massawa and the British suggestion for a good road to Berbera would therefore seem to offer good opportunities for Abyssinian expansion.

FOREIGN EXCHANGES.

Country.	Method of Quoting.	Parity of Exchange.	Latest Quotations.
Alexandria.....	Piastre to £	97½	97½
Athens	Drachmæ to £	25.22½	367½
Belgrade.....	Dinars to £	25.22½	276½
Berlin	Marks to £	20.43	20.49½
Berne	Francs to £.....	25.22½	25.24½
Bombay	Sterling to Rupee	18d.	17 59/64—61/64
Brussels	Belga to £.....	35	34.95
Bucharest	Lei to £	25.22½	795
Budapest	Peu to £	27.82	27.84½
Calcutta	Sterling to Rupee	18d.	17 59/64—61/64
Constantinople	Piastres to £	110	920—935
New York	Dollars to £	4.86 2-3	4.85 11/16
Paris	Francs to £.....	25.22½	124
Prague	Kronen to £.....	24.02	163½
Rome	Lire to £	25.22½	88—80
Sofia	Leva to £	25.22½	670—680
Taberan	Krans to £	50½	59½
Vienna	Sch to £	34.58½	34.48½
Warsaw	Zloty to £	25.22½	43—44

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(Incorporated by Royal Charter, 1889.)

CAPITAL (fully paid) - £650,000 | RESERVE - £470,000
Reserve Liability of Shareholders, £1,000,000.

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Branches in Iraq (Mesopotamia) :- Bagdad, Basra, Kirkuk.
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 The Bank is prepared to transact Banking business of every description in and connected with Persia and Mesopotamia; and in London grants Drafts, Telegraphic Transfers and Letters of Credit, and negotiates or collects Bills on Persia and the Near East.

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IONIAN BANK, Ltd.

Established 1839.

Capital Authorised - £1,000,000
 Capital Paid up - £600,000
 Reserve Fund - £235,000
 Total Assets - £5,663,445

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Central Office:

Central Office:

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Incorporated and constituted in India under the Imperial Bank of India Act, 1920, for the purpose of taking over the undertakings and business of the Bank of Bengal, the Bank of Bombay and Bank of Madras.

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CALCUTTA, BOMBAY, MADRAS.

Managing Governors in India:-

Sir Norcot Warren, K.C.I.E.

Sir N. M. Murray.

Manager in London:-

Sir S. A. H. SITWELL.

Authorised Capital Rs. 11.25.00.000

Paid-up Capital - Rs. 5.62.50.000

Reserve - Rs. 5.00.00.000

BANKERS in INDIA to the GOVERNMENT INDIA.

Branches in all Principal Towns in India.

London Branch - 22 Old Broad Street, E.C.2.

NATIONAL BANK OF INDIA, LIMITED.

Registered in London under the Companies Act of 1862, on the 23rd March, 1866

Established in Calcutta, 29th September, 1863.

BANKERS TO THE GOVERNMENT IN KENYA COLONY AND UGANDA.

AUTHORISED CAPITAL ...	£4,000,000	Paid-up Capital ...	£2,000,000
Subscribed Capital ...	£4,000,000	Reserve Fund ...	£2,900,000

HEAD OFFICE: 26, BISHOPSGATE, LONDON, E.C.2.

BRANCHES.

Aden	Calcutta	Colombo	Lahore	Rangoon	Eldoret	Kenya Colony (Brit. E. Africa)	Entebbe	Uganda
Aden, Steamer Point	Cawnpore	Delhi	Madras	Tuticorin	Kisumu		Jinja	
Amir	Chittagong	Kandy	Mandalay	Zanzibar	Mombasa		Kampala	
Bombay	Cochin (S. India)	Karachi	Newera Eliya		Nairobi, Nakuru			

TANGANYIKA TERRITORY—Dar-es-Salaam, Tanga.

The Bank purchases grants, advances against or collects Bills payable in India, Burma, Ceylon, Aden, Zanzibar, British East Africa, Uganda, etc., on current terms. The Bank issues Drafts on its Branches, as well as on its Agents in the principal towns of India and Burma, Africa and elsewhere, and also sells Telegraphic Transfer on all its Branches, at the exchange of the day.

The Bank, on behalf of its Constituents, undertakes the collection of Furlough Pay and Pension from the India and Colonial Offices, the Custody of Government and other Securities, and the receipt of interest and Dividends thereon.

Powers of Attorney or other forms and any information required may be had on application to the Bank in London or any of its Branches.

The Bank receive Deposits for fixed periods not exceeding one year at rates to be obtained on application.

LLOYDS BANK LIMITED.

HEAD OFFICE: LONDON, E.C. 3.

Capital Subscribed - £73,302,076
 Capital Paid up - £15,810,252

Reserve Fund - £10,000,000
 Deposits, &c. (31st Dec., 1926) £347,653,458

EASTERN DEPARTMENT:

14, KING WILLIAM STREET, LONDON, E.C. 4.

LLOYDS BANK now has the following Offices in INDIA and BURMAH, and can offer special facilities to merchants and others for transactions with those countries. It issues Drafts, Mail and Telegraphic Transfers and Letters of Credit, negotiates and collects Bills of Exchange, conducts Exchange operations, and transacts Banking and Agency business generally.

INDIA & BURMAH.—BOMBAY, CALCUTTA (2 Offices), KARACHI, RANGOON, DELHI, SIMLA, RAWAL PINDI, MURREE, SRINAGAR (Kashmir), GULMARG.

Cotton and Cotton Goods.

THE EGYPTIAN MARKET.

The Alexandria Commercial Company in their report for the week ended May 12, state:—

Since our last report the futures market has been very active but the tone has been decidedly less firm, especially for Sakel. The week's summary of price movements is as follows: Sakellaridis—May, 29.10 dollars, 1.40 dollars down; July, 29.38 dollars, 1.35 dollars down; November, 30.45 dollars, 1.25 dollars down; January, 30.25 dollars, 1.35 dollars down. Ashmouni—June, 21.41 dollars, 0.49 dollars down; August, 21.76 dollars, 0.49 dollars down; October, 22.33 dollars, 0.52 dollars down.

Sakel.—The market during the early part of the week was firm. Reports from America were pessimistic on the extent of the damage occasioned by the floods in the Mississippi Valley and on the strength of these reports, speculators continued to buy. Reports received from America during the last two or three days have been much better, and the better news has induced some profit-taking, as a result of which a good part of the recent advance has been lost. At the close to-day the tone of the market was undecided and should the reaction in New York continue, we do not think that prices here will hold.

The demand from abroad this week has been very poor, and, on some days, the amount of business put through has been practically nil. On the other hand, cotton continues to come down from the Interior in fairly large quantities and there is still more to come.

At the second May tender, 250 krs. dockets were issued; the total so far this month is 5,250 krs.

Uppers.—Price fluctuations of this variety have more or less followed those of Sakel, although, at to-day's close, the tone was much firmer than that of the latter market. The difference between the near positions of the two varieties, after having reached 9.15 dollars on the 4th instant, is now back to 7.75 dollars.

The better tone of the Ashmouni market must be put down, firstly to the fact that the spinners demand for this variety is fairly satisfactory and secondly, to the fact that, as the greater part of the recent speculative buying was concentrated on Sakel, the profit-taking sales of Ashmouni have been correspondingly less in volume. The statistical position of Uppers is decidedly stronger than that of Sakel; the spot stocks for sale are getting smaller every day.

The week's receipts amount to 182,957 krs. against exports 189,446 krs.; the stock in Alexandria is 2,917,735 krs. The official figures of arrivals and exports for the period September 1, 1926, to May 5, 1927, are as follows:—Arrivals: Lower Egypt, 4,602,000 krs.; Upper Egypt, 2,841,000 krs; total 7,443,000 krs. Exports: Sakel, 2,464,781 krs.; Ashmouni, 3,012,870 krs; Various, 380,152 krs.; total 5,857,803 krs.

Spot.—During the past week demand has fallen away somewhat and we have had a series of rather quiet markets at Minet el Bassal. Sales for the week amount to about 13,000 bales, of which we estimate 5,000 bales Sakellaridis, 7,000 bales Ashmouni and Zagora, 750 bales Pilion, 250 bales White and a few bales other varieties. Cotton continues to be offered freely but the quality of the Sakel selection is very poor and it is very difficult to get hold of decent cotton.

Sakellaridis.—The demand has fallen off and only a mediocre business has been done, though all grades up to Fully Good have changed hands. Spot differences are without much change, and the few good lots of decent staple cotton which appear command a fairly ready sale.

Ashmouni and Zagora.—Here also demand has been distinctly quieter and only a fair business has transpired. All styles have been dealt in and spot differences are about as last week, with a slightly easier tendency for the grades below Fully Good Fair.

Pilion: has been in fair demand and a good business has

been done at about last week's spot differences.

White.—A fairly good business has transpired. Spot differences are fractionally easier than last week.

Other Varieties.—In Brown a retail business has been done without much change in spot differences. A few bales of Maarad have changed hands.

Up-Country.—The Ministry of Agriculture has published a new Decree postponing, until the 21st instant, the date for the closing of the ginning factories. A large number of the factories are now working day and night and there is no doubt whatever that by the time the factories are definitely closed down, the arrivals in Alexandria will have passed the 8,000,000 kantar figure.

Crop 1927.—All our agencies in the interior report that the crop is going along satisfactorily. Temperature during the week has been very favourable and the plants show good growth. A slight attack of leaf worm is reported but the damage is insignificant. In Upper Egypt, especially in the Province of Minieh, some of the early plants are already flowering. Water supply, both in Upper and Lower Egypt, is sufficient for requirements and complaints, if any, are few and far between.

THE LIVERPOOL COTTON MARKET.

Messrs. Reynolds and Gibson report as follows for the week ended May 18:—

Egyptian Futures.—Sakel Contract.—Since we last wrote, this market has shown a steadier tendency and improved undertone, somewhat better trade support and the withdrawal of profit-taking orders inducing a gradual hardening, prices closing to-night at 46 to 51 points advance for near and 54 to 61 for distant positions. In addition to the local improvement, the recent action of the Alexandria market has been distinctly encouraging to the "long" element, values at the other side maintaining a somewhat remarkable steadiness even at the higher levels now attained; however, as the contract here has not fully responded to the appreciation witnessed in the overseas market we now stand, at a heavier discount than for some time past and it would rather appear as if the large stock of Sudan now offering here is going to be responsible for a readjustment in previous ideas regarding the relative values of the two contracts. Whilst trade reports in the Egyptian section show a moderate improvement, the whole outlook in textiles at the moment is rather unsettled; however, judging from the inquiry for the finer staple cottons, it appears that more business is developing, and provided consumers have the encouragement of steady markets in the raw material we are rather of the opinion that the offtake in yarns would begin to show a more favourable situation. On the whole, spinners' takings keep up well, and the Egyptian figures now total 293,000 bales, an increase of roughly 5,000 bales over the corresponding period last year; this would have been further augmented except for the competition from Sudan Sakel, which is borne out by the latter showing an increase of 45,000 bales.

Upper Contract.—This option continues to enlist more support, and speculative buying, especially of new crop position, is becoming somewhat a feature. Local stocks of old crop cotton cannot be termed particularly heavy for this period of the season, and holders are gradually getting more difficult to deal with; in addition to this, the Alexandria basis for any desirable cotton continues to be distinctly firm. Trade reports of yarns spun from the Upper variety are moderately satisfactory, and spinners, recognising the comparative strength of the statistical position, are beginning to show increasing anxiety to cover their requirements for the summer months. Whilst admitting that the course of values will be mainly governed by the action of the American markets, we still consider that, even from the present level, there is scope for further appreciation, and on this account we recommend that any easing markets should be taken advantage of to get conservative purchases.

Egyptian Spot.—There is little change to report in the conditions ruling in our market. Trading has continued on quiet lines, and there is nothing in sight at the moment to justify optimism in the immediate future. Flood and weather news from the U.S.A. still largely dominate the situation, and, in spite of a considerable amount of uncertainty, prices generally have registered a further slight advance. Financial trouble in Lancashire has caused much uneasiness during the past week, but up to date the Egyptian section has been comparatively immune. Discussions are now taking place as to the advisability of enforcing a cash before delivery basis for spot sales transacted in this market. No decision has as yet been arrived at.

Sakel cotton has again continued in rather better demand from rod. up to about 17½d., but beyond the latter figure, which represents roughly to-day's value of Good cotton, there is no inquiry to speak

of. Good Fair Uppers at from 11½d. to 12½d. have met with a fairly good offtake and the selection of this range is becoming rapidly thinned out. Pilon at from 13d. to 13½d. has been in moderate request. Sudan cotton has maintained its popularity, the white variety at from 150 to 275 on, and the Sakel at from 17d. to 17.75d. An improved inquiry for Tokar Sakel has lately been noted, but the high prices asked for this growth, 18½d. to 19½d., are checking business at the moment.

C.i.f. business has been done on only a very moderate scale. Forwardings to spinners for the week ending the 14th inst. were returned as 5,512 bales Egyptians, and 1,272 bales Sudan. Estimated sales:—1,400 bales Egyptians and 1,350 Sudan. Quotations of Sakel have been reduced to 10 points for the growths above F.G.F., whilst F.G.F., Good Fair, and Fair are all 10 points harder. Upper has been advanced 20 points all round. F.G.F. Sakel to-day, 16.10d. F.G.F. Upper to-day, 12.50d.

Sales of medium and low priced passenger cars in Greece during the first quarter of this year have shown a slight improvement over the last quarter of 1926, and the market for high-priced cars remains dull (says an American Consular report). The Greeks are showing a well-defined tendency to standardise on the medium and low priced cars, whose reputation has been firmly established in this market by time and experience. The Cab Drivers' Association still constitutes the most important source of automobile orders in Greece. The market for lorries has shown considerable improvement, and a further advance is anticipated for the second quarter. The market for parts and accessories has been very active, dealers generally expressing satisfaction with the amount of business done. Prospects for the second quarter are encouraging.

FROM THE WEEK'S MEETINGS.

Greece's Financial Position.

The Greek Government in 1926 carried through various measures enabling it to fund the major portion of the floating debt, and it is now actively engaged upon a programme of monetary stabilisation and budgetary equilibrium. During the last fifteen years, i.e., since the Balkan War of 1912, Greece has had, in addition to her normal expenditure, to face extraordinary outlays totalling about £173,000,000, of which she has provided from her own resources about £137,000,000; even so her uncovered budgetary deficit is estimated at not more than about £2,000,000. A small country like Greece, that has been able to stand such a strain almost unaided and, in addition, to continue all through these troublous times to meet all its external obligations in gold, should be capable of wonderful progress in the years of peace which it is hoped are now before us.—Sir Eric Hambro, K.B.E., at the annual meeting of Hambros Bank.

The production of the Anglo-Egyptian Oilfields for the week ending May 13 amounted to 3,154 tons.

Stock and Share Markets.

LONDON EXCHANGE		Prices on May 23	Railways.		Prices on May 23	Coal.		Prices on May 4
Government Stocks.			Rubber.			Cotton.		
Egyptian 4 p.c. Unified Debt	...	83	Assam-Bengal	...	84	Baraboni	...	3
Do. Pref. 3½ p.c. 1890	...	72½	Bengal Nagpur	...	95½	Bengal	...	452½
Do. Turk 4 p.c. 1891	...	87½	Egypt Delta Light Riv.	...	49/16	Burrakur	...	15½
Do. 3½ p.c. Eg. Trib. Bonds. '94	...	80	Southern Punjab	...	193½	East Indian	...	22½
Greek 5 p.c. 1881	...	54	Shipping.			Equitable	...	18½
Do. 5 p.c. 1884	...	54	Anchor 5½ p.c. Prf.	...	7½	Pench Valley	...	24½
Do. 4 p.c. Rentes, 1889	...	44	Cunard	...	26 10½	Raneegunge	...	29½
Do. 5 p.c. 1890	...	44	Furness Withy	...	37.9	Standard	...	49½
Do. 5 p.c. Funding Loan, 1893	...	52	Khedivial Mail Ord.	...	1	Jute.		
Do. 4 p.c. Rails, Loan, 1902	...	53½	P. and O. Deferred	...	297½	Alliance	...	656
Do. 4 p.c. Loan, 1910	...	53½	Tea.			Barnagore	...	25½
Do. 5 p.c. Loan, 1914 (Lon. issue)	...	67½	Assam Co.	...	25/32	Budge Budge	...	35½
Do. 7 p.c. 1924	...	97	Bengal United Tea Ord	...	35/16	Clive	...	45½
Persia 5 p.c. 1911	...	81½	British Indian Tea Ord.	...	37	Dalhousie	...	549
Roumania 4 p.c. Ext.	...	72½	Cachar and Dooars Tea Ord.	...	4	Delta	...	656½
Do. 4 p.c. Consolidation	...	47½	Ceylon Tea Plantations Ord.	...	6½xd	Fort Gloster	...	1,060
Sudan 5½ p.c. Guar. Bds.	...	107½	Consolidated Estates	...	41 16xd	Gourepore	...	800
India 3½ p.c.	...	70½	Darjeeling Co.	...	213/32	Howrah	...	50½
Do. 3 p.c.	...	603/16	Dimbula Valley (Ceylon) Ord.	...	39/16	Kamarhaty	...	744
Do. 2½ p.c.	...	50½	Dooars Tea Ord.	...	47/32	Kankarrah	...	564
Do. 5½ p.c.	...	1033/16	Dooloogram Tea	...	1½	Khardah	...	633
Do. 4½ p.c.	...	90½	Doom Dooma	...	49/32	Kinnison	...	1,180
Turkish 4 p.c. Unified	...	25½	East Assam	...	3½	National	...	36½
Banks.			Empire of Ind.	...	211/16	Standard	...	344
Agri. Bank of Egypt	...	7½	Haleem Tea	...	29/16	Union	...	775
Bank of British West Africa	...	4	Jhanzie Tea Association	...	4½	Miscellaneous		
Bank of Roumania	...	80/3	Jokai (Assam) Tea Ord.	...	49/16	British India Corporation	...	41
Barclays Dom. Col. Pf.	...	27/6	Lanka Plantations Ord.	...	27/16	Bengal Paper Mills	...	37½
Lloyds	...	62/6	Lungla (Syhet) Tea Ord.	...	15/16	Bengal Timber Trading	...	180
P. and O. Banking	...	9½	Nuwara Eliya Tea Estates Ord.	...	5½	Burn and Co.	...	252½
Eastern	...	613/32	Pabbojan	...	7	Cawnpore Sugar	...	28½
Chartered Bank of India	...	19½	Scottish Assam	...	2	Champaran Sugar	...	12½
Ottoman Bank	...	11½	Upper Assam	...	2½	Howrah Oil Mills	...	17½
Imperial Bank of Persia	...	9½	Insurance.			ALEXANDRIA		
Land Bank of Egypt Ord.	...	14	General Accident Fire and Life (£5, £1½ paid)	...	7½	Prices on May 13, supplied by G. L. Mortera, Alexandria & Cairo.		
Westminster	...	18½	London & Lancs (£5, £1 paid)	...	23½	Agricultural Bank of Egypt	...	£73/16
National Bank of Egypt	...	34½	Royal Exchange (£1)...	...	7	Alexandria Water Co.	...	£2630
National Bank of India	...	49½	Sun Fire £10 (£2 paid)	...	25½	Assoc. Cotton Ginners	...	£1411/16
Land.			Trade Indemnity (£10)	...	12½	Bekera Ord.	...	£27/32
Kassala Cotton	...	83	Miscellaneous.			Ciments d'Egypte	...	£216½
Sudan Plantations	...	4½	Alexandria Water Co.	...	14½	Div.	...	Frs. 125
Mines.			Associated Cotton Ginners	...	17½	Comptoir Fin. & Com. d'Egypte	...	157
Balaghat Gold Mining	...	4.9	Egyptian Hotels	...	7½	Credit Foncier Egyptian	...	£5/16
Burma Corp.	...	15½	Do. Markets Ord.	...	25/6	Fondateur	...	Frs. 1,010
Champion Reef Gold	...	12/6	Do. Salt and Soda	...	21/6	Crown Brewery Priv.	...	2,250
Mysore	...	15/6	Mortgage Co. of Egypt 5 p.c. Pref.	...	83/16	Filature Nationale d'Egypte	...	Frs. 105
Nundydroog	...	11/3	INDIAN EXCHANGES.			Frigerifique d'Egypte	...	£5½
Ooregum Gold Mining Ord.	...	15.3	Government Loans.			Immeubles d'Egypte Soc. An. des	...	£161/16
Oil.			3½ Government Paper	...		Land Bank of Egypt Actions	...	£144
Anglo-Egyptian B	...	19/32	Bank of India	...		Parts de Fond	...	£158
Anglo-Persian Ord.	...	413 32xd	Central Bank of India	...		Menzies Canal Navigation	...	Pt. 300
Do. 8 p.c. Cum. 1st Pf.	...	27/1½	BANKS					
Do. 9 p.c. Cum. 2nd Pf.	...	28 1½	Imperial Bank of India	...	1,485½			
Do. 5 p.c. Debs.	...	97	Bank of India	...	79½			
Brit. Burmah	...	9.9		...	29½			
Burmah Oil Co. Ord.	...	529/32						
Do. 8% Cum. Pref.	...	26 7½						
Phoenix Oil and Transport	...	23/-						
Steam Romana	...	13.3						

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Paid up Capital - £1,000,000

Reserve Fund - £400,000

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Steamer.	Tons.	London.	M'sre's.	Destination
†Macedonia	11,000	...	May 27	Straits, China, Japan
RAJPUTANA	10,600	...	May 27	Bombay and Karachi
†NOVARA	7,000	...	May 28	Straits, China, Japan
†KASHGAR	9,000	...	June 2	Straits, China, Japan
*MOOLTAN	21,000	...	June 3	Colombo and Australia
MALWA	11,000	...	June 10	Bombay and Karachi
†NAGOYA	7,000	...	June 11	Colombo and Calcutta
†COMORIN	15,000	...	June 11	Colombo and Australia

* Taking passengers for Bombay via Aden: † for Port Sudan: ‡ for Malta.

† Calling at Southampton. ‡ Via Bombay.

BRITISH INDIA SAILINGS.

(Under Contract with the Govts. of India and Queensland.)

Steamer	Tons	M'boro.	London.	Destination.
†MANDALA	8,246	...	May 28	Bombay and Karachi
†NALGORA	6,500	...	May 28	Madras and Karachi
MANTOLA	8,936	...	June 1	East African Ports
MERKARA	8,235	...	June 4	Bombay and Karachi
MOMALA	8,303	...	June 11	Madras and Calcutta
DOMALA	8,441	...	June 25	Bombay and Karachi
MARGHA	8,258	...	June 25	Madras and Calcutta
MODASA	9,070	...	June 29	East African Ports

† Calls Malta. * Cargo steamer. ‡ Calls Port Sudan.

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Steamer.	Tons.	Sailing.	Destination.
City of Calcutta	7,679	June 22	Colombo & Calcutta
City of Hong Kong	9,678	June 25	Bombay & Karachi
*City of Venice	8,308	July 1	Bombay & Karachi
City of Valencia	7,329	July 2	Colombo & Calcutta
City of York	7,844	July 23	Bombay & Karachi
City of Baroda	7,129	Aug. 3	Colombo & Calcutta

*Via Malta.

LONDON to SOUTH AFRICA.

†City of Karachi	5,573	May 27	Cape Town, Algoa
City of Alexandria	4,712	June 10	Bay, East London, and Natal.

† Passengers embark East India Dock, 3 p.m.

MEDITERRANEAN and LEVANT.

Polo	3,300	May 30	Smyrna & Constantinople
Dido	5,050	May 31	Alexandria

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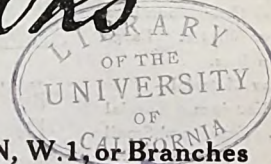
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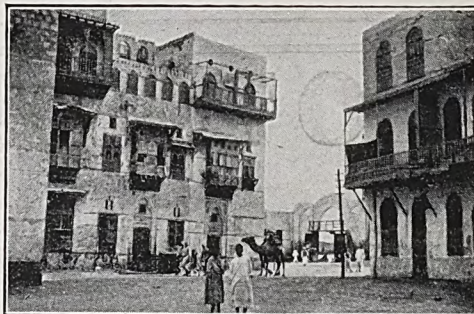
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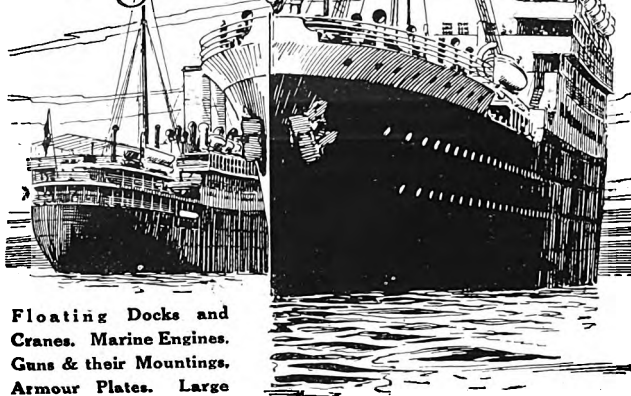
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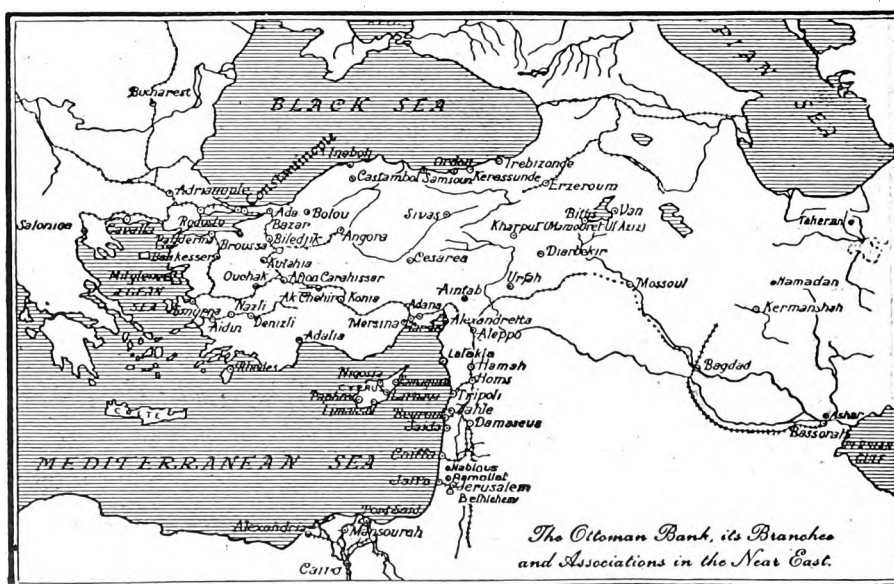
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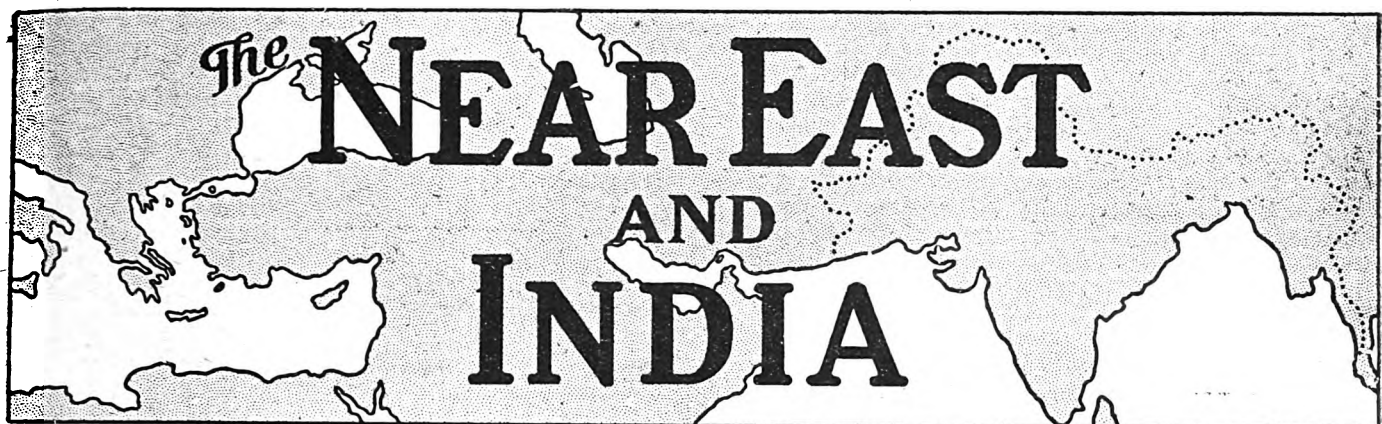
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No. 837.—VOL. XXXI.

THURSDAY, JUNE 2, 1927,

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Notes of the Week.

The Constitutional Issue in Greece.

On what thin ice the present coalition in Greece exists was shown again last week in the course of the debates in the Chamber on the new Constitution. The draft that was under discussion provided that the form of government should not be subject to revision. In the absence of the leader of one of the monarchical parties a zealous follower proposed that this clause should be submitted to a plebiscite, only to find the suggestion strongly opposed by members of his own party. After an interval in the course of which the absent leader, the Minister of the Interior, was consulted, a formal statement on behalf of the Popular Party was read recording its view that the present Chamber ought not to deal with the question either of the revision or of the confirmation of the form of government, for the reason that the Coalition Ministry had been brought into being on the understanding that this particular issue should not be raised. The Chamber agreed to the elimination of the offending paragraph regarding non-revision, but the proposal was subsequently made by one Cabinet Minister that the question of the form of government had better be settled once and for all by a plebiscite. Before the discussion had proceeded far, a remark by another Republican Minister caused resentment to the Popular Party, whose members left the Chamber amid cheers for the Monarchy and counter-cheers for the Republic. A plebiscite in existing circumstances would not only be a waste of time, but would also cause fresh bitterness. It is practically certain that it would give a majority in favour of the Republic, if only for the reason that a large proportion of the Greek people realise that any change at this point would not bring peace to the country. Yet the Monarchists would not accept the verdict as the final word on the subject. The Greeks have yet to prove that they can make a success of a Republic; but at the moment they are committed to the attempt. From the point of view of the Monarchists it is far better to allow the Republic a longer trial, if only for the reason that the question of the form of government cannot be argued or voted upon solely on the merits of the two systems by a people weary of political

squabbles and their disastrous consequences. In a few years' time both sections of the nation should be able to approach the matter more dispassionately with more evidence at their disposal on which to base an unprejudiced opinion.

The Bulgarian Elections.

On the principle that a large number of entries for the Derby bespeaks a healthy condition for English racing, it might be thought that a list of forty thousand candidates for less than three hundred seats in the Sobranie argued a similar condition for Bulgarian politics. There can, however, be over-production of politicians as well as of potatoes, and the time would seem to have come for a scientific overhauling of the Bulgarian political system. In the first place a Chamber of 273 seats would seem to be an over-generous allowance for a country of less than six million inhabitants. Yugoslavia has one Member of Parliament for forty thousand inhabitants, Roumania one for forty-six thousand. Bulgaria, however, requires one Deputy for every twenty thousand of her total population; and so great is the attraction of a seat in the Sobranie that this year forty thousand candidates are reported to have offered themselves for election. If the English system of a substantial forfeit for every candidate who fails to secure a certain proportion of the total number of votes polled were in force in Bulgaria, the Bulgarian Exchequer would reap a welcome harvest, although we do not suppose that the whole forty thousand actually figured on the final list of candidates. It is to be feared that this abnormal list of parliamentary candidates reflects a chaotic phase in the country's political history, resulting from its domestic troubles of recent years, as well as the tendency of the provinces to assert themselves at the expense of the capital. In the early days of Bulgaria's existence as an independent State, wholly agricultural in character, it was inevitable that Sofia should dwarf the rest of the country; but with the growth of trade the provinces have acquired a sense of their own importance. At the beginning of the century there were only six towns with a population above

twenty thousand; to-day there are at least a dozen. The capital, it is true, has grown to a greater extent than any other town, but the towns whose numbers give them some claim to attention are now numerous enough to challenge any attempt on Sofia's part to usurp sole control of the country's politics. Hence the multiplicity of electoral lists. In the long run this tendency, as distinct from the present particular form of its manifestation, will be all to the good, but in its early stages it may well bring about a situation that will not conduce to the smooth running of political life in Bulgaria.

M. Liaptcheff's Success.

In spite of the competition for seats in the Sobranie the result of the elections has given M. Liaptcheff a substantial majority, about two-thirds of the total number of deputies. This success for the Government party had been anticipated, but it is noticeable that the next largest group in the Sobranie will be the Extreme Agrarians with fifty-five seats. The middle parties have again gone to the wall. M. Malinoff, who is regarded as the only possible alternative to M. Liaptcheff as Prime Minister, will have a following of only twelve. In the interests of Bulgaria it is to be hoped that the result of the elections will encourage the country to settle down peacefully to the hard work of reconstruction. King Boris is reported to be contemplating this year a second tour abroad, which should take him to London and Paris. His Majesty's visit to England is long overdue, but the reasons of State that have prevented him from leaving Bulgaria for any length of time until now have been appreciated, however much they may have been regretted.

Yugoslav Politics.

When the present Government in Yugoslavia assumed office in the middle of April the Skupshtina was at once prorogued, to give the new Prime Minister time to consolidate his position. The interval has witnessed much coming and going among the politicians. M. Voukitchevitch is credited with the intention of consolidating the present understanding between his own Radicals and the Democrats, with a view, if possible, of forming a homogeneous party, deriving its main strength from Serbia, but not necessarily confined to Serbs. According to general expectation a decree dissolving the Skupshtina is shortly to be issued, and elections will be held in September. By that time there may have been considerable modifications in the political grouping. A noticeable feature of the last two months has been the unwonted silence of M. Raditch. The wish is probably farther to

the thought among those who affect to believe that he has been ousted from Croatian political life; for he is still the accepted leader of the chief Croatian party. There are, however, signs that the other political units among the Croats are trying to coalesce with a common programme. It appears to have been realized that under the leadership of M. Raditch Croatia has little chance of playing the part in Yugoslav politics to which her intellectual attainments and economic importance entitle her. One effect of the rupture of Anglo-Soviet relations has been to discredit among the Yugoslavs all leanings towards Moscow—a movement which at one moment was regarded as being gradually forced upon the country by the supposed success of Italy in isolating it in South-Eastern Europe. As the high-priest of the cult of close relations with Soviet Russia, M. Raditch will be liable to be thrust still farther in the background, if emphasis comes to be laid on the essentially "European" destiny of Yugoslavia. Discussions on these lines reflect a certain amount of nervousness still prevailing with regard to the international position of Yugoslavia; but complete confidence is hardly to be expected before more stability has been achieved in home politics.

The Army Controversy in Egypt.

An unfortunate controversy has arisen between the Egyptian and British Governments over the Sirdarship of the Egyptian Army—a post hitherto held by a British officer. In keeping with the policy of eliminating the British connexion with Egyptian affairs the Legislative Assembly has marked down the Sirdarship either for an Egyptian officer, or, failing that, for abolition. The British Government, on the other hand, in view of its ultimate responsibility for the integrity of Egypt and the security of foreign interests in the country, does not see its way at present to agree to a step, which, coming on the top of the almost complete elimination of British officers from the Army, would deprive it of any voice in the disposition of Egyptian troops. It is a very obvious controversy. The Egyptian Government can point to the omission of any reference among the Reserved Points to military matters, and the British Government can reply with equal force that the whole contains the part, in other words, that responsibility for the protection of the country and foreign interests in it covers a measure of supervision over the Egyptian Army. If the Egyptian Legislature is anxious to bring disagreement to a head, it could probably not find from its point of view a better subject on which to do it. Great Britain, on the other hand, will meet with a very wide measure of support from all countries with interests in Egypt that have acquaintance with the practical side of military affairs. Some way out of the difficulty will have to be found, as it is very evident that the interests of Egypt require smooth relations between the two countries. There must admittedly be anomalies in the status of Egypt, but we could wish that the Egyptian Parliament would realize that these anomalies acquire practical significance only when they are pushed to the forefront and made the subject of agitation. At all other times they will be found to make little or no difference to the daily life of the country.

Reason or Force.

There could be no more regrettable development in Anglo-Egyptian relations than that every few months the Egyptian Government, under pressure from extremists in the Legislative Assembly, should find itself obliged to test, in one way or another, the consistency of British policy, only to beat an uncomfortable retreat when the final argument on Great Britain's side is brought forward. The crux of the whole problem is that Great Britain cannot step out of Egypt and allow another Power to take her place. As the Egyptians recognize that they cannot defend their country against all comers, it should follow that they concede willingly a special position to Great Britain in return for her protection and their independence. The point at issue should thus be just where the line of

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the special position can be drawn. Clearly a satisfactory settlement can be reached only by friendly negotiation. Yet it appears to British public opinion that Egypt has so far refused such negotiation, and under the lead of extremists in her Parliament has sought either to browbeat Great Britain into acquiescence in Egyptian claims or to steal a march on the British position. Such tactics inevitably defeat their own ends, because they create suspicion and prevent many concessions from being made which offer no risk when accorded to a friendly nation, but which may prove a dangerous weapon in the hands of a hostile one. Even in this case of the Sirdarship, it is obvious that the Egyptian Army would provide no protection for the country, if its loyalty to the supreme command were undermined; yet no British Government could allow the question to be taken out of its hands and settled by a few extreme speeches in the Legislature. Nothing could be more fatal to Egyptian interests than that the impression should gain ground that there is no possibility of any points at issue between Egypt and Great Britain being settled by reason, and that, therefore, a show of force must always be kept in the background. Great Britain's record in China and elsewhere shows how far she is prepared to go along the path of peaceful solution and it is a pity that she receives no credit in Egypt for this attitude.

An Anglo-Wahhabi Treaty.

Until the actual terms are known of the Treaty which Sir Gilbert Clayton has signed with the Wahhabi leader, King Ibn Saoud, it is idle to speculate upon the future of Arabia and particularly of Anglo-Arab relations. The essential thing is, however, that an amicable conclusion has been reached to the negotiations that were started last November at the request of the ruler of the Hijaz and of Najd. Whether there has been any marked conciliation on either side, and whether points that appeared extremely doubtful of settlement have actually been smoothed over—all this must be left for comment until Sir Gilbert Clayton has returned to London. In the meantime we may cordially congratulate both the British and the Arab parties to this new agreement. And, apart from personalities, it is obvious that the various Departments of the British Government which issued instructions to the British representative also deserve credit for their envisaging of the new situation that has arisen in Arabia. That a second rebuff should have succeeded the negotiations last year with another Arab chieftain, the Imam Yahia of the Yaman, was, indeed, almost unthinkable, but it is highly satisfactory that the Anglo-Wahhabi position is now settled.

The Iraq Budget.

The report of the debates in the Baghdad Majlis upon the Iraq Budget makes interesting reading. Criticism appears to have been fairly severe, having been directed against such things as the salaries of both British and Arab officials, the Government Press, the inadequacy of the allotment to productive departments, like Agriculture and Irrigation, the failure of the Government to cope with such problems of health as is provided by the malaria evil in the Euphrates Valley, and other alleged mistakes. It is asserted that this criticism was both able and intelligent, and if that is so, such Iraqis as the present Prime Minister and Finance Minister will be the last to resent it. It is, however, obvious that there must be a near limit to which an Administration so embarrassed as is that of Jaafar Pasha with a multitude of duties and with so scant resources to carry them out can rightly be criticised. The tendency for more than one Oriental Parliament at the present time is to indulge rather in hindering than in assisting the rulers of the country, and though on occasions such procedure may serve a useful purpose, its indiscriminate use is manifestly likely to be generally harmful. We are not in possession of sufficient details to pass an opinion upon the recent debates on the Iraq Budget, but it

would certainly seem improbable that so patriotic a man as Yasin Pasha could justly be accused either of extravagance or of neglect of his country's interests.

Palestine and its Critics.

During the past few days two interesting criticisms have been made upon the way in which the Mandate for Palestine is being exercised. The first emanates from the Arab Executive, who have sent a Memorandum to the League of Nations; the second from the Radical and Revisionist section of the Zionists. Both these parties are minority parties—at least the Arab Executive did not fare conspicuously well in the municipal elections in Palestine, and the Revisionists are disclaimed by the Zionist Organisation—but their views are certainly worthy of notice. The Arab Executive begins by stating, as do practically all critics of the British Administration in Palestine, whether Arab or Zionist or neither, that the Mandatory Power has “failed to carry out the terms of the Mandate.” This complaint is at least arguable; but the Arab document proceeds strangely when it claims that “excessive and uneconomic” Jewish immigration has injured the Arabs more than the Jews. It is just this particular way of asserting facts that makes such Arab documents so easy of rebuttal. Further complaint is made that the population of Palestine is “further away from local autonomy than the inhabitants of the degraded Colonies of Great Britain,” and protest is entered against the floating of the Palestine Loan, the introduction of a new Palestinian currency, and the granting of the Dead Sea Concession without consultation of Palestinians. There is in this Memorandum, we think, not very much that is likely to commend itself to the League of Nations, which has heard before some of its major arguments. Not that it vitally misrepresents Arab opinion in Palestine (or, for that matter, Arab opinion on Palestine), for the decline of the Arab Executive may be due as much to expediency and to personality as to any yielding on principle; but the *non possumus* attitude of the recalcitrant anti-Zionists has already been disapproved of by the League.

The Jewish Extremists.

The Conference of Zionist Opposition parties which recently met at Berlin was unequivocal in its condemnation alike of the official Zionist Organisation and of the Mandatory Power in Palestine. In its statement it asserts that the recent extension of the Jewish Agency (which involved “the humiliating agreement with the Marshall group”) has resulted in shaking the Zionist Organisation, and that the policy of the Jewish Agency has failed and is, indeed, futile. Turning to the British Government, it declares their attitude to be most unsatisfactory; the British Administration, according to the Revisionists, “persists in its policy of passive neutrality towards the Jewish upbuilding work.” What must be done is to get rid of the Churchill Memorandum (“which retards our colonisation work”), and oblige the British Government, in accordance with the Mandate, to reconstruct the Jewish National Home, especially in the matter of agrarian questions, taxation, customs laws, public concessions, a Jewish unit in the Palestine Defence Force, and so on. Certainly this Berlin Conference, if not contributing any very new ideas to the problem of Palestine, did not mince its words; and it is well to know what the less compromising Zionists, as well as the less compromising Arabs, are thinking. Comparison of these two Memoranda, the Arab and the Jewish, will, we think, convince most people of the necessity of holding the balances as evenly as the British Government is now preserving them.

The Basra Correspondent of *The Times* states that the instructions recently issued by the Baghdad Government to Departments not to appoint Indians, except Indian experts, to official posts, are causing concern among the large Indian population in Iraq, and that prominent Indians have protested against such a reward “for the blood and money spent by India in liberating Iraq from the Turkish yoke.”

THE NEAR EAST AND INDIA.

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THE EAST AND THE ANGLO-SOVIET RUPTURE.

As was to be expected, the rupture of Anglo-Soviet relations has caused many words and much ink to flow in the Near and Middle East. Owing in part to the exigencies of telegraphic summaries, which give only the bare outlines of the story, and in part to a limited acquaintance with the bearings of world politics, there is a disposition to concentrate attention on the dramatic repercussions that are expected to occur immediately rather than to apply the moral of the whole proceeding. In the first place, an attempt is made by some of those who seek to enlighten public opinion in their own country to show that the rupture was the inevitable outcome of the accession to power of a Conservative Government. It is assumed that there is a natural incompatibility of temperament between such a Government and Soviet Russia which sooner or later had to come to a head, whereas a Labour Administration could be relied upon for a more sympathetic disposition towards Bolshevik doctrines and methods. This assumption, however, ignores certain essential points—that the Anglo-Russian Trade Agreement, which has now been denounced, was not the work of a Labour Ministry, but of the Coalition Government of 1921; that, although Mr. Ramsay MacDonald's Government conceded *de jure* recognition to Soviet Russia, it showed by its reference to propaganda in the very letter according this recognition that it was well acquainted with Soviet viciousness, and at a later date it had occasion to protest against violations of the letter and spirit of the Trade Agreement. There has been no opportunity for the Press of South-Eastern Europe to learn the story of the long-suffering patience and toleration of the British Government as unfolded by Ministers in Parliament; it knows practically nothing of "these constant and flagrant breaches of the understanding (Trade Agreement), and of diplomatic courtesy and friendly relationships," some of which Sir Austen Chamberlain described with such telling effect to the House of Commons. It is supposed that the British Government merely took advantage of a missing document to carry into effect its resolve to break with Russia, and staged the Arcos raid as an appropriate setting. The facts of the case, however, are that the present Cabinet has gone out of its way to preserve diplomatic relations with Russia by the exercise of a patience and forbearance which the Prime Minister very rightly characterised as probably unparalleled in the relations of diplomacy.

As far as Great Britain is concerned, the point at issue is between this country and the Soviet Government. No attempt has been made to engage the action of any other Powers or to embarrass them with Great Britain's problems and difficulties. The search for possible repercussions in Europe is based on a misunderstanding of the situation in regard to Russia. All of which the Soviet Government is capable has been done during the last few years, in spite of treaties and pledges. It had flattered

itself that the walls of the so-called capitalist and bourgeois system would fall at the first blare of the Communist trumpets; but when it found that the only immediate result was the slow starvation of Russia, it tried to make use of the proscribed system, while scheming all the time for its overthrow. Great Britain was the first country to act upon the belief that Soviet Russia might still be saved from itself, and she was prepared to give all the help in her power, on condition that the decencies of international relations were observed. The stipulation, however, proved to be too exacting for those who now constitute the Government of Russia. They have paid the British the compliment of regarding them as the main, if not the only, obstacle to the success of Communism, and for this reason have concentrated on an attack on the British Empire, while availing themselves to the full of the patience and tolerance that had been accorded them by no other country. To-day Great Britain has had enough of the Soviets and their outrageous ways. If, as may be expected, they continue to intrigue against the British Empire, it will not be, as hitherto, with the advantage of a monster organisation in the capital of the Empire, enjoying certain diplomatic privileges. That there should be important developments elsewhere as a result of this rebuff would require more vitality in the Soviet system than it has hitherto shown. The concentration on the British Empire was an admission that Soviet resources could not deal with the whole world at once, and it has had to buoy up its deluded followers with the belief that the collapse of Great Britain would mean the final triumph of the Soviet system. How much nearer they are to this goal as a result of the rupture of Anglo-Soviet relations it will be for the facile spokesmen of the Moscow Government to explain.

The countries of the Near and Middle East, in regard to Soviet Russia, are divided into two categories—those that have hitherto kept the Bolsheviks at arm's length, and those that have made a parade of their friendly relations with Moscow. To the first category belong the Balkan States; to the second, Turkey, Persia, and Afghanistan, although Persia may have wished to qualify for the former category. To these three countries the recent events in London may well give occasion for serious thought. The story of the incidents that led up to the rupture of Anglo-Soviet relations will, when known, open their eyes to the true character of the Moscow Government. They will realise that, if they have hitherto been spared these special attentions associated with Bolshevik propaganda, it has been because they were not regarded as worthy of Soviet shot. The situation might easily become embarrassing and dangerous for them, if the Moscow Government should be compelled, owing to dwindling resources, to admit defeat in Europe and to try to consolidate its position in Asia. There must be even now in Moscow longer-sighted disciples of Communism who are inclined to regret that Soviet Russia essayed her world-task single-handed, instead of winning over Asia first and then advancing, thus strengthened, to the final conquest. Certain it is that the Soviets must be aggressive or perish; if they have missed the big game, they may have to fall back on the smaller. Neither Turkey nor Persia, whether single-handed or acting together, could hope to withstand a serious onset from Moscow, and they know to-day exactly what protection their solemn treaties with the Soviet Government afford them. Both countries, it will be noted, represent a social system abhorrent to Bolsheviks. In these circumstances, their chance of salvation would seem to rest solely in their identification with the non-Soviet forces of the world, in the hope that community of interest may supply both the strength from without that will help them to resist the cruder forms of aggression, and, more important still, the strength within, based on domestic content and material progress, which will render the country proof against insidious undermining by propaganda. They should, therefore, wonder less what will now happen to Great Britain at Soviet hands, and pay more regard to their own prospects.

The Near and Middle East*

From Our Own Correspondents.



Cairo, May 21.

Another Ministerial Crisis.

Another ministerial crisis has arisen this week. The actual cause was in itself a trivial one, viz., a deputation of Senators and Deputies asking for the reinstatement of an Omda. But it was the fact that this was only one of a long series of similar attempts, which during the past year have been making the task of those responsible for the administration almost impossible and have become accentuated during the past few weeks, that provoked the outburst from Sarwat Pasha and the decision of the Cabinet to resign.

In this the Ministers were perfectly justified. The Adly Cabinet fell because of the encroachment on the Executive by, and the lack of support it received from, the Chamber, and it was no secret that the Sarwat Cabinet accepted office only on assurances from all its Wafdist friends that these tactics would cease. It has been barely three weeks in office, and yet it has been subjected to exactly the same annoyances as its predecessors, i.e., daily, almost hourly, pressure in favour of this or that Omda or subordinate official and questions in the House, each of which has had for object to make its position difficult and against which none of its Zaghoulouist supporters have ever raised their voices in protest.

Sarwat Pasha and his colleagues fully realised that their resignation would produce a serious situation—so serious indeed that the news of their intention to resign brought Zaghoul Pasha post-haste back to Cairo. But logically they could not continue to submit to tactics which had been the cause of their previous resignation; and if they had not resigned on this incident they would have been compelled to such action by some other similar incident in the near future. They have renounced their intention on further assurances from Zaghoul Pasha and his supporters, and the position of Sarwat Pasha and his colleagues should be considerably strengthened, for undoubtedly the Chamber, which, as a body, has no wish for a dissolution, has had another good fright, though, to judge by past experience, the effect of such shocks does not appear to be very lasting. The trouble is, of course, that the Chamber suffers from impetuosity and a lack of political sense and so is easily led astray by certain elements, which have their own axes to grind, to follow courses conducting whither it has least desire to go. It is this inability to see ahead and this susceptibility to passing influences, rather than any deliberate intentions, that have really been responsible for the recent crisis and troubles.

But whether the Chamber has this time had a salutary lesson or not, it is too much to expect that matters politically will continue without incident, for there is a Nationalist opposition in the Chamber, which seeks not

unnaturally to annoy the Government, and it is now being reinforced in such tactics by the Left Wing of the Zaghoulouist party, which is disappointed at its failure to secure posts, and by the Liberals, who are still sore at the exclusion of Dr. Hafez Afifi from the Cabinet. But if the main body of Zaghoulouist deputies will only stand, as it should, by the Government and oppose, instead of lending itself to, these vexatious tactics, it will be possible for the Sarwat Cabinet to ignore these attacks and preserve in its efforts to carry on the administration of the country for the national good. Any other course on the part of the Zaghoulouist majority can but lead to political disaster.

Two Interpellations.

On the day the Cabinet agreed to remain in office two important interpellations came up for discussion in the Chamber, one on the fact that the High Commissioner does not present credentials like the members of the Diplomatic Corps, and the other on the recent assaults on European women. In both instances the opportunity was taken to make very violent attacks on Great Britain; in both instances it was noticeable that these attacks were made by the Liberals and Nationalists, and that, as in the case of the criticism of the Palace Budget three days previously, the Wafdist deputies, as a whole, refrained from actual participation in the debate, though many of them joined in the applause; and in both instances Sarwat Pasha cleverly contrived in his replies to escape with dignity from the delicate position in which he had been purposely put and he did not hesitate to administer a well-merited rebuke to the speakers for their intemperate language.

It may be that Sarwat Pasha's firm attitude had a great deal to do with the manner in which the debates, including that on the Palace Budget, ended, but one cannot help feeling that, if after such outbursts a negative or passive attitude is adopted when it comes to the point of decision, the deputies would do well to refrain from these unedifying exhibitions and so avoid wasting time which could so profitably be devoted to matters on which definite decisions are urgently needed.

A Tea Party.

The leading Ulema were entertained to tea by the High Commissioner at the Residency this week. A similar party is always given during Ramadan, but this year it had to be put off owing to the death of Prince Ibrahim Hilmy. Tea was served in the house, and afterwards the guests went out into the garden and seemed thoroughly to enjoy themselves.

CYPRUS.

Nicosia, May 17.

Opening of the Odeum.

On May 2 took place the opening of the Odeum at Nicosia, the establishment of which is due to the initiative of Sir Ronald Storrs. All the notabilities of the capital were present. The British national anthem was played by the band of the Armenian Philharmonic Society. The

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Governor made a long and appropriate speech. The fact that at the proceedings precedence was, as usual, given to the Chief Kadi and the Mufti over the Greek Archbishop, was the subject of adverse comment by leading Greek journalists.

The Governor and the Greek Archbishop.

Sir Ronald Storrs in a recent visit to His Beatitude urged the importance of the proposed Byzantine Museum. The view of the Prelate and the Holy Synod is that all busts, memorials, etc., should remain in the Churches to which they belong, but that catalogues should be prepared in order to prevent the sale or exportation of any of these. The suggestion has been approved that a Professor, Dr. G. Soterios, of the University of Athens, should be invited to undertake the work contemplated. The Governor took occasion to address the Archbishop as Patriarch, holding the view that the Autocephalous Church of Cyprus ranks as a Patriarchal See. Sir Ronald continues actively to promote various projects, a museum of Byzantine art being one of them.

Nationality of Non-British Cypriots Abroad.

The problem of those who failed to qualify as British subjects, especially those in Egypt, where the Cypriot colony is very large, is still in suspense. The question is now complicated by the fact that, by a new law in Egypt, these people must either become Egyptian subjects or leave the country within six months. The dilemma is a serious one for the Cypriots affected. The Governor has promised to do what he can in the matter.

The Mail Service.

Sir Ronald Storrs has recently conferred at Nicosia with the Director of the Khedivial S.S. Co., with a view to a more advantageous rearrangement of the Cypriot itinerary; but various objections are said to stand in the way. General feeling appears to support the view that if acceptable terms cannot be agreed to, it would be better to terminate the present contract with whatever loss may be entailed, than to continue a service that does not correspond to the commercial needs of the island.

More Tourists in Cyprus.

On May 2 the s.s. *Stella d'Italia* brought 230 British and American pilgrims to Larnaca, to do honour to St. Barnabas. Some of them brought letters of introduction to the Archbishop from Canon Douglas, now well known in Cyprus. General Sir Edward Chaytor was among them. Some of them were entertained at lunch by the Governor. They were received with great courtesy and friendship by the Archbishop. Their visit was in many respects similar to that of the 400 English and Canadian tourists who visited Nicosia some weeks ago.

General News.

Greek members of Council are urging that permission to return to Cyprus may be given to two exiles who were expelled from the island—M. Katalanos and Dr. Zannetos, of Larnaca, who refused to comply with a law passed in 1922. They have been living at Athens.

The Summer Festival of Venus, generally called that

of the Kataklysmos, or Flood, which is celebrated annually on the coasts, especially at Larnaca, is to be carried out after unusual preparation. Besides a regatta and swimming races there will be Cypriot dances, songs, poems, pipe-playing, and beauty competitions for villagers, and and exhibition of island embroideries. Sir Ronald and Lady Storrs have promised to attend the fête.

The value of exports for the first three months of the current year exceed those of imports by £18,266—a satisfactory sign of improvement.

ID-UL-AZHA.

On the occasion of the Muslim Festival of Id-ul-Azha, June 11, the Imam of the Mosque at 63, Melrose Road, S.W.18, is holding a Garden Party, at 3 p.m. Sirdar Ikbal Ali Shah will speak on "The Importance of Islam to the British Empire," and Sir Michael O'Dwyer will preside.

NEWS IN BRIEF.

The Persian Cabinet, which took office on February 8, resigned on May 28.

Sir Thomas Best, Lieutenant-Governor of Malta, sailed for England last week on leave.

H.M. battleships *Malaya*, *Royal Sovereign*, and *Barham* left Malta on May 29 for Egypt.

Lord Lloyd, British High Commissioner in Egypt, attended an Empire Day gathering at the Sporting Club, Alexandria, on May 24.

The Duke of the Abruzzi, having concluded his visit to the Abyssinian Court, left Addis Ababa on May 25 by special train for Jibouti.

The King of Roumania left on May 24 for the Palace of Sorofiste, in the Royal domain of Buftea, not far from Bucharest.

The Custom House at Beyrout was completely burned out on May 23/24 and goods were destroyed of a value estimated at £1,000,000.

Seifullah Pasha Yusri, the new Egyptian Minister to Warsaw, presented his Letters of Credence to the President of the Polish Republic on May 24.

General Milosavlyevitch, who was included in the present and last two Yugoslav Cabinets as Minister of Communications, has now been put on the retired list of the Yugoslav Army.

Lieutenant-General Sir Peter Strickland, successor to General Sir Richard Haking as G.O.C. British Troops in Egypt, arrived at the Residency, Cairo, last week.

A good many Persians have died of typhoid fever, which has been prevalent in Teheran for the last three months, but there have been no victims among Europeans.

Brigadier-General Sir Gilbert Clayton, who has been negotiating with the Wahhabi Government, arrived in Cairo on May 24 from Jidda, staying at the Residency. He left for England on May 29.

Excavation was resumed on May 23 on Mount Ophel, just below the south-east corner of the modern wall of Jerusalem, where Professor MacAlister made discoveries in 1925, by Professor J. W. Crowfoot, Director of the British School of Archaeology, on behalf of the Palestine Exploration Fund.

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NEAR EASTERN PRESS.

The Little Entente.

Spectators of Balkan affairs looked for nothing new from the meeting of the Little Entente at Joachimstal. Although these meetings serve hardly any other purpose than the mutual exchange of ideas, there is always the chance that differences of opinion may arise.

It is said that certain treaties will affect the Little Entente, but since the former were made on commercial and peaceful grounds, they would appear to be in no way dangerous to the status of the Entente. The Correspondent of *L'Indépendance Roumaine*, quoting from an interview with Dr. Benesh, states that European events can have no effect in shaking the power of the Little Entente; yet one cannot but recall the powerlessness of the Little Entente on the occasion of certain recent South European events.

Quoting again from Dr. Benesh, *L'Indépendance Roumaine* says:—

What is usually said about the effect produced on the Little Entente by various European political events rarely corresponds to the truth, for either the conception of the very aim and essence of this Entente must be wrong or else a false impression has been created of the actual changes and events. Not a single political event has taken place recently without certain papers and certain people having deduced therefrom some menace for the Little Entente. In spite of this, the Little Entente continues to exist; it is stronger than ever, and the Conference at Joachimstal will furnish an occasion not only of proving its solidarity but also of determining its ultimate object and of rendering the co-operation of its members more efficacious. . . .

Bulgarian Electoral Campaign.

The large number of groups and factions in Bulgaria partly accounts for the amazing lack of preparations for the elections. Each small group being powerless alone, amalgamates with some other party. Such a system leads to intrigue and lack of co-operation, and therefore cannot make for strength. The representative of the Yugoslav *Morgenblatt* in Sofia gives the following account of the election campaign:—

On May 29 the Parliamentary election takes place. Four weeks of emotional struggle are pending for the country.

The inter-negotiations of all parties and groups of the Opposition are drawn exclusively towards the distribution of the seats. Not one of them will entertain a combined programme and each is working for its own constituency; each has amalgamated with less powerful factions or groups in order to acquire as many seats as possible. Programme and platform are similar things, formalities of inferior significance on which one can discourse later.

The plan of Alexander Malinoff to unite all the Left Democratic

parties, such as the Democrats, Radicals, the moderate Agrarians and Socialists in one powerful Opposition group, which would have been possible in the régime of the "Demokratitscheski Sgovor," has not been realisable; instead of which Dr. Malinoff, who has been allowed more than once to carry out significant changes in the political life of his country, must content himself this time with a very small absurd Coalition, consisting of his own group, a part of the Agrarian party under the leadership of Tomoff and a fraction of the National Liberal group under M. Koertscheff.

The small group of Stambolovists, which seemed at first on the decline, and was likewise following him, has changed over at the last moment, considering it better to coalesce with the hitherto ardent fighting Government party of the "Sgovor." From a purely practical point of view the Stambolovists are in the right: the hand of the "Sgovor" is strong and will make for power: it has more to offer, and the offer is surer than Malinoff's who only sets to work with projects and promises.

Very interesting is the fact that also the Prime Minister, M. Liaptcheff, and his "Sgovor" are attempting an agreement with small factions and groups and try constantly to buy over seats with valuable concessions and sacrifices. After the Prime Minister has united with the Stambolovists, he starts negotiations, as at present, with another faction of the National Liberal party under the leadership of Smiloff. To what purpose and with what idea is M. Liaptcheff working, since according to the prevailing franchise the parliamentary majority of the "Sgovors" is assured? Is M. Liaptcheff thereby making sure of a "loyal" Opposition in the Sobranye or is it a question of, as many maintain, the influence of the "Plemena" to weaken Tsankoff, Kalfoff, and Rousseff within the "Sgovor" and thus to free himself from the "stock"? . . .

In such a casual light does the kaleidoscope of Bulgarian party politics appear four weeks before the elections. Concerning the prospect, there remains only this much to be said, that the "Sgovor" must retain power with a significant majority of mandates, even if the absolute and complete majority of votes be absent.

Turkish Railways.

Turkish reconstructive policy falls as a heavy burden on the Turkish Government and mitigates the advantages of maintaining the State control of railways. Turkish railways in course of construction are particularly affected by the lack of foreign capital invested in the country; and industrial and mineral enterprise is bound to suffer from the state of Turkey's credit. *La République* states with regard to the railways:—

When H.E. Ismet Pasha proclaimed in Parliament, with his usual precise language, the extreme importance which the Government attracted to the construction of railways, certain people objected that Turkey was far from able to succeed, alone and with her own capital, in this huge enterprise, and that it would be unjust to burden one generation alone with this enormous expenditure. Thus indeed would all nervous or envious people think. For in the first place Turkey had no intention of disdaining foreign capital, provided that foreign capitalists do not harbour political designs. The conventions recently passed by the Republican Government for the construction of various railways, abundantly show the breadth of view of our national rulers. In the second place, one must totally ignore the ideals and energy of the Republic and believe that one still has to deal with the old Ottoman Empire, were one to imagine that the Republic was resignedly and stoically waiting for foreign capital to be put to use over here. . . .

The railways which are working, together with those under construction, belong solely to the State and are the property of the Turkish nation. Those States which gave up the running of their railways to foreign enterprise are attempting to reclaim possession of this means of communication which constitutes the vital point of public life. Thus, in our opinion, nothing justifies States control better than its application to railways, and therefore the present generation could not follow a better and safer policy than this one which assures their own defence and that of their descendants. . . .

M. J. A.

According to *The Times* Sofia Correspondent it is reported that after the General Election and the Ministerial reorganisation which will follow, King Boris of Bulgaria will undertake a foreign tour, in the course of which he will pay official visits to Rome, Paris, and London. The King will travel with a small suite, and will be attended by a Cabinet Minister.

No. 63. June. 96 pp.

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Etchings of Iraq.

The work of Mr. Charles W. Cain, a young artist who has made a name in the representation of Eastern subjects, has been noted more than once in *THE NEAR EAST AND INDIA*, but the occasion has arisen, through the exhibition of his works that was opened on May 31 by Sir John Ferguson at Greatorex Galleries, Grafton Street, Bond Street, for a rather more comprehensive explanation of the particular niche which he is filling in contemporary



Daughters of Israel.

As is obvious from their apparel, the Jewesses here depicted are married women, who have to wear the full veil.

British etching. In one word, Mr. Cain has made the East his own, and at the same time ours. There is no other artist that we know who has so caught and retained the essence of Mesopotamia. In water-colours, it is true, Mr. Revel has vividly depicted certain scenes of Baghdad for us; but in etching Mr. Cain had and still has this field to himself.

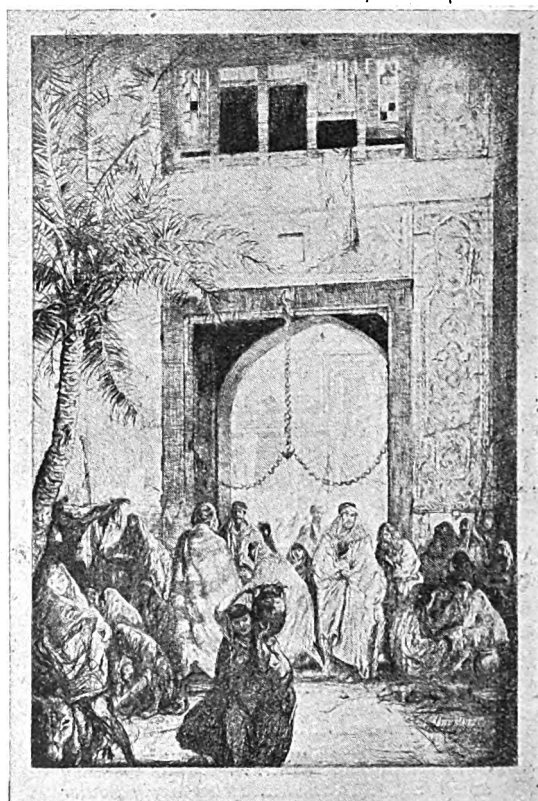
But first a word on the artist himself, who is but in his early thirties. He is a Londoner—no very great advantage, this, to the career of an artist—and was trained at the Camberwell School of Art. At the age of seventeen he went to South Africa as political cartoonist to the *Johannesburg Star*. There he joined the Imperial Light Horse; so that the Great War found him ready. In 1915 he was commissioned to the Border Regiment, and early in 1916 went to India. After serving on the North-West Frontier, he volunteered for Mesopotamia. Here he served until the end of the War as a machine gun officer. After the Armistice he went up to Karind, so that he knows a little of Persia as well as Iraq. How he organised the first art exhibition in Baghdad, and what he owed in this connexion to the late Gertrude Bell, are, I think well known. Suffice it to say that before he finally left Baghdad in 1919, he had visited the Shan States in Burma. Since his sojourn in the East he has studied earnestly; with results that may be seen in the Royal Academy, in the Royal Scottish Academy, in the Paris Salon, and in many other places from America to Florence.

I should explain that for these details I am indebted to the artist himself and to Mr. James Greig's Introduction to the catalogue for this exhibition. Reproduction of

the three plates is possible owing to the courtesy of Mr. Cain's publishers, Messrs. Greatorex Ltd.

The most striking thing about Mr. Cain's Iraq scenes is that they convey not so much the transient impressions of the British soldier as the soldier, chronic facts of the life of Mesopotamia. The trials and excitement of the War are, in fact, nowhere to be seen in these tranquil dry points. It is the immemorial, the unchanging, which for the most part is recorded. The still beauty of immutable custom or of ceaseless reverence pervades his representations. One would mention, as illustrating the point, one from the first Mesopotamian set, done in 1921, "Three Men in a Mahsoof," in which the eternal palm fringes a broad sheet of water whereon are three such Arabs as may have existed before Islam; "Ezra's Tomb" and "Ctesiphon Arch," "Aka-Kuf," "The Cherad" (the primitive instrument by which an ox hauls water up from the river), "Loading Dates, R. Tigris," "Bellying Sails," "Gufas, Baghdad"—and there are many others which show how deeply the objects and subjects of Mesopotamia have bitten into the artist's memory.

In a sense, however, some of these things are interesting mainly as a record; certain of Mr. Cain's earlier plates, particularly, do not add considerably to one's general artistic appreciation of the beauties of Mesopotamia. But even in the early years after the War, when his technique was not nearly so rich and finished as it now is, he could produce plates that evoke admiration or a much quickened interest. "Swinging the Lead, Fao," for instance (is there not here, by the by, a mixture of nautical and military metaphor?) is an etching that, somewhat in the manner of Briscoe, sets one fretting to "go down to the seas again." It is delicately done, and shows already that command over river space which is so notable a feature of many of the Iraq etchings. Again, "The Port, Basrah," with its busy cluster of British ocean-



Entrance to Kazimain Mosque, Baghdad.

Mr. Cain's Note on this was:—"Kazimain, with its sacred Mosque, the burial place of the Seventh and Ninth Imams, Mousa Kasim and Muhammad Taki, lies some three miles to the north of Baghdad, the two cities being connected by a ramshackle horse-drawn tram system. Decorated with glazed tiles, this gateway is the barrier beyond which the foot of the Infidel is not allowed to tread, and the beauties of the inner shrine are thus hidden from the Unbeliever."

going vessels, native craft, gufas, and so on, is a jolly representation of a scene that is ever-changing. "The Shamal, Mesopotamia," which depicts camels travelling before a sand-storm is uncommonly well-managed; but best of all in this genre is "120 degrees Tigris" (done in 1923). Here the wide, still sweep of the water and the artful bend of the bank which occupies so little space in the etching are combined to yield unerringly the sense of stifling heat. Subject and representation are like Rupert Brooke's Grantchester: "unforgettable, forgotten."

Before passing to what are incomparably the finest achievements of Mr. Cain—the Mesopotamian etchings done during the last two years—one may draw attention to other Oriental pictures. He gives but two impressions of his experiences on the Frontier; "The Raider, N.W.F.," depicting a huddled but hawk-eyed tribesman (of course with rifle) watching and waiting on a primitive

passes finally from the mere record to the illuminating review. "Loading Dates, R. Tigris," again, which superficially is but an example of how dates are transferred from the smaller boat to the larger, is a beautiful work. "Baghdad: Exchange Square" was exhibited in the Royal Academy in 1925; and a year later the same institution accepted "Entrance to Kazimain Mosque, Baghdad," which we are enabled to reproduce here.

A favourite work of mine is "Bellying Sails." This is, for subject-matter, unique. It reveals a date-laden vessel sailing the Gulf of Oman on the way to Karachi. The vessels and the roughish sea are finely managed, and, in the distance, stands the town of Muscat, with the old Portuguese ports clearly visible.

We have approached the flowering time of Mr. Cain's present career; the years 1926 and 1927. Now his touch is surer, whether in architecture, in living types, or in the water-scenes which are his joy. In "Baghdad: The



KIFL.

The town of Kifl, which is one of the few remaining Jewish shrines in Mesopotamia, is situated on the left bank of the Shutt-al-Hindia, a backwater of the River Euphrates. Its chief mark of interest is the Tomb of Ezekiel, the minarets of which rise above the flat and squat surroundings.

bridge; and "The Snake Charmer, Peshawar, N.W.F.," showing a music-blower and a snake erect. In the Burmese sets Mr. Cain manifests again his remarkable skill in the use of expanse of waters. Of these river scenes, which all possess a certain poetical loveliness, "A Peaceful Quest," with its solitary man in a noiseless boat, "Drifting Homewards," a ramshackle boat almost carelessly a-stream, "From Forests Far" (logs on the river), and "Crossing the Creek, Burma" seem the most fascinating. But perhaps the best Burmese etching is "Rice Fields, Burma," wherein the angularity of the living things, men and oxen, in the scene is forcibly suggested.

In 1925 Mr. Cain produced more Iraq scenes, and it is in these, I think, that can be definitely seen evidence of expansion into his later, grander manner. For instance, "Latticed Windows," which shows an Arab house by the river, tells us not only what the building looks like, but also what it looked like to the artist. For all its simplicity it holds mystery: it is more poetical than photographic. In other words, Mr. Cain is beginning more completely to invest his subjects with feeling and with personality; he

Great Mosque," for example, his sense of distance and his balance as between human beings in the foreground and the mosque at their back are notable. In "Kifl," which, incidentally, was exhibited at the Paris Salon and the Royal Academy this year, the detail is remarkable. (This town, by the by, contains Ezekiel's Tomb, the crumbled structure by which is depicted separately by Mr. Cain). And in "The Bent Palm," return is made to the simplicity of his earlier river scenes—palms fringing the river, boats lazily floating, and so on—but with a naïveté that is full and satisfying.

Lastly we come to the works which are fairly generally known and the merits of which are recognised: "The Water Carrier, Baghdad," "Indian Silversmith" in this year's Royal Academy, and "Hassan's House" (in this year's Royal Academy and in the R. S. A.). The characteristics of these two works were described a few weeks ago in THE NEAR EAST AND INDIA; and further study of them detracts nothing from what was then said in their praise. Mr. Cain's latest work is "Daughters of Israel, Baghdad," and it is certainly one of his finest. The reproduction of it here gives some idea of the beauty

of its shadows, which, it may be of interest to note, were obtained from the model that the artist made in England of "Hassan's House." There is a strange allurements about these married Jewesses and their quarters; the subject is one which, in its rareness and remoteness, makes a curious but quite certain appeal. Its technical excellence is patent.

Mr. Cain's exhibition is open for the whole of June. I think that I have said enough to indicate my belief that readers of THE NEAR EAST AND INDIA will be sorry if they miss the opportunity of a visit to it. Those who know Iraq best may appreciate it most; but these etchings will attract very widely. To re-present a country is not a simple task for the most accomplished artist, whether in words, by brush, or by other means; but of Iraq it is true to say that Mr. Cain has wizardry which can give to all something more than a glimpse of "that unforgotten land."

K. W.

Book Reviews

THE PROBLEMS OF ISLAM.

"LE CONGRES DU KHALIFAT ET LE CONGRES DU MONDE MUSULMAN." By Achille Sekaly. (Paris: Editions Ernest Leroux.)

Although the problems raised at the Caliphate Congress at Cairo in May last year, and at the Grand Muslim Conference at Mecca about a month later, have not this year so agitated the world of Islam as to impel further conferences, they remain; and are certainly exercising the minds of many thoughtful Mussulmans. Now there has been spread about these two conferences of 1926, especially about the latter, a considerable amount of misleading and incomplete information, and all students of Islam are once more under a debt to *La Revue du Monde Musulman*, under whose auspices M. Sékaly has published his excellent and full record of the two Islamic meetings. And, as if the *procès-verbaux* were not enough, M. Sékaly has contributed an admirable preface, in which he emphasises the

salient points of the two congresses. Thus he notes how, in both conferences, the domain of politics, despite injunction to the contrary, was invaded. In the Mecca Conference, for instance, politics were broached by Muhammad Ali, in his motion for guaranteeing the independence of Arabia, by its convener, Ibn Saoud, in his declaration that the neutrality of the Hijaz should be guaranteed by all independent Muslim States, and by Shaikh Rashid Rida in his demand that Maan and Aqaba be retroceded to the Hijaz.

This volume is quite indispensable not only to daily observers of Islam but also to life-long students of the religion of the Prophet Muhammad. It will help them to understand and to sympathise with the manifold difficulties, both internal and external, that confront the Muslim world to-day. We unreservedly congratulate the author upon his enterprise; yet wonder to ourselves why such things should be left to Frenchmen, whose responsibilities in Islam are less considerable than those of the British, to undertake and so successfully to accomplish.

THE FUTURE OF THE JEWS.

"APELA, OR THE FUTURE OF THE JEWS." By a Quarterly Reviewer. (London: Kegan Paul, Trench, Trubner and Co., Ltd. 2s. 6d.)

This essay attempts to foretell the future of the Jews in the light of old convictions adjusted to new experiences. The Talmudic Doctors, from whose regulations "Quarterly Reviewer" tries to release English Jews, have a saying: "Since the destruction of the Second Temple prophecy was removed from true prophets and given to children and imbeciles." Did they guess that all prophets, good or evil, would fail in their prognostication? The greatest skill and widest knowledge combined are still poor qualifications to lift the heavy veil of the future. The writer's old convictions are really shaken, and his new experiences not very intelligently understood. Despite his criticisms, Zionism is a fact, sanctioned by the British Government, and a common ideal and hope of world Jewry.

The hopes which "Quarterly Reviewer" puts in the Reform-Liberal movement remind every student of Jewish history of the beginnings of this activity in Germany about 120 years ago. English Jewry passes through the same metamorphosis which German Jews experienced a hundred years ago. The trial failed there, and will fail here.

"Quarterly Reviewer" forgets, further, that there are many international bonds which keep Jews of all countries together. There is the Law. English rabbis consult and abide by decisions of Russian or Hungarian authorities. Then there is history, which unites the dispersed members of Judah. Jewish studies and research are not limited to one country or to another. One must not judge Jewish problems of the past, present and future from a narrow sectarian point of view, but from the undivided opinion of the majority of Jews, whose religion and nationality are so strongly knit together that stupid slogans of Shemah and Hatikvah Jews will make no difference whatsoever. Judaism is by nature and history progressive, listening to the voice of Time and accommodating itself more or less to the surroundings. Even that does not avert Anti-semitism. The Reform-Liberal movement among the Jews in America, which is by the way more Christian than Jewish, could not prevent the growth of anti-Jewish feeling. Why should Judaism, with convictions and experiences of so many thousand years, yield to ill-conceived experiments, dangerous destructive devices, or unmanly defacement of most sacred sentiments? All of them stand condemned by history, and will disappear sooner or later.

Whether Zionism will reap its full harvest or not, is still a question of the future, but one thing is certain, that it helped to defeat the destroyer, who was "not able to smite the House of Israel." Can we say the same of Reform-Liberal Judaism? I wonder what "Quarterly Reviewer" will have to say in 1956!

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TO-DAY

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Julhiggia 1, 1345 A.H., of the Muslim Calendar.
Sivan 2, 5687, of the Jewish Calendar.

The Maharaja of Baroda is among recent arrivals at the Hyde Park Hotel.

Lord Treowen returned to 9, Great Stanhope Street last week from Palestine.

Sir Kay and Lady Muir have returned from South America to Blair Drummond, Perthshire.

Madame Yovanovitch has left London for Scotland, and will be away about three weeks.

General Sir Reginald and Lady Wingate left Queen Anne's Mansions last week for Karlsbad.

Mr. V. J. Patel (President of the Legislative Assembly in India) had the honour of being received by the King at Buckingham Palace on May 25.

Mr. B. S. Kamat, member of the Royal Commission on Indian Agriculture, arrived in London from India on May 26 to join the Commission.

Field-Marshal Lord Plumer and Lady Plumer arrived at the Rembrandt Hotel on May 27 from Palestine, and will remain there for about two months.

Sir Maneckji and Lady Dadabhoy left the Hotel Metropole on May 30 to take up residence at their home, Kingsnympton Hall, Kingston Hill, Surrey.

Lord Meston presided on May 26 at the Overseas Club at a luncheon in honour of Sir Frederick Whyte, K.C.S.I., given by the committee of the "Four and a Half Indian Cottages Fund."

Viscount Inchcape, who left London on May 27 to join Viscountess Inchcape in Paris, will be there over Whitsun, staying on for the general meeting of the Suez Canal Company on June 13.

The Maharaja of Rajpipla, who has arrived in England to see his tenth Derby, has bought the Manor House, Old Windsor, in which he intends to set up a permanent establishment.

Among those who obeyed their Majesties' command to attend the Court at Buckingham Palace on May 24, was Mrs. Alexander van Millingen, who presented her daughter Miss Frances van Millingen.

Sir Jagadis and Lady Bose have arrived from Calcutta, and are staying at the Artillery Mansions Hotel. Sir Jagadis is attending the meetings of the Committee on Intellectual Co-operation of the League of Nations.

The King received Colonel his Highness the Maharaja of Ratlam and his Highness the Raja of Pudukota at Buckingham Palace in May 25. Colonel A. D. Bannerman, Political Aide-de-Camp to the Secretary of State for India, was in attendance.

Among the many patrons of the Garden Fête, which will be held in July at the residence of Sir Herbert and Lady Samuel, 35, Porchester Terrace, in aid of Women's and Children's Welfare Work in Palestine, are the Earl of Balfour, the Marquess and Marchioness of Reading, Sir Robert and Lady Waley Cohen, Sir Wyndham Deedes, Sir Alfred Mond, Mr. and Mrs. Philip Snowden, and Mr. and Mrs. James de Rothschild.

Prince Alexander Bogovidy, of Rue de Saint Cloud, Suresnes, France, Governor-General of Easter Roumelia under Sultan Abdul Hamid of Turkey, and an ex-Ambassador, who died on July 7, 1910, left property in England of the value of £34,988.

Mr. Cecil Frank Beadel, C.I.E., of Hartley Court, Reading, a partner in Becker, Gray, and Co., Calcutta and Hong-kong, merchants, who died on April 4, aged 55, left estate of the gross value of £71,206. He left £500 to the Oxford Mission in Calcutta, for the Behala Mission; and £500 to the District Charitable Society of Calcutta.

Mr. and Mrs. Surendra Nath Mallik gave an at home at 10, Grosvenor Gardens, the rooms of the British Indian Union, on May 25 to meet the Countess of Lytton, who was accompanied by the Earl of Lytton, Viscount Knebworth, and Lady Hermione Lytton. The other guests included the Maharajahdhiraj of Burdwan, Lord Sinha, Countess Winterton, Mr. and Mrs. Syed Ameer Ali, Sir Robert and Lady Holland, Sir Stanley and Lady Reed, Sir Ganen and Lady Roy, Lady Pinhey, Sir Evan and Lady Cotton, Mr. and Mrs. N. C. Sen, the Misses Sen, Sir Walter and Lady Wilson, Lady Carey, Sir Robert and Lady Mant, Sir Thomas Richardson, Mr. Prafullah Tagore, Major Hassan Subrawardy, and Sir Jagadis and Lady Bose.

THE PERSIAN LEGATION.

The Persian Minister and Madame Sadri gave a dinner-party at the Persian Legation on May 27, and among the guests present were:—The Turkish Ambassador, The Afghan Minister, Sir Charles and Lady Marling, Sir Percy and Lady Cox, Sir Hugh and Lady Barnes, Mr. Lancelot Oliphant (Foreign Office), Sir John and Lady Cadman, Counsellor of the German Embassy and Frau Dieckhoff, Mr. J. B. Monck (Foreign Office) and Members of the Persian Legation.

The Greek Cabinet on May 22 considered M. Kaphandaris's Budget proposals, which provide for the reduction of the deficit, originally estimated at 2 milliard drachmæ (\$45,000), by more than £400,000.

Mgr. Myron, Roumanian Patriarch, arrived on May 25 in Athens, where he was received by the Government and the Ecclesiastical authorities. He left the following evening for Alexandria and Palestine.

According to a Constantinople message, British archaeologists excavating at the Stamboul Hippodrome have dug out a fine Greek marble bas-relief of a throned goddess or woman, and have also identified the first gateway known.

On May 25 an aeroplane crashed at Gaza. The pilot, Flying Officer R. D. V. Howard, R.A.F. Reserve, of Imperial Airways, Ltd., and the wireless operator, A. E. Turvey, were killed instantly. The funeral took place the following day at Mount Zion, Jerusalem.

The Harvard-Michigan Sinai Expedition [under Professors Lake and Blake] has taken to the Cairo Museum fragments of the Sinai inscriptions, which are alleged to be in the earliest Semitic script. The expedition also found two other inscriptions, according to *The Times* Cairo Correspondent.

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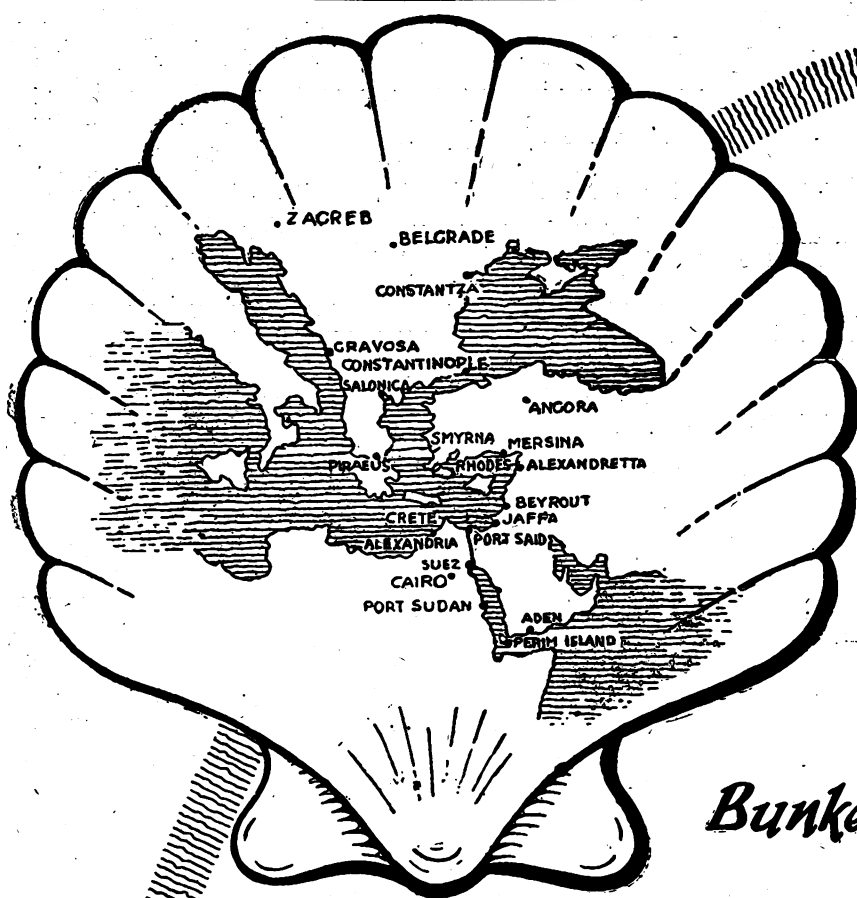
George Hotel.

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Casino Palace Hotel.

Grand Hotel de la Poste.

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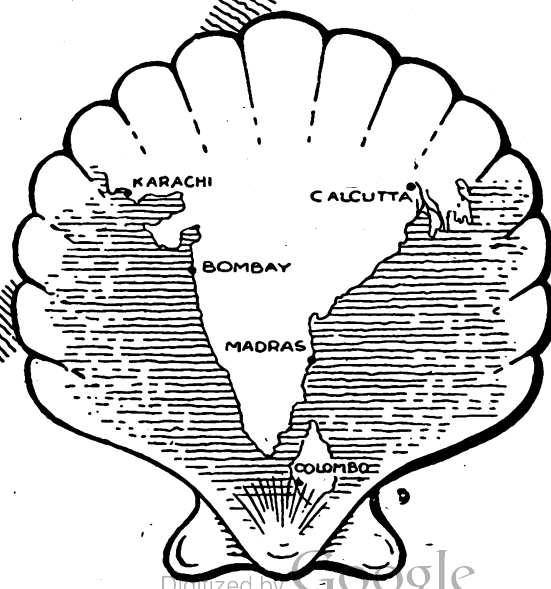
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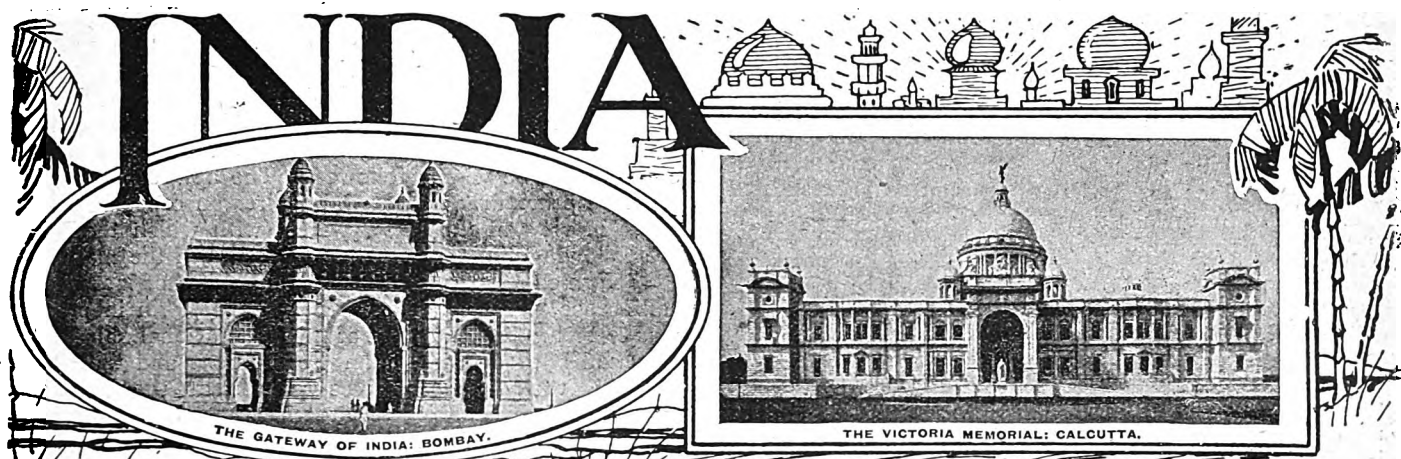
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SHELL





TRADE UNIONS IN INDIA.

The Indian Trade Unions Act, which came into force on the first of June marks an important stage in the progress of the labour movement in that country. Moreover, from the standpoint of the student of industrial legislation, it is an event of more than purely local interest, in that it represents a considered attempt at the solution of a problem, which is very much to the fore at the present time, on what we believe to be somewhat novel and original lines. At no previous period in the history of the country have the conditions of labour received such attention in India, both in the way of legislative enactments and social services, than during the past quinquennium, and it is particularly appropriate that Sir Atul Chatterjee, who as Member for Industries and Labour in the Governor-General's Executive Council, was largely instrumental in securing many much-needed reforms in that direction, should, only last week, have received the unusual distinction of being elected President of the 10th International Labour Conference now in session at Geneva. While, however, the trade union movement might reasonably have been expected to have made concomitant progress, it is idle to pretend that trade unionism is still in anything but an extremely inchoate state. Even in the Bombay Presidency, where it has been afforded unusual opportunities for development and enjoyed the advantages of close association with a special department of the Government, many of the existing bodies are still little more than strike committees consisting of a few officers and a relatively small number of paying members around whom the rest rally in times of trouble, and the bulk of the operatives in the premier industry of the Presidency still remain outside the movement. The reason for this state of affairs is not far to seek. The bulk of the heterogeneous industrial population was aptly and accurately described, nearly ten years ago, as "agriculturists first and agriculturists last" and the intervening period, while it has witnessed such a remarkable advance in the economic and industrial progress of the country as a whole, has brought no very marked change in that all-important respect. The evolution of any form of organisation and of corporate responsibility from such a floating and illiterate body, lacking any kind of homogeneity, remains a task of well-nigh insuperable difficulty. There is, it is true, an All-India Trade Union Congress, but its strength and influence are, in such circumstances, greatly circumscribed; and since the Government of India made it clear that so long as that body included political propaganda among its activities State employees would be debarred from membership, the Congress remains shorn of its principal source of members. At the same time it is incontestable that with the spread of education and social consciousness, and the gradual evolution of a more permanent labour force, the trade union movement will grow in strength and in numbers. The main object of the legislation under review, which, although still regarded as premature in many quarters, has on the whole met with remarkably little opposition from employers or the public at large, is to ensure its development on right and healthy

lines from the beginning, with special reference to India's own particular requirements. In that way it is hoped that India may be spared many, at any rate, of the mistakes and anomalies which have characterised the corresponding legislation in England and other countries and proved so fruitful a cause of irritation and friction. In the words of its sponsor, Sir Bhupendra Nath Mitra, the Act "will constitute a useful framework which we can alter, as our experience of this subject under Indian conditions progresses. Meanwhile it will help trade unions to make a beginning on right lines in the direction of organising and educating the labouring classes and of starting co-operative institutions for conferring on them benefits in various directions. . . . It is on this organisation, education and co-operation that the uplifting of the labouring classes in this country will depend more than any amount of legislation that this Assembly may pass."

The present measure had its origin in the resolution adopted by the Legislative Assembly, on March 1, 1921, on the motion of Mr. N. M. Joshi, a nominated member and prominent advocate of the labour cause, recommending that steps should be taken to provide by legislation for the registration and protection of trade unions in India. The resolution was accepted by the Government of India, but it was not until the Delhi Session of 1925 that, after protracted discussion with the local Governments and the employers' and workers' associations throughout the country, the necessary legislation was introduced. The Act was finally passed at the beginning of last year but has remained in abeyance pending the framing of the statutory rules by the several local administrations. As we have previously observed, its provisions present many features of interest to students of contemporary British politics. The first point of importance is that registration is optional and that only registered unions come within the purview of the Act. There was an acute division of opinion in India as to the relative advantages of the compulsory and voluntary systems of registration, which was recognised as being a question on the settlement of which the whole character of the Bill depended. From the beginning the Government of India maintained that optional registration afforded the only sound basis for legislative action. While the main anxiety of many of the advocates of compulsory registration appeared to be to place restrictions on trade unions, the object which the Government of India had consistently in mind was to grant to such bodies a position in the eyes of the law which should be at once definite and privileged. And while it recognised that such a position must be attended by limitations in the interests not only of the body politic but of trade union members themselves, the Government contended that to impose general restrictions on combinations for trade purposes would be as unnecessary as it would be unwise. Compulsion, it pointed out with some force, necessarily involves penalties for evasion, and if registration was to be compulsory an attempt had to be made to ensure that those who failed to register were suitably punished. In other words, that would mean the introduction of legislation on lines attempted in this country a century ago and now

CURRENT TOPICS.

generally regarded as inequitable and unjust. The argument, in the particular circumstances of India, was irrefutable and it was accordingly decided that registration should be optional, and that trade unions should be given every reasonable inducement to register by conferring upon them certain definite privileges more or less analogous to those enjoyed by their prototypes in this country. Unregistered unions are left, both as regards privileges and obligations, in their previous position. Although the advantages conferred by registration appear to be sufficiently attractive to ensure recognition of all responsible unions, we cannot urge too strongly the necessity for immediate recourse to the alternative should that not prove to be the case. On general grounds the case for compulsion in such circumstances requires no emphasis, for if the legislation is largely designed to advance and protect the interests of the vast body of illiterate workpeople and imposes no unreasonable restrictions upon the activity of registered unions, no body of men have a greater claim to such protection than the members of those unions, the so-called executive of which, having succeeded in attracting the attention and money of a particularly gullible section of the community, prefer for obvious reasons to remain outside the scope of the Act.

In the Bill as originally drafted registered unions were required to confine their expenditure to definite trade union objects which were specifically enumerated, but a clause was afterwards inserted, during the Committee stage, providing for the formation of a separate fund to be raised entirely by voluntary contributions on the "contracting-in" principle, and utilised for the promotion of the civic and political interests of its members. The specified purposes of the separate fund comprise the payment of expenses of candidates for any legislative body or local authority; the holding of meetings or the distribution of literature in support of such candidates; the maintenance of members of legislative bodies; the registration of electors or the selection of candidates for legislatures or local authorities; and "the holding of political meetings of any kind, or the distribution of political literature or political documents of any kind." Contribution to the fund is not to be made a condition for admission to the trade union and a member who does not so contribute "shall not be excluded from any benefits of the trade union, or placed in any respect under any disability as compared with other members of the trade union (except in relation to the control and management of the separate fund)." While in the above respect the Indian Act is seen to be in advance of the corresponding English legislation, though the anomaly is in the process of being removed, it is interesting to note that the Act contains no provisions relating to picketing. In the first instance it was tentatively suggested that the difficulties in the way of following even the somewhat indeterminate English law in that connexion might be overcome by making the trade union executive responsible for the prevention of the issue of orders authorising picketing in any form. The objections to such a course were not, however, inconsiderable, and as the experience of the last few years has not revealed any urgent necessity for imposing a general restriction upon picketing, it has been decided to defer action on the ground that intimidation, as opposed to systematic persuasion of a peaceful nature, can be dealt with by the ordinary criminal law. There are many who view the omission with considerable misgivings, but on the whole the decision appears to be a reasonable one.

The Bishop of Calcutta, Metropolitan in India, is expected to reach England on June 4. He hopes to be able to assist the passage of the Indian Church Measure and Bill. If these are passed without important amendment the Metropolitan and the Bishop of Bombay, who is already in England, have the authorisation of the General Council to accept them on behalf of the Church of the Province.

A special meeting of the shareholders of the Imperial Bank of India will be held at Calcutta on August 8 to consider and approve a "Bill further to amend the Imperial Bank of India Act, 1920, for certain purposes" and the subsequent cancellation, upon certain terms and conditions, of the agreement between the Secretary of State for India in Council and the Imperial Bank, dated January 27, 1921.

The Opium Problem.

The success of the Conference between the opium-growing Indian States and the Government of India encourages the belief that the Viceroy's lead in promoting by such means the discussion of internal affairs of mutual concern will be widely followed. The new departure, as we have previously indicated, acquires an especial significance in view of the close interest with which the rulers are following the trend of developments in the matter of the reformed constitution. The main object of last week's conference, which was opened by Lord Irwin in person, was to secure the fulfilment of the international obligations assumed both by the Indian Government and the States through their representatives present at the Versailles Peace Conference and the later international gatherings. The signatories of the Second Geneva protocol were required to take measures to prevent, within five years, such smuggling as was likely to hinder the suppression of the use of opium in the Far East. The Government of India have interpreted the spirit of that obligation in the widest sense, and notwithstanding the heavy loss of revenue involved, ultimately decided to reduce progressively the export of opium to all destinations, so as to extinguish the trade altogether within a definite period, except for strictly medical purposes. The period has been fixed at ten years. A ten per cent. reduction will accordingly be effected this year and the last export will therefore take place in 1935. Meanwhile, considerable difficulties are occasioned by the extent of the current poppy cultivation in certain Indian States and the comparatively large smuggling outward therefrom, both for purposes of export and also for consumption in neighbouring territories and in British India. If the situation is to be brought under complete control it is obviously desirable that the States should agree to suppress poppy cultivation within their borders and to purchase at cost price from the Government of India all the opium they may require to meet the needs of their populations, like the provincial administrations. Whether the rulers are likely to be impressed by the argument that sugar and wheat cultivation will prove equally profitable is conjectural, but it is satisfactory to learn that the conference has decided to recommend the appointment of a committee, on which the Indian States should be represented, to undertake a comprehensive investigation of the problem in all its bearings. The result will be awaited with interest.

CALCUTTA LETTER.

(From Our Own Correspondent.)

Calcutta, May 12.

The Move to Simla.

It does not appear very clear whether the Government of India's decision to make a saving on the move to Simla is a happy idea. The papers inform us that the stay at Simla will extend to six months instead of to seven. At New Delhi, however, some of the subordinate Departments should be permanently retained. This step is proposed to effect economy, partly to balance the huge amounts spent on New Delhi. The move to Simla was a feature of the time when the seat of Government was in Calcutta. Any old resident can say that the exodus of the higher officers to the hills has always been a cause of controversy between the political economist and the "sundried" bureaucrat, as the *New Empire* calls him, adding that it would be far better if the Delhi season should begin in December and terminate in March. The exodus from Simla should start early in December, so that the Secretarial staff would not miss the climate of Simla when it is at its healthiest, and, as they would be living in Simla during November and in Delhi during January, they would get the best of the two places. A lower sick rate in the Government offices could be anticipated. The increased efficiency would pay in the end. Only those who have been

in Government service in India can see the importance of the question. An apology is due to other readers for touching a subject apparently so dry and uninteresting.

The Bengal National Bank's Failure.

The political event of the week has been the failure of the Bengal National Bank of India. *Capital* also used the adjective political, giving as immediate cause of the Bank's collapse the revenge of the Swarajists on the Director, Mr. B. Chakravarty. The latter has accepted a post of Minister in the Government of Bengal, thus helping to prolong that Dyarchy which was thought dead and buried. Perhaps it was a mistake to mix politics with business. Naturally *Forward* denies that the collapse of the Bank may be due to the machinations of Mr. Chakravarty's opponents. There were great irregularities and carelessness in the management of the funds entrusted to the concern; but, after all, as the deficit is caused by too much leniency regarding overdrafts and unsecured, though not desperately irrecoverable, loans, it might be possible to re-float the sinking ship. A Bengali enterprise is bound to be the prey of favouritism and *laissez-faire*. Yet some one who has studied the case says that, with a little real generosity and patriotism, the reconstruction is quite possible. Delay is dangerous, but the bank can be and should be saved, they say.

The Y.M.C.A. Controversy,

The Indian National Council of the Young Men's Christian Association has decided to appoint a committee of inquiry to study the allegations concerning the political activities of the Association. One would have thought that every one was by now satisfied that nothing serious could be said against the Institution. But the Quarterly Review of the European Association has published new correspondence on the subject. Among other statements and questions, the purport of which are already known, Dr. S. K. Datta asks whether the European Association Council wishes to dissociate itself completely from the statements made by Mr. Hobbs. He finds it difficult to accept the European Association's assurance that their resolutions were not intended as a censure upon Mr. F. E. James. The question whether the Secretary of the Y.M.C.A. should or should not be a member of the Legislature is a matter for the Y.M.C.A. itself to decide. It appears that Dr. S. K. Datta has been granted an interview by the Viceroy at Simla this week. The President of the Y.M.C.A. Council, the Hon. Sir Ewart Greaves, who is at present on leave in England, has cabled his approval of the Secretary's letter to the European Association.

Chandernagore.

This tiny place, whose name takes so much space on the maps that the average Frenchman believes it to be larger than Calcutta, is in the limelight just now for different reasons. One is that Mr. Rabindranath Tagore, the ubiquitous great man of India, has been busy laying the foundation stone of a Prayer Hall, visiting the Girl's School, and inaugurating an Exhibition of Indian crafts. The poet pronounced immortal words and received a purse of Rs.1000, a very acceptable fee for so much trouble. The other thing that may make Chandernagore famous is the possibility of its having a racecourse in the near future. There are many objections to the project, but the French authorities are in favour of it, and a few speculators are already scenting the road to big profits, and are negotiating, *in petto*, the purchase of lands adjoining the proposed racecourse. The promoters have promised substantial percentages of profits to the Municipality. Fame is sometimes bought at too high a price. It is the hope of many that the scheme may fall through.

Here and There.

There are not many events to report this week. Storms have been frequent, lately, causing great damage, especially in East Bengal. To help the villagers to reconstruct their huts demolished by the storm, passes have been

granted to them to fetch bamboos and wooden poles from the forests. Moreover, Government has granted Rs.5000 as agricultural loans for the Chittagong area alone. Other relief has been tended, but the damage is estimated at Rs.75,000.

A few days ago a portrait of Mr. Eardley Norton was unveiled in the presence of members of the Bench and Bar by the Chief Justice of the Madras High Court. Mr. Eardley Norton's portrait has been placed on the wall of the Sessions Court, where the great advocate fought so many battles. The Norton Memorial celebrated the famous lawyer's jubilee in a fitting manner.

It is rumoured that the betting tax is going to injure horse racing in Bengal. A well-known owner, Mr. Galstaun, who often "invests" money to the tune of £5,000 in an afternoon, said that the betting tax was seriously curtailing the volume of wagering on the Tollygunge Course. The horses are not half so good, and the game is not what it used to be. If the tax continues, Mr. Galstaun will give up racing altogether. A wise course already adopted by another big racing man, Mr. Thaddeus; only the latter leases his horses to a Bombay man! There is perhaps some vague connexion between the decline of the Calcutta race-course and the project of creating another, on French soil, where conditions will probably be more advantageous to the betters.

There is a strike going on in the Burma Oil Co.'s establishment at Tondiarpet. The men persist in declining the terms offered by the Management.

The scarcity of matter may be responsible for the fact that the local newspapers have contrived to fill up a whole column and more with the story of the play "Fallen Angels," to enjoy which a greater number of people than could reasonably have been expected crowded the Empire Theatre twice this week. The fact that the two drunken women played their part "effectively" and "brilliantly" was such an enticement that the public arrived at the theatre in time. We are told that there were no late comers! This is more than we could ever hope for when there were concerts by the Symphony Orchestra, and the first bars of the Unfinished Symphony were absolutely drowned in the creaking of chairs caused by late arrivals. This is a discouraging country, full of unexpected extremes and contrasts. It is very much like the story of the mote in someone else's eye.

BOMBAY LETTER.

(From Our Own Correspondent)

Bombay, May 13.

The A.I.C.C.

With a blare of trumpets and any amount of gratuitous advice from a variety of people, the All-India Congress Committee has begun on the preliminaries to its annual meeting which commences in Bombay on Sunday next. These preliminaries have taken the form of informal discussions between the leaders as to what policy is to be followed during the sitting but, like all such discussions, there is little to see in the way of result. The Congress is a very moribund body at the present moment, and for this it has to thank the insecure and absolutely foolish policy that it has so far adopted. Once upon a time—for it is actually something in the nature of a fairy story, is the story of the Congress—it was *the* movement in India, and held the imagination of both the educated and uneducated masses of India. But non-co-operation, civil disobedience, Council wrecking, and the various other planks that it has adopted from time to time have gradually weaned its following, until now it is barely existing.

An Opportunity.

A significant feature in this connection is the blatant claim of the Hindu Mahasabha to be the mouth through which the Hindus of India speak, and it certainly has

much more right to make such a claim than the Congress, even though it is one that may not quite conform with the actual facts. Be that as it may, the grip of the Hindu Mahasabha is not such as will withstand a real bid for power by some other body—and that is the Congress' only real hope of staging a "come-back." To do so it must settle down to a sane programme, and the principal features of that programme should be the determination to secure unity in its own ranks by the elimination of such catchwords as Swarajists, Responsivists, and No-changers, and then to secure communal unity and present itself as the expression of the country as a whole. Much good might be done by the birth, or, should one say, re-birth, of a Congress prepared to work on constitutional lines; but it is much more likely that the forthcoming meeting will be productive of a deal of worthless oratory and a complete lack of constructive effort.

Sir Leslie Wilson.

How such rumours get about is a marvel, but, nevertheless, they do. It came as something of a shock, therefore, to learn the other day that the Governor of Bombay intended to relinquish his office before the expiry of his five-year period. Subsequent inquiries have disclosed the fact that it was merely fickle rumour, and not based on fact, and we can sigh with relief once more. It would be rather a shame for Sir Leslie to leave at present, for he has his work—and very good work it is, too—well on the way to a fruitful completion, and were he to leave too soon, there is no knowing what might exactly happen to it. For instance, there is the Hospital Fund—Sir Leslie seems to specialise in hospitals and hospitality—which, one feels sure, he would like to see equitably distributed before he leaves. His plans at present, it appears, include a very full programme of work prior to leaving Bombay in December, 1928.

Sukkur Barrage.

The news that the Bombay Government intends conducting a party of journalists over the Sukkur Barrage next cold weather has, one fears, quite failed to achieve the object which the Government apparently hoped to obtain from the announcement. Indeed, it has increased the clamour for the institution of a publicity bureau, or something of that sort, in connection with the scheme; for the Press apparently regards the suggested visit as a cheap holiday for certain picked journalists so as to keep them saying all the nice things they can about the scheme and putting a stopper on all criticism. Unfortunately for their intentions, Bombay has once been bitten, and now is naturally fighting shy!

Plague in Bombay.

How things *can* be hushed up was demonstrated the other day, when a cable from Holland announced that Bombay was a plague infested port! We had not been aware of this fact, but inquiries by the ferreting reporter of a local paper elicited the fact that it was only too true. Although in the first months of the year the mortality from plague in Bombay did not exceed six in any week, no less than fifty people succumbed to the disease in the month of April, and twenty-three deaths were recorded in the first week of the present month. These facts were duly made public through the columns of a wideawake evening paper, and for their pains they were given a rather severe slating next day in the Municipal Corporation, where it was indicated that a scare had been manufactured out of nothing at all. Unfortunately, the paper had secured its facts from official circles, and no doubt the worthy Municipal Corporators are still thinking over the reply they received.

"Washing" Day.

We are threatened with receiving our weekly washing a day late as a result of the decision of the local dhobies to carry out a one-day strike as a protest against the Municipality's alleged "regardlessness" towards their grievances. It appears the conditions prevailing at the Municipal *ghats* are not quite to their liking, and they

want these brought up to date—but also want that their fees should not be increased. The utility of the strike is rather difficult to appreciate. Probably it will mean our shirts will reach us a bit less clean than usual—but with one button more than usual left on them!

Position of Securities.

The market for Government securities has sagged considerably during the past week, principally owing to the further deflation of currency by the Government of India and to the unloading by the Imperial Bank of a large block of $3\frac{1}{2}$ per cent. paper at a price over Rs. 79. To the ordinary investor this should prove of little but passing interest, for it is the "Bulls" in the market who are due to suffer in having their calculations rather badly upset, and to carry over their forward transactions they will have to dig rather deeply into their pockets for the wherewithal. The currency deflations, however, are viewed more seriously, for it is feared the policy the Government is following will lead to economic disaster before long. These deflations from April, 1926, amount to the large figure of nearly 41 crores of rupees, and we do not appear to have seen the last of them yet.

Other Markets.

Exchange has been an unusually steady market during the week, owing to Government's activities, while little or nothing has been done of any interest either in the gold or silver markets. Similar has been the state of the Stock Exchange, where mill shares have declined owing to lack of purchasers, while miscellaneous shares kept firm. Cotton is an optimistic market, and higher rates are looked forward to in the future with some confidence, the brightest feature being heavy daily spot sales in Liverpool. The piecegoods market records the best report of them all, and with demand more encouraging, and Manchester prices a little easier, there is every chance of better times being experienced in general.

BRITISH INDIAN UNION.

Among the many interesting and successful functions which have been organised by the British Indian Union, the luncheon at the Hotel Cecil on May 25, in honour of Sir Henry Wheeler, who has returned home on completion of his term as Governor of Bihar and Orissa, and Lady Wheeler; Mr. V. J. Patel, President of the Indian Legislative Assembly, and Sir Laurie Hammond, who leaves to-day to assume the Governorship of Assam, and Lady Hammond, must be accorded a very high place.

Referring to the distinguished service rendered by Sir Henry Wheeler in the course of nearly 36 years residence in India, Lord Reading, who presided, said that he spoke from personal knowledge of their guest's work, especially as Home Member in the Bengal Government during 1921 and 1922, when the times were not quite so tranquil as at present. Fortunately, the troubles associated with that period, and which were almost inevitable at the initiation of the reformed Constitution, had now practically disappeared. Sir Henry had presided over Bihar and Orissa during the transition to better conditions, and his whole Indian career had been in accordance with the highest traditions of his service and had contributed further to the reputation of the great Indian Civil Service, than which no higher praise could well be accorded.

Sir Laurie Hammond was another of those distinguished members of the I.C.S. who had eventually won a "Field-Marshal's baton." By a strange coincidence the greater part of his service had also been in Bengal, and latterly in Bihar and Orissa, where he had occupied an important executive appointment under Sir Henry Wheeler. In the Chair of the Assembly Mr. Patel had carried out his duties with due regard to the traditions of Parliament; and in his charge the Assembly had shown a decorum and dignity that compared favourably with that of some Parliaments. He believed that the reforms had proved more successful than was thought when they were launched, and perhaps even than when they were shaped.

In Mr. Patel's Presidentship they had an illustration of the way in which India could adapt itself to Parliamentary procedure. It gave some indication, he hoped, of what might happen in the future.

Mr. Patel, in reply, said that he became a candidate for the Presidency primarily to demonstrate to the British Government that, however irresponsible Indians might be in their present political position, once they were given responsibility they were able to rise to the occasion. It was with that view, and that view alone, that the party to which he belonged (the Swarajists) asked him to stand for the Chair. The feeling was still in his mind when he was elected to the Chair a second time with unanimity. He did not know what the outcome would be. Indians had demonstrated times without number that given responsibility they could rise to the occasion. It was good that the British Indian Union should seek to bring British and Indians together in social intercourse; but there could be no real true friendship and understanding without political adjustment. Social intercourse should be but the prelude to political equality of the two countries. Sir Henry Wheeler and Sir Laurie Hammond also suitably replied.

Among those present were: Lord Sinha of Raipur, Viscount Erleigh, Sir Arthur and Lady Froom, Sir Maneckji and Lady Dadabhoy, Sir David Chadwick, Sir Thomas and Lady Carey Evans, Sir Thomas Middleton, Brig.-Gen. Sir George Cockerill, the Dowager Lady Cozens Hardy, Lady Innes, Sir Stanley and Lady Reed, and Mr. G. Pilcher.

THE SHIVAJI TRICENTENARY.

The tricentenary of the birth of the great Shivaji has been recently celebrated in the Bombay Presidency, with the result, almost inevitable in India at present, that some attempt has been made to excite communal feeling over it. No one, however, can reasonably object to the importance given to the occasion. If we leave aside the somewhat shadowy Chandragupta, it might be reasonably argued that Shivaji is the greatest of Indian rulers, indigenous to the soil. Few would indeed put him on a level with Akbar. But the latter was a Central Asian Turk in birth and language, and even in upbringing. Let us consider the condition of Shivaji's people and country at his birth and at the end of his reign. The whole of the Deccan and of the West Coast was divided between Muhammadan kingdoms. They had finally defeated the Hindu rulers of the South; no danger threatened them, except from the central Mogul power in Delhi, which was ultimately to swallow them up, with results disastrous to the cause of Islam. Shivaji's own people, the Marathas, were hopelessly disunited. The highest ambition of their chiefs, such as Shivaji's own father, was to hold fiefs from the Muhammadan Kings, and commands in their armies. Before Shivaji died he had established not only a Maratha kingdom, but a Maratha nation. He had easily defied the weakening Kings of Ahmednagar and Bijapur; he had even held his own against the full strength of the Mogul Power. He had mastered the sea coast, and had led victorious armies into Guzerat and far south to Guzerat. Such was the respect, if not apprehension, felt towards him by the European traders on the coast, that for many years after his death they still called the Marathas the "Sewagees," after his great name. He had laid the foundation of the Maratha power, which was to sweep across India to the gates of Calcutta and to hold Delhi and Agra in its dominion. Above all, he had given life to the feeling of Maratha nationality, perhaps the truest form of national feeling that has yet been found in India.

Nor is there any real reason why other races should not join in the celebration of his greatness. It is true that, as a religious man according to his lights, he honoured the Brahmins and assisted Hindu temples. It is true, also, that to him the Muhammadan rulers were the enemy. No serious historian can dispute that his slaying

of Afzal Khan was a treacherous murder. But he behaved at least as faithfully to his own countryman, the Rana of Javle. It is not quite fair to judge such acts, however indefensible, by modern standards. If he fought against Muhammadan rulers, he did not indulge in persecution of Muhammadans as such. This being so, it seems rather unnecessary for some Muslims to take exception to the celebrations and to revive Aurangzeeb's term of abuse, "the mountain rat."

The history of the Shivaji movement in recent years is not without interest. The Maratha Brahmins sought to make use of the great name for purely anti-British agitation. Even the Bengalis, whom generations of Marathas had regarded as eminently suitable subjects for looting forays, joined in the movement. But to the true Maratha the Brahmin is much more to be distrusted and disliked than the British officer, with whom he has always been on the most friendly terms. There has been a considerable increase of Maratha feeling of late years; but its most marked feature has been a desire to deprive the Brahmin of his monopoly of office and local influence.

One feature of Shivaji's administration which might well be imitated by present-day leaders was his use of all his followers without distinction of caste. He employed Parbhus as freely as Brahmins. His armies included Muhammadans and Kolis, and even the despised Mahars and Parwaris, as well as the Maratha and the Dhangar. It would, therefore, be eminently suitable that he should be regarded as the National hero of the Western Presidency. Nor need the Government of Bombay have any hesitation in the matter. The loyalty of the Marathas has been without stain since they measured swords at Assaye and Argavm. In the recent War they showed that the spirit which animated Shivaji's men was not extinct. We understand that the Government of Bombay did this year announce Shivaji's birthday as a public holiday; but, after the way of Governments, so late as to cause serious inconvenience to business circles in Bombay, whose interest in the celebration was somewhat remote.

INDIA IN PARLIAMENT.

BY SIR FRANK NELSON, M.P.

It may, of course, be possible that the constituents of Colonel Day take a wide Imperial interest in India, but I am frankly sceptical as to whether their interest is deep enough to demand for Southwark information in reference to the date of completion of the bridge that is being constructed over the River Ravi, in the Punjab, so that the North-Western Railway can be extended from Dehra Nanak to Narowal!

I propose to raise this whole question in debate at the earliest opportunity; for, as I have pointed out before, the preparation of replies to the hundreds of questions of this kind must in themselves demand the retention of a considerable staff, with its attendant cost. Moreover, there is also the point that many of these questions on Indian subjects relate to matters that are now dealt with in the ordinary course by the Indian Legislative Assembly and the Government of India, without any supervision by the Secretary of State for India, and in such cases the discussion by means of question and answer on the floor of the House of Commons is both unwise, and discourteous to the authorities who are now responsible for the administration of India, besides constituting a quite unwarrantable expenditure of the British taxpayers' money.

Interest in the House of Commons has, of course, centred almost entirely during the past week in the consequences of the Home Office raid on Arcos—which, by the time this appears in print, will have resulted in the breaking-off of diplomatic relations with Soviet Russia and the cancellation of the immunity clauses of the Anglo-Russian Trade Agreement. So far as it is possible to judge from the publication of a selection of the documents discovered in the search of the premises of Arcos, India

was not one of the countries to receive Communist attentions directed from 49, Moorgate Street. Personally, I have always felt that the Allahabad convictions very effectually stamped out any revolutionary activities in the Indian Empire directed from Moscow, and although a watchful eye must and is being kept on any incipient recurrences of the trouble (especially from the direction of the Pamirs), I consider it may fairly be said that India is reasonably free from unpleasant visitations of that nature.

Those of us who know a little of India are frequently coming across instances of deplorable ignorance on the part of people who should know better—in particular reference to the trade of India. One such instance (which I do not propose to quote) was brought to my notice recently, and I am consequently moved to reflect how desirable it is occasionally to reiterate some of the more elementary factors concerned in the good government of this part of the British Empire.

Indian trade prosperity is, of course, mainly dependent (as is trade prosperity in all other countries) on the efficient administration of the country under the Government of India Act, 1919; this, in itself, is a task, the magnitude of which is often insufficiently appreciated, and one that might with advantage be more frequently stressed in the Press and elsewhere than is at present the case.

Some 250 million Hindus are engaged in almost constant religious and political controversy, of the most acute and often bloody description, with some 70 million Mohammedans.

The total population of India is about 350,000,000, 70 per cent. of which is still illiterate (despite the steady advance in primary education), and lives on and by the land, the fruitfulness of which is wholly dependent on the amount of rain that falls between June and September. The area to be administered is about 2,000,000 square miles, and roughly 150 languages are spoken. Such, in brief, is the country which the Indian Civil Service and the other public services have administered and are still administering, with conspicuous ability.

And, finally, to come back to my original thesis, here is a country with an annual revenue of £100,000,000, exporting jute, cotton, wheat, tea oil seeds etc., yearly to the extent of about £200,000,000, and importing manufactured goods to the extent of about £100,000,000—more than half of which come from Great Britain. To say that it is sad occasionally to find in this country an ignorance of even these elementary points, and, consequently, of the basic fact that the trade prosperity of India and Great Britain is inter-dependent, is surely a very moderate presentment of my case.

THE BOMBAY DINNER.

The annual reunion dinner of past and present European residents in the Bombay Presidency was held at the Hotel Cecil on Friday night. The Right Hon. Lord Lamington, Governor of Bombay from 1903 to 1907, presided and proposed the toast of "The Presidency of Bombay," coupled with "Our Guests."

The Hon. Mr. V. J. Patel, President of the Legislative Assembly, responded on behalf of the guests, who included Sir William Vincent, Sir David Chadwick, Sir Maneckji Dadabhoy, Sir Campbell Rhodes, Mr. H. A. F. Lindsay, Mr. F. A. Beane and Mr. F. H. Brown. The toast of "The Chairman" was entrusted to Sir William Sheppard.

Lord Lamington expressed gratification that the reforms had worked with less friction in the Bombay Presidency, as he believed, than in any other part of India. Bombay had carried them out in a reasonable and statesmanlike manner. Recently the Bombay Government had lost the supervision of the States of Western India. Whether this was for good or bad time would show, but he would have thought that the States were so interlaced with the Presidency that the transfer of supervision to the Government of India would make administration more difficult. Bombay being the great importing centre, as Calcutta was the

exporting centre, its trade was affected by the increasingly heavy duties. The great cotton manufacturing industry found Japanese competition hard. It was strange that Japan should be able to get its raw cotton from India, return it manufactured, and even then undersell the Indian product. However, this must mean that the grower of cotton was doing well, even though the manufacturer suffered.

Mr. Patel, in reply, said that it was with peculiar pleasure, as belonging to the Bombay Presidency, that he saw so many Englishmen who had lived there and contributed in their various ways to its welfare, continuing their interest in its concerns. He hoped that at no distant date at this annual function they would drink the toast of a free and autonomous Bombay Presidency in a free and self-governing India. The only other toast was that of "The Chairman," which was proposed by Sir William Sheppard.

Among others present were: the Right Hon. Lord Harris, the Right Rev. the Bishop of Bombay, Sir Charles Armstrong, Sir John Bowen, Sir James Begbie, Sir Thomas Birkett, Sir Arthur Froom, Sir Frederick Graham, Hon. E. J. Hawke, Sir John Heaton, Sir Lawless Hepper, Sir Malcolm Hogg, Sir Joseph Kay, Sir Henry Lawrence, Sir George Lowndes, Sir Norman MacLeod, Sir Amberson Marten, Sir Stanley Reed, Sir Thomas Strangman, Sir Montagu Turner, Colonel R. Owen, Major-General H. A. V. Cummins, Lieut.-Col. R. Markham Carter, Messrs. V. A. Grantham and W. A. Haig Brown.

CORRESPONDENCE.

THE NATIVE STATES.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—I do not wish to be hyper-critical, but your Calcutta Correspondent must surely be in error when he calls Mr. Rushbrook Williams "the Foreign Minister of the Maharaja of Patiala," (THE NEAR EAST AND INDIA May 19). The State of Patiala is, like other native States, debarred by treaty from entertaining relations with foreign Powers, nor can the relations of the Maharaja with the Government of India be described as foreign relations since he is a feudatory of the King Emperor. So inappropriate in appellation would doubtless be disclaimed hotly by His Highness and by Mr. Williams, but English writers should be careful not to encourage any misreading of the constitutional position of the ruling chiefs of the Native States at a time when they are reported to be engaged in discussing that subject amongst themselves in view of the proceedings of the forthcoming Statutory Commission on the Indian Constitution, though it can only deal directly with British India. Perhaps the best service which Lord Reading rendered whilst in India was to recall very clearly in connexion with the affairs of Hyderabad what are the fundamental relations between the Native States and the Supreme Government.—I am, etc.,

VALENTINE CHIROL.

34, Carlyle Square, S.W.3.

Sir Atul Chatterjee, the High Commissioner for India, has been elected President of the tenth session of the International Labour Conference which opened at Geneva on May 26.

The annual Ceylon "At Home" will be held at the Hyde Park Hotel on June 19. Those responsible for the organisation of the function hope that all Ceylon planters will endeavour to be present at the gathering and to bring the date to the notice of any friends who may not have received a notice, owing to change of address, etc.

On May 23, in reply to a question by Mr. Johnston, Earl Winterton stated that the Secretary of State for India has not received any estimate of the time likely to be taken to complete the Bombay (Back Bay) reclamation scheme in its abridged form.

While regretting his inability at present to add anything to his previous replies on the same subject, the Under-Secretary for India has informed Mr. Johnston that if a question as to the probable date on which the report of the Indian Tariff (Textile) Board is likely to be published is put down just before Whitsuntide, he may be able to say something more definite.

Commercial and Financial Section.

NOTES AND NEWS.

170, Strand, London, W.C.2,
Tuesday Morning.

Suez Canal Traffic.

The traffic passing through the Suez Canal affords a very reliable indication as to the state of world trade generally, and it is satisfactory to know that the reports of the development of trade are borne out by the returns for the first quarter of the present year which show a very marked improvement on the figures for the corresponding quarter of 1926. Actually there was an increase in the net tonnage of the vessels transiting the Canal of 529,000 tons, the total being 7,825,000 which very nearly reaches the record tonnage for any quarter. The outward bound vessels had a tonnage of 3,510,000, an increase of 308,000, while the homeward bound tonnage totalled 3,775,000, an increase of 220,000. The merchandise transported during this period totalled 7,164,000 tons, a net increase on the first quarter of 1926 of 387,000 tons, this being due to an increase in the homeward traffic of 446,000 tons. In the homeward trade cereals increased from 451,000 ton 830,000 tons, mineral oils from 643,000 to 762,000 tons, textiles from 533,000 to 647,000 tons, and rubber from 149,000 to 158,000 tons. Australia was responsible for an increase of 222,000 tons. The British percentage of the tonnage of the vessels transiting the Canal was 56.6 as against 57.7 despite an increase of 23,000 tons as against the next largest increase, that of Germany, of 137,000 tons. As was to be expected the tonnage of motor vessels shows a further increase. It amounted to 828,000 tons which represents 11.3 per cent. of the total tonnage for the period.

Roumania's Free Zones Project.

An indication of the efforts that the Roumanian Government is making to improve the economic conditions in the country is afforded by the Bill for the establishment of Free Zones at Roumanian ports which was recently presented to Parliament. The creation of free zones by itself, however, will not go far to improve the country's commerce. The difficulties with which Roumania is faced to-day arise from the inadequate transport and the prohibitive duties, which, incidentally, have recently been modified but still stand at a level which is calculated to impede trade. Roumania, as a matter of fact, is an outstanding example of a country which is not in a position to obtain a large revenue by means of heavy duties, and any attempt to do so can only have an unfavourable reaction. At the present time the conditions in its chief industry—oil—have become extremely unsatisfactory, a situation which finds a reflection in the prices of the oil shares which have for some weeks now shown a dull tone. Once the transport question is solved the situation in Roumania will assume a very different complexion, and the energy with which the Government is devolving itself to the various problems which have to be solved encourages the hope that before very long the country will be really in a position to profit by her great resources.

Conditions in Greece.

A very interesting and detailed survey of conditions in Greece was given by M. Diomedes at the meeting of the National Bank of Greece, a report of which will be found elsewhere in this issue. Despite the adverse situation almost throughout the year and the general unsettlement occasioned by political developments commerce would appear to have developed. The outstanding feature on the import side was the further reduction in the imports of

cereals to 454,460 tons, from which the conclusion may be drawn that the work of the refugees is beginning to have the desired effect on the country's economic situation. Exports showed a good expansion, the value showing an increase of 950,000,000 drachmæ on the 1925 figures, and M. Diomedes is of the opinion that there is every hope of an important increase in the export trade in the future. An unfavourable factor during the year was the flight of capital due to the lack of confidence, and this represents a very serious matter for Greece, whose great need at the moment is for capital. It scarcely needs emphasis that if Greece is to attract the much-needed financial resources from abroad it is essential that a feeling of confidence should be engendered in the stability of conditions in the country. A great step in the direction of restoring confidence was taken by the settlement of the British War Debt—a development which, it may be added, promises to have important consequences by opening the London money market for Greece's requirements. The question of the exchange was naturally the subject of extended comment by M. Diomedes who pointed out that the instability of the drachmæ is the chief cause of the country's lack of equilibrium. He showed himself to be opposed to the gradual appreciation of the drachmæ, and said that the country must aim at the restoration of the currency by fixing the value of the monetary unit at the level which has emerged by itself.

Burmah Oil Results.

Very satisfactory results were obtained by the Burmah Oil Company in 1926. The profit was £2,502,818 as compared with £2,404,958, and a final dividend is recommended of 4s. per share less tax, making 30 per cent. for the year. The proposed allocations are £20,000 to the insurance reserve as before, £200,000 to the general reserve as against £292,580, and £150,000 to the field expenditure equalisation reserve as before, leaving £453,469 to be carried forward as against £395,903.

Cotton Growing and Prices.

In the annual report of the Empire Cotton Growing Corporation, extracts from which are given in this issue there is a survey of the position of cotton growing in the Empire as affected by the low prices which have prevailed until recently, and the opinion is expressed that it is possible that the striking rate of increase of production will not be maintained in the next year or two. As regards

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the current season it seems clear from the estimates so far available that there will be an actual, if slight falling off in production. The one region which shows a further substantial increase in output is the Sudan, which is due, of course, to the fact that the bulk of the cotton grown there is of the Sakellaridis type, and as there is now a very marked preference in favour of Sudan Sakel in the English market it is clear that, given the maintenance of the present standard, there will be no difficulty in disposing at good prices of all the cotton that is produced. If, however, the future of the production of Sakel is thus assured it is only part of the cotton problem. It is essential that Lancashire should be able to look to the Sudan and other parts of the Empire for large and increasing supplies of American. While developments in this direction in the Sudan and elsewhere hinge largely on the question of price that is not the only important factor. The expansion of transport facilities is a vital consideration, and as pointed out in the report, it is not capable of rapid solution. It is satisfactory that prices are now much higher than they have been for some time, and, if they are maintained, another year may see further progress in Empire production.

COMMENTATOR.

CORRESPONDENCE

THE DANUBE COMMISSION AND THE IRON GATES.

To the Editor of THE NEAR EAST AND INDIA.

Monsieur,—Nous lisons dans le numéro de THE NEAR EAST AND INDIA portant la date du 19 mai, 1927 l'analyse d'un article de *l'Indépendance Roumaine* relatif aux accords conclus récemment, sous les auspices de la Commission des Réparations, en vue de réorganiser le service de l'emprunt Hongrois 3 per cent. or 1895 (Portes de fer).

Etant donné que notre institution a été mêlée aux négociations relatives à la reprise du service financier de cet emprunt, nous sommes en situation de vous affirmer, d'après les informations officielles communiquées par la Commission internationale du Danube elle-même, que le produit net annuel des taxes de navigation dans le secteur des Portes de fer est sensiblement supérieur au montant de 200,000 couronnes-or indiqué par *l'Indépendance Roumaine*. Il a dépassé, en 1926, 500,000 couronnes-or et il est vraisemblable qu'il pourra être maintenu à ce niveau dans les prochaines années. Dans ces conditions, le produit net des taxes de navigation suffira non seulement à assurer le service de l'intérêt d l'emprunt, sur la base d'un pourcentage de 32 per cent., mais encore à couvrir, au moins partiellement, le service de l'amortissement. La charge assumée par les Etats garants sera donc, en fait, ou inexistante ou extrêmement minime.

Vous jugerez sans doute, avec nous, nécessaire de corriger ainsi les assertions par trop inexacts de *l'Indépendance Roumaine*.

Veuillez agréer, Monsieur, l'assurance de notre considération très distinguée.—I am, etc.,

BARDE,
Le Directeur.

Association Nationale des Porteurs Français de
Valeurs Mobilières.

Paris, le 25 mai.

THE WEEK'S FINANCE.

(By Our Financial Expert.)

London, May 31.

The quietude of the Stock Markets, which has continued this week, is to be ascribed, in the main, to disappointment at developments in the monetary situation. A fortnight ago the Stock Exchange was sanguine as to a further reduction in Bank Rate to 4 per cent. in the immediate future. Last week and the week before the change was regarded as a practical certainty and the resultant disappointment led to the selling of stocks and shares which had risen to levels which were reasonable on the basis of a 4 per cent. Bank Rate, but looked high with the Official Minimum at $4\frac{1}{2}$ per cent. The outward movement of gold, which incidentally puzzled the money market for a few days until it was officially announced that the metal had been taken for France, hardened money market rates appreciably, and removed any prospect of an immediate change in Bank Rate. It is not surprising, therefore, that the prices of investment stocks have gone back. Indeed, it might have been expected that the fall would have been of greater proportions, in view of the large volume of new capital issued in recent weeks, some of which is still only partly-paid. But stocks which have come to market have been readily absorbed, and in many sections there are securities the demand for which cannot be met owing to there being none on offer. Business, however, remains on the quiet side, as we have said, additional influences to those already mentioned being Derby week and the approach of the Whitsun holidays. The account, by the way, which began last week, runs for 21 days.

The Russian Rupture.

The rupture of Anglo-Russian trade relations has not had any visible effect upon stock markets, but in the City generally it is considered that the incident has occurred at a most inopportune moment, for there have recently been signs that business between this country and Russia is growing appreciably and it is known that a large number of important contracts were about to be concluded. It is, of course, impossible to say at this stage how far-reaching the present rupture will be, or how long it will last. New credits and new contracts recently under discussion have been cancelled, and dealings with Russia will obviously be much more difficult, for the moment, for British traders and manufacturers. Other countries will, of course, be quick to seize the opportunity of supplanting Britain in the Russian market. British manufacturers in many of the heavy industries claimed that they had practically ousted German competition in Russian trade, but the German manufacturers will now get a second chance. On the financial side, interest attaches to the negotiations now proceeding in Paris for a Franco-Russian debt agreement. It is rumoured that the Soviet was anxious to open similar negotiations for the settlement of Anglo-Russian debts, which, if successful, would have paved the way for more normal relations between the two countries. Such a development, however, is now of course indefinitely postponed, and last week's events have made a further addition to the difficulties and anxieties which trouble certain important sections of British finance and industry.

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Indian Gold Mining.

The output of gold from the Indian mines in 1926 showed a further falling off in comparison with the previous year, owing to some extent to the less satisfactory position of one of the companies concerned, but mainly to a temporary reduction of output by several of the undertakings. Of the five principal companies the Balaghat reduced its dividend from 9d. to 3d. per share, the Champion Reef, the Mysore, and the Ooregum maintained their rates at 9d., 2s. 6d., and 2s. 3d. respectively, while the Nundydroog raised its rate from 1s. to 1s. 3d. per share. For the Balaghat and the Nundydroog, which are situated at the northern end of the field, the outlook has materially improved as a result of recent developments. Discoveries at lower levels on the Balaghat property are considered to possess considerable significance for the adjoining Nundydroog property, in which some highly encouraging developments have also occurred. In the case of the Champion Reef prospects are also brighter now that the heavy expenditure upon sinking is coming to an end. The high yields obtainable on the shares of these companies signify the risk which attaches to gold mining operations in India.

A Prosperous London Property Concern.

The London property companies continue to enjoy prosperity. The largest of these undertakings—the City of London Real Property Company—has recently issued its annual report, record profit figures being returned. Though only a few hundreds larger than for 1925-26, the net profit for last year was £550,743; the dividend of 5½ per cent. is repeated. The company has an issued share capital of nearly £9,000,000, of which no less than £6,000,000 represents a capitalisation of reserves in 1923. This undertaking undoubtedly occupies a position of great strength. The properties owned have a balance-sheet valuation of nearly £12,000,000, while sinking funds and reserves exceed £1,500,000. Last year's dividend was earned with the considerable surplus of £161,000, which is the amount added to reserve and carry-forward. The ordinary shares give a return of approximately £5 10s. per cent. In view of the position of the company, however, an increase in the distribution to the ordinary shareholders sooner or later is not impossible. In any case, the 4 per cent. cumulative preference shares, returning £4 5s. per cent., free of income tax, are not without attractions.

The Secretary of the Ottoman Railway Company announces that an agreement dealing with reparations for losses and damages suffered by the company in Asia Minor during the War was ratified by the Turkish National Assembly at Angora on May 28. The agreement provides that a certain sum shall be added to the purchase price of the line at the expiry of the concession. Greater latitude is to be given with regard to tariffs. Major articles of equipment are to be imported duty free for a period of 15 years.

SUDAN CHAMBER OF COMMERCE.**Annual General Meeting.**

At the recent annual general meeting of the Sudan Chamber of Commerce, Mr. W. T. Bostock, the President, pointed out that the cause of the trade depression in the country was the scanty rain, with consequent failure of the durra crop for the second year in succession. He said:

"The price of durra—the staple food of the natives—was enough in itself to reduce their by no means considerable purchasing power at any time and the failure at the same time of rain-grown cotton in the Blue Nile Province and the slump in price of this commodity in the world market left the resources of the country even more depleted. The gum crop was good—the export in 1926 was nearly 23,000 tons—but prices have averaged P.T. 73 per kantar at El Obeid against P.T. 105½ in the previous year and while nearly 4,000 tons more were exported the total value was only £50,000 more, and as these are Port Sudan figures and include rail freight and royalty the actual amount received by the natives is even less than last year, although the crop is much bigger. The price seems an uneconomic one considering the distance some of the consignments have to be brought and there is food for thought as to what effect a fall in the cost of the necessities of life might have in this direction.

Sesame and ground nuts crops were both short of last year and well below the average. The result of all these causes was a general lack of money and the absence of demand for any imports but the bare necessities of life. Importers have had a bad time. Cotton piece goods were less in 1926 than in the previous year by 630 tons in spite of a heavy fall in price largely borne by the unfortunate importers here. The drop in value between the two years was no less than £353,000. Sugar increased by 8,500 tons and £110,000 in value. Tea showed an increase of 360 tons and £60,000, while coffee showed a drop of 1,000 tons and £75,000 in value. Soap imports were lower by 700 tons equivalent to £23,000. I have quoted for articles chiefly consumed by the natives which should reflect the state of their prosperity or otherwise. It is a poor result considering the prospects held up before our eyes by the heavy increase in cotton production in the Gezira. In this connexion I see the value of the cotton exported during last year was £2,800,000, or an increase of £1,200,000 on the previous year. Properly speaking the share to the natives of this amount would be some £1,000,000 or an increase of £450,000. Where has this surplus money gone? There are various theories and an examination of the durra figures helps to explain the situation. In 1925 the durra export was 26,000 tons, of the value in Medani, say, of £140,000; last year the export was nil, and not only that we had to import 21,000 tons of say £230,000 value in the consuming centres. A certain amount of this is still held by the Government and therefore has not been

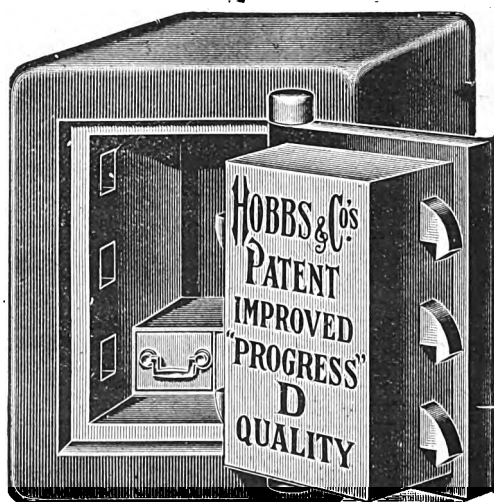
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actually paid for by the consumers but the two figures could easily account for a loss to the country of £E300,000 or more. This still leaves a considerable balance to be accounted for and it is suggested that a large part of this may be due to the system adopted by the Sudan Plantations Syndicate of advances to their cultivators. Last year these cultivators were living to a great extent on the advances from early in the cotton season whereas up till January this year they were still receiving a distribution from the proceeds due to them, and eventually will be in a position to carry their own expenses through the season in this fashion. If this theory is correct the outlook is not so black as it appears. I have dealt at some length with this subject and inflicted on you a lot of figures but a close examination of the facts suggests that there is hope for the future. Optimism is out of fashion at the moment but I think there are better times ahead and given an average rainfall this year I see no reason to be despondent. One thing I think needs to be emphasised—we are depending for our main food supplies on an area where, sooner or later—it may be next year or in 10 years time—the rainfall will be insufficient with the result that the cost of living to the natives is immediately doubled. A prudent man would be willing to insure against a calamity of this sort and I think it is time steps were taken to make certain of a sufficient food supply in the country without relying on the vagaries of the Northern rainbelt.

The general state of trade in the country was the main subject of a discussion between representatives of the Chamber of Commerce and the Central Economic Board recently, and the case was put forward to them much on the same lines as I have just indicated. Some of the remedies suggested were a flat rate of freight on produce from up-country stations to encourage durra and other produce where now freights do not allow cultivation for export, and a general reduction of rail freights particularly on essential imports such as flour, tea, sugar, etc. Another subject discussed at the meeting was the Traders Tax. This has always been represented as a tax on profits only whereas in actual practice it hardly seems to come under this category. No form of taxation is popular, but I can safely say that this one is the least of all.

In conclusion, I should like to thank the members of the committee for their co-operation and support, also Mr. G. A. Contomichalos, Mr. Geo. Dello Strologo, Col. G. C. Stanton and others who have acted on sub-committees and who have given a great deal of help in the work of the Chamber.

A vote of thanks to the President was moved by Mr. W. E. Law, who said that with few exceptions, it had been a bad year for business generally but they all hoped better things were in store. He felt sure he voiced the feeling of the meeting in saying they were grateful for the hard work done by the committee during the past twelve months, not only in the interests of the Chamber but for the good of the commercial community generally.

With the opening of the Bourse he looked forward to even greater co-ordination among the members of the commercial community, as they would have a common meeting place for the exchange of views.

FORTHCOMING SAILINGS.

The following are the sailings for the Near East and India, the ports of departure and closing dates for cargo being given in parentheses:—

Anchor Line.—S.s. Tarantia for Bombay (Birkenhead, June 4). (For passenger sailings and dates see advertisement).

Anchor Brocklebank Line.—S.s. Maihar for Calcutta (Birkenhead, June 7); s.s. Mahanada for Calcutta (Birkenhead, June 16).

Bibby Line.—S.s. Herefordshire for Port Said, Colombo, and Rangoon (Birkenhead, June 15).

British India Line.—S.s. Merkara for Bombay and Karachi (London, June 11); s.s. Manela for Colombo, Madras, and Calcutta (London, June 18).

Cunard Line.—S.s. Cypria for Gibraltar, Malta, Patras, Piræus, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza, also Algiers and Volo if inducement offers (Liverpool, Glasgow and Swansea, June 18); s.s. Sea Glory for Gibraltar, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Venice, Trieste, and Fiume, also at Corfu, Gruz, and Ancona if inducement (Liverpool June 11, Swansea June 14).

Johnston Line.—S.s. Quernmore for Piræus, Volo, Salonika, Bourgas, Varna, Constantza, Sulina, Galatz, and Braila (Liverpool, June 11).

P. and O. Line.—S.s. Rajputana for Bombay (London, June 3); s.s. Nagoya for Colombo, Madras, and Calcutta (London, June 11).

Prince Line.—S.s. Cyprian Prince for Tunis, Malta, Alexandria, Syrian Coast, and Cyprus (Manchester, June 4); s.s. Egyptian Prince for Tunis, Malta, Alexandria, Jaffa, Haifa, Beyrout, and Cyprus (London, June 15).

Ellerman and Papayanni Lines.—S.s. Manchurian for Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Gravosa, Ancona*, Venice, Trieste, and Fiume* (Swansea, June 4); s.s. Algerian for Algiers*, Malta, Syra, Smyrna, and Constantinople (Liverpool, June 14); s.s. Mardinian for Malta, Alexandria, Jaffa*, and Haifa (Liverpool, June 18); s.s. City of Oxford for Gibraltar, Malta, Alexandria, Jaffa*, and Haifa* (Liverpool, June 29); s.s. Roumelian for Patras, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza (Liverpool, July 2); s.s. Gerano for Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Gravosa, Ancona*, Venice, Trieste, and Fiume* (Liverpool July 9, Swansea July 19). * Subject to sufficient inducement. Cargo taken on through Bill of Lading to:—Algerian ports via Algiers; Moroccan ports via Gibraltar; Tripoli (Barbary) via Malta; Syria and Cyprus via Alexandria; Greek outports via Piræus or other convenient port; Fiume, via Trieste.

The export duty on eggs in Yugoslavia has been abolished.

The South Behar Railway Company announces a dividend of 5 per cent. per annum, less tax, on the capital stock for the half-year, payable July 15.

The Yugoslav State railways are to purchase railway material in Poland to the value of 7,500,000 dinars in addition to 250,000 sleepers. These purchases are to be set off against Polish purchases of Yugoslav tobacco.

An illustrated booklet entitled "Canadian Pacific Playgrounds" has been issued by the Canadian Pacific Railway, 62-65, Charing Cross, London, S.W.1, from whom a copy may be obtained free on application.

A Reuter message states that M. Lapedatu, Roumanian Minister of Finance, has arrived in Berlin to carry on negotiations for a credit of 200,000,000 marks to be used to finance Roumanian orders for railway supplies given to Germany.

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EMPIRE COTTON GROWING.

The annual meeting of the Empire Cotton Growing Corporation was held in London on May 26. The report of the Council of the Corporation, presented at the meeting, gave a comprehensive survey of developments during the year. We give the following extracts:—

The report on the work of the Corporation for the past year relates to a period during which the price of cotton fell from 10d. to a little more than 6d. a lb. While difficulties are admittedly encountered in encouraging cotton-growing in the Empire at the lower price, it is nevertheless mainly to an extension of the area from which the supply of raw cotton can be drawn that consumers can look for a stabilisation of the price which is perhaps of first importance in bringing about an improvement in trade. For this reason there is especial need for the work which the Corporation are endeavouring to achieve.

It is true that in some parts of the Empire where cotton is grown by white farmers the lower price is said to be on the borderline below which it no longer pays to grow the crop. And where the growers are natives working on their own holdings, and costs of production cannot therefore be determined, the fall in values has caused the price that buyers could offer to be drastically cut. In these circumstances it is not surprising that the native cultivator cannot understand these fluctuations in price; he is apt to conclude that he is being exploited by the buyer, and to cut down his acreage next year in consequence. It is possible, therefore, that the striking rate of increase of the Empire crops may not be maintained during the next year or two, but, as some compensation, the necessity for laying plans for the future very carefully has shown up clearly wherein lie our advantages and which are our weaknesses. On the one hand, it is all-important that the quality and staple should be maintained; so long as Empire cotton generally can retain its premium on American Middling, this factor will be our most valuable asset and the ratio of Empire to American cotton is likely to increase. On the other hand, the experience of the Corporation has brought out clearly that quality alone will not suffice to establish Empire cotton on a firm basis: two other factors are of equal importance—an increased yield per acre, and, lastly, though possibly most important of all, more and better transport facilities. The fact that the total acreage under cotton this year (and perhaps for the next year or two) may

possibly show little increase may not be altogether a disadvantage from the point of view of those engaged in assisting the industry, more particularly in the three directions mentioned above. In most parts of Africa an improved seed supply, upon which the quality of the crop depends, is an urgent necessity. Unfortunately, this improvement cannot be effected rapidly, and the Corporation's scientific staff will doubtless utilise the next year or two in doing their utmost to produce and multiply a type of seed which will be both more prolific and resistant to disease than the mixed types which have been characteristic of much of the cotton from Africa in the past.

At the same time, the steps which the Government has taken in the last few years to increase the number of agricultural officers and to improve their qualifications by a course of post-graduate training will assuredly be reflected in the further and better instruction of the native in improved methods of cultivation.

Finally, although the transport problem will not be capable of rapid solution, the fact that both the Imperial and local Governments are fully alive to its importance should ensure that the methods by which facilities can be increased will receive thorough investigation and lead to some definite progress.

The results of the study that is now being carried out along all these lines should effect such economies in production that even a slight recovery in raw cotton prices should provide the stimulus necessary to enable cotton growing within the Empire to resume the uninterrupted progress which it has hitherto enjoyed.

India.

The Cotton Transport Act, which was passed in 1923 by the Indian Legislature, aims at preventing the mixing of short and long staple cotton in India. It enables Local Governments to notify areas in which long staple cotton is grown, and to prohibit the import of short staple cotton into such areas. During 1926, the Cotton Transport Act was in force in six zones of the Bombay Presidency and in three zones of the Madras Presidency. The Baroda State has enforced a cotton transport law on the same lines as the British Indian Act, while the Rajpipla State has, by special ordinance, made it illegal to sow short staple cotton in any part of the State. The effects of this legislation are satisfactory, and considerable improvement has resulted in the condition in which long staple cotton is marketed from the notified areas.

The Cotton Ginning and Pressing Factories Act of 1925 provides for the marking of bales to indicate the factory where they were pressed. It also enables Local Governments to prescribe standard weights to be used at ginning and pressing factories within its jurisdiction. Finally, it provides for the enforcement of structural requirements for ginning and pressing factories, with a view to ensure cleanliness of handling. The Local Governments chiefly interested in the production of cotton have taken action under this Act, the working of which was satisfactory during 1926. Moreover, under Section 14 of the Act, any purchaser can now require that only bales marked in accordance with the Act are a fair tender in fulfilment of a contract, and the East India Cotton Association, Ltd., have introduced a by-law requiring all bales to be so marked in order to fulfil the requirements of a fair tender in Bombay.

Special measures have been taken under the Destructive Insects and Pests Act to guard against the spread of cotton pests in India. American cotton must be fumigated before importation.

The Indian Central Cotton Committee took an active part in pressing for the adoption of the above legislative enactments. It has also interested itself in the improvement of marketing conditions in the principal Indian cotton markets. Its technological laboratory was completed in September, 1925, and has done excellent work throughout the year. In regard to agricultural research, the policy of the Committee is to promote cotton research in India, partly by grants-in-aid to provincial agricultural

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DURBAN—Andrew Weir & Co.
EAST LONDON—Messrs. Dunn & Co.
PT. ELIZABETH—Mackie, Dunn & Co.

MOSSEL BAY—Messrs. E. Searle & Co.
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departments and other institutions, and partly by the creation of research studentships. The new Institute of Plant Industry at Indore receives a subsidy from the Indian Central Cotton Committee, and has adopted a definite cotton research programme.

The following table is of interest as showing the success that has rewarded the efforts of the Indian Central Cotton Committee to promote the growth of improved cottons of a longer staple than that which formerly characterised Indian cottons:—

	Average of seasons 1915/16, 1916/17. and 1917/18. Bales.	Season 1925/26. Bales.	Per cent. Increase.
Short staple (under $\frac{3}{8}$ in.) ...	2,999,000	3,893,000	29.8
Long staple ($\frac{3}{8}$ in. and over)	1,161,000	2,145,000	84.8

The final official forecast of the Indian cotton crop shows a total area of 25,006,000 acres under cotton in India, and an output of 4,952,000 bales. These figures show a considerable reduction on last year's cultivation of 28,491,000 acres, with an output of 6,038,000 bales. Both in Bombay and in Madras weather conditions were unfavourable to the crop. In the irrigated areas the output was normal, but in the unirrigated areas the sowings were retarded by the deficiency of early rainfall and a shortage of rain during October.

The Sudan.

The season under review saw cotton cultivated on over 80,000 feddans in the Gezira, and a crop of 384,106 kantars, or approximately 94,000 bales of 400 lb. While this large yield is very satisfactory, it was due in some respects to a combination of favourable circumstances, and the Chairman of the Sudan Plantations Syndicate warned their shareholders that it was not a result on which calculation of future prospects should be based. However, this season more than 100,000 feddans are under cotton, and it is understood that at the time when this report was written (March), the prospect of a yield approximating to last year's was not unpromising. Steps are being taken to extend the canalised area in the Gezira, and up to another 150,000 feddans may thus be brought under cultivation.

On the recommendation of the London Committee for the co-ordination of agricultural research in the Sudan, the Corporation agreed to provide an additional chemist for work in the Gezira for a period of three years. Mr. R.

Peto was appointed to this post, and he took up his duties in January last.

Gratifying progress is being made with the extension of rain-grown cotton in the South. Transport problems undoubtedly present a difficulty, but the Government are investigating these closely, and it is hoped that satisfactory arrangements will be made. Meanwhile, the Corporation and the British Cotton Growing Association are discussing with the Government the provision of adequate ginning and marketing facilities.

Cyprus.

The Government have renewed their request to the Corporation to send an expert to advise on the extension of cotton cultivation in the island. As stated in this report last year, however, any increase in the area devoted to the crop appears to be dependent on irrigation by wells, and the Corporation are awaiting the Government's report on the trial borings that are now being made; this information is required especially for the districts which are reported to be suitable for cotton, so far as the soil and other factors are concerned. If the results show that a satisfactory large area can be developed by means of the increased supply of water, the question of the provision of an expert and of the establishment of an experiment station, as suggested by the Governor, will be sympathetically considered.

The Triumph cotton seed which the Corporation secured from America at the request of the Agricultural Department, did well last season, the yield being nearly 1,500 lb. of seed cotton per acre, as compared with 850 lb. from local seed.

TENDERS INVITED.

Tenders are invited for the following contracts, and must be made by the dates mentioned.

(Particulars of tenders marked D.O.T. are to be obtained from the Department of Overseas Trade, 55, Old Queen Street, S.W.)

EGYPT.

Tent Cloth.—The Ministry of Agriculture, 20, Chareh El Falaky, Cairo, invites tenders for the supply of tent cloth 140,000 yards. July 10.

Uniforms.—The Chief Inspector, Direction General, Customs Administration, Alexandria, invites tenders for the supply of winter uniforms for guards and employees during 1927-1928. August 9.

Iron and Steel Materials, Metals, Etc.—The Ministry of Communications, Ports and Lighthouses Administration, Alexandria, invites tenders for the supply of their requirements during 1927-28 in respect of iron and steel materials, metals, etc. June 14. (D.O.T.)

Boots and Laces.—The Financial Secretary, Egyptian Army, War Office, Cairo, invites tenders for the supply of 16,550 pairs of boots and 8,300 pairs of laces to the Department of Ordnance Services, Egyptian Army, Citadel, Cairo. June 28.

General Stores.—The Director of Equipment and Finance Department, Ministry of the Interior, Cairo, invites tenders for the supply of general stores required by the Police Stores, Bulaq, in 1927-28. July 2.

Rails, Etc.—The Surveyor-General of Egypt, Giza (Mudiriya), invites tenders for the supply of 5,000 tons rails. August 10.

Engineers' Instruments, Etc.—The Director of Stores, Ministry of Education, Sharia Qasr el Aini, Cairo, invites tenders for the supply of engineers' instruments, drawing materials, etc., required for the schools during the school year 1927-28. June 30.

General Stores.—The Director of Equipment and Finance Department, Ministry of the Interior, Cairo, invites tenders for the supply of general stores required by the Police Stores, Bulaq, in 1927-1928. July 2.

Plant for School of Engineering, Giza, Cairo.—The following plant is required for a School of Engineering, Giza:—One 100 k.w steam turbine D.C. generator set with condensing plant; one water tube boiler; one 150 B.H.P. Diesel engine; one Booster set; one experimental Diesel engine of 40-40 B.H.P.; one overhead travelling crane of 10 ton capacity. June 15. (D.O.T.)

The negotiations between Yugoslavia and Switzerland for a commercial treaty have been postponed until the autumn.

At a meeting of delegates of the Roumanian and Hungarian State railways at Timisoara recently an arrangement was concluded by which the Hungarian railways will lend wagons to the Roumanian railways.



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NATIONAL BANK OF GREECE.

A Year of Unrest and Retrenchment.

M. Diomedes' Review.

The ordinary general meeting of the shareholders of the National Bank of Greece was held on April 30 at the head office of the bank, Athens.

The Governor (Mr. Alex. N. Diomedes), in submitting the report for the year 1926, said:—Gentlemen,—The past year was not a year of calm, and the various incidents which occurred exercised a profound influence—an influence which was chiefly psychological—upon the whole economic life of the country.

No fresh issue of uncovered notes took place during the year. Notwithstanding the stringency which on many occasions made itself acutely felt, the consciousness of the blow which would be dealt, were the slightest issue authorised, was clear to all. The fixed circulation thus remained at Drs.4,530,000,000.

The circulation, however, of notes issued on the basis of the Decree Law of April, 1923, and fully covered by exchange, suffered considerable fluctuation during the year. On December 31, 1925, it amounted to Drs.1,016,100,560, and on December 31, 1926, to Drs.1,184,486,375.

The maximum limit of authorised circulation on December 31, 1926, amounted to Drs.5,715,676,000, of which, however, Drs.851,035,000 remained disposable in the coffers of the bank, leaving an actual circulation of Drs.4,864,641,000, as compared with Drs.5,339,249,000 on December 31, 1925.

The circulation covered by exchange acquired by virtue of the Decree Law suffered, as I have mentioned, many and sudden fluctuations.

On December 31, 1925, the reserve amounted to £3,182,825 with a circulation of Drs.1,016,100,560.

The heavy sales to which the Government of the day thought good to proceed resulted in the State reserves of exchange falling from £3,182,825 on December 31, 1925, to only £606,000 on July 31, 1926, whilst the corresponding circulation fell from Drs.1,016,000,000 to only Drs.198,000,000. It will be understood that this shrinkage exerted considerable pressure on the market.

From the month of August, 1926, the curve representing the rates of foreign exchange commences clearly to fall, whilst the reserves begin to be strengthened again, after the manifest endeavour of the Government to curtail all superfluous foreign expenditure. It was thus found possible to raise the exchange reserve on December 31, 1926, once more to £2,970,605, thus approaching the level of the previous year, with a corresponding circulation of Drs.1,184,486,375.

Foreign exchange rates bore witness to the trials experienced during the year. The greater part of the year is characterised by wide and continuous upward tendencies, with large fluctuations, giving a faithful picture of the political unrest prevailing.

From the month of August, however, the return of peace and quiet, and a more prudent administration, brought rates of exchange back to a lower level with less violent fluctuations.

Foreign Trade.

Although we have no accurate statistics of Greek foreign trade during 1926 we are able to conclude, both from the reduction in sales of exchange to commerce and from the Customs returns, that imports were lower than in the previous year.

But we have accurate information showing that the imports of cereals in general have shown a steady decline during the last three years, as the following figures demonstrate:—

	Tons.
1924	544,573
1925	476,268
1926	454,460

and, consequently, we know that this principal item of imports was lighter in the year under review.

On the other hand, the exportation of Greek produce is shown by the Customs House figures to have increased in 1926 by about Drs.950,000,000, as compared with 1925, and it is safe to say that the development, perfection, and distribution of many of our products, agricultural and industrial, show a steady upward trend, which justifies every hope of an important increase of our export trade.

No year presents a more faithful picture of the influence which the psychological factor alone exercises upon the rates of exchange.

Whilst all real factors—circulation, exports, and remittances—were manifestly more favourable during the year under review, nevertheless, the influence of moral factors counteracted their material effect. The want of confidence which prevailed throughout the year on account of the political anomalies led to a heavy flight of capital abroad in search of security. And this flight of capital—which, as has elsewhere been observed as well, is capable of reducing to nought even the most favourable balance of trade—can be prevented only by the return of confidence and of the trust that the economic life of the country will remain undisturbed.

Movement of Business.

The past year has to show a general and important reduction in all branches of productive business. This fact came as an automatic

reaction from the sudden expansion observable during previous years. Business declined both because the various branches of productive work shortened the radius of their action after the former exaggerated expansion, and because capital was lacking. Capital was scarce because a great deal, owing to its having been tied up in business which had not yet made sufficient return, could not easily or without loss be liquidated. Another cause was the difficulty due to the uncertainty of the situation, which frightened away capital, thus depriving the country of an important factor of production. The consequent maintenance of rates of interest at a very high level, obliged even the Bank to raise its rate of discount to 11 per cent., and compelled many important concerns to reduce to the minimum their demands for new capital. This advance in interest certainly cannot be allowed to continue, and it is hoped that we shall soon come down to a lower level.

The generally irregular situation obliged the administration of the Bank to see that no danger should be run of a shortage of cash and that the Bank's immediately disposable liquid funds in bank notes should bear a high proportion towards its sight liabilities.

In spite, however, of this policy, the Bank did not put pressure on any of its clients but preferred to see arrears temporarily increasing. It continued, too, as in the past, a policy of mild and hardly perceptible retrenchment. Towards the end of the year the slackness began to diminish, and a more intense movement in business in general became perceptible.

Compensation of Refugees.

The manner of payment by the bank for account of the State of the compensation due to the refugees was settled by the Conventions of October 25 and November 4, 1926.

Special bonds to the value of Drs.3,000,000,000 bearing interest at 8 per cent. were issued with the guarantee of the State on mortgage of the properties which were handed over to us and which we administer through our branches. The agrarian and urban properties handed over to the bank numbered 51,469 and their value exceeded Drs.4,000,000,000 at a strict valuation.

By these bonds, which were distributed direct to the exchangeable populations entitled to compensation, a small percentage only of what they had to receive in all as the balance of the properties they had abandoned in Turkey is paid.

These bonds will be settled chiefly by the sale of the properties under the bank's administration. Such sales have already begun and are continuing regularly.

The final paying off of the bonds is a question of not many years. Nevertheless, what we must emphasise is that the interest of this delicate and difficult work requires absolute respect for the rights which have been granted with this object to the bank. Any intervention by third parties would be contrary to the interests of the property itself.

National Defence Bills.

On January 23, 1926, short-dated notes of a value of Drs.1,272,029,800 were in circulation, and long-dated notes to the value of Drs.96,180,000.

By the Decree-Law of January 23, 1926, "Concerning the conclusion of a forced loan, etc.," it was ordained that the short-dated notes in circulation should be paid off, half in cash, upon expiry, and half by conversion into a loan with a term of ten years at 8 per cent. per annum.

On March 31, 1927, when all the short-dated notes expired, such notes of a value of Drs.29,848,000 had not yet been presented for payment, half of this amount being payable in cash.

The long-dated notes (three, five, and ten years), the value of which

FOREIGN EXCHANGES.

Country.	Method of Quoting.	Parity of Exchange.	Latest Quotations
Alexandria.....	Piastre to £	97½	97½
Athens	Drachme to £ ...	25.22½	369½
Belgrade.....	Dinars to £	25.22½	276½
Berlin	Marks to £	20.43	20.50½
Berne	Francs to £.....	25.22½	25.24½
Bombay	Sterling to Rupee	18d.	17 59/64—61/64
Brussels	Belga to £.....	35	34.96½
Bucharest	Lei to £	25.22½	805
Budapest	Pen to £	27.82	27.87½
Calcutta	Sterling to Rupee	18d.	17 59/64—61/64
Constantinople	Piastres to £	110	920—935
New York	Dollars to £	4.86 2-3	4.85½—13/16
Paris	Francs to £.....	25.22½	124
Prague	Kronen to £.....	24.02	163 15/16
Rome	Lire to £	25.22½	88 7/16—80
Sofia	Leva to £	25.22½	670—680
Teheran	Krans to £	50½	50½
Vienna	Sch to £	34.58½	34.50½
Warsaw	Zloty to £	25.22½	43—44

amounts, as had been said, to Drs.96,180,000, will be paid off on expiry in full, and in cash.

Second Forced Loan, 6 per Cent., 1926.

The sum provided by the bank notes of Drs.50 and above, in circulation on January 23, 1926 (which contributed one-quarter of their face value to the loan on the basis of the provisions of the Decree-Law of January 23, 1926), amounted to Drs.1,232,300,000 in round figures.

Out of the proceeds of this loan Drs.711,789,007.39 were devoted to the payment of floating debts on the part of the State to the bank, and the balance of Drs.518,210,992.61 was taken up in cash by the State.

Thus, in the year 1926, through the forced loan and the proceeds of the 20 per cent. tax, there were paid off

(a) State debts to the bank	...	Drs.711,789,007
(b) State debts from National Defence Bills	...	Drs.538,000,000
Total	...	Drs.1,249,789,007

This radical clearing up of the floating debt was the commencement of a healthier adjustment of the financial affairs of the country.

Deposits.

The movement of deposits during the year shows a clearly ascending line, as shown in the following table:—

	1923.	1924.	1925.	1926.
	In millions of drachmæ.			
Deposits at sight	1,362	1,592	1,421	2,026
Savings bank	221	214	257	555
Deposits at fixed dates	944	1,004	956	844
	2,527	2,810	2,634	3,425

Whilst the circulation of notes during the year was steadily lower than that of the previous year, and, consequently, the public had at their disposition a smaller quantity of notes, nevertheless the movement of deposits was greater and, generally, the level remained high. This fact, too, is evidence of the tendency to retrenchment which characterised the period under review.

Deposits at fixed rates, especially those for long periods, alone show a decrease. This form of investment, formerly very popular, is destined in time to lose its original importance. The popularisation of various stocks was the cause of this decline.

War Debt Agreement : Its Importance.

The agreement recently concluded between the British and Greek Governments concerning the War debt and the questions connected therewith is destined to exercise an important influence on Greek finances and, more generally, over the whole of the shaping of the economic life of the country. Its importance lies in this: that it provides elements for the further regulation of our financial and currency question; it constitutes a starting-point from which our considered efforts, destined to clear up the burdened past, may safely set out.

The Sequel of the National Disasters.

The series of successive disasters which overtook Greece laid upon the country a heavy liability. Obligatory expenditure, unavoidably heavy, a faulty appreciation of the kind and of the extent of the expenditure which the country had to undertake, the necessity of immediately assisting and settling an entire new population; all these things created liabilities with which the country was unable, by its own unaided efforts, to cope, even if it were strained to the utmost possible limit. The conclusion of the Refugee Loan, achieved with the aid of the recommendation of the League of Nations, certainly assisted us in a very high degree, but the requirements, even though restricted, exceeded the resources capable of being derived from the country itself. Thus the State expended from November, 1922, to 1927, from funds raised from the country itself, a sum of about Drs.2,000,000,000 for the maintenance, housing, and settling in general of refugees, exclusive of other expenditure.

Such a weight of expenditure as for many years past has burdened the State could not, of course, be met without recourse to measures

and combinations which inevitably affected the economic equilibrium of the country and injured the value of its currency.

A further continuation of this empirical method is not possible. An accumulation of fresh liabilities and deficits would lead to the creation of additional burdens, and, in spite of every effort to economise, the threat of sudden collapse would be continually present. It is, consequently, unavoidable that, together with the introduction of order into our finances, we should endeavour to find capital abroad, in order that we may both complete the settlement of the refugees and reinforce the public treasury, so as to cover the deficits left by various liabilities.

The search for capital, however, ran up against two insurmountable obstacles:—

1. The usual markets—which indirectly rule all the others—were found to be hermetically sealed, because the question of the War debt remained unsettled.

2. It was impossible to issue a State loan so long as the position of the national currency remained uncertain. The unsteadiness of the currency gives birth to lack of confidence, because the guarantees given are likely to become stale, and, from a more general point of view, it was considered disastrous to aid in the protraction of the state of economic unhealthiness which might lead to unexpected and dangerous surprises.

So, if it were considered necessary to have recourse to foreign markets, we ought, in the first place, to examine as to how we should cleanse our financial and monetary situation, and in this task we should find ready assistance.

But, it is asked, may it not be that this path is wrong, that our country, although it has so many manifest needs, should avoid looking for a loan? Should it not defer all endeavour to establish a sound currency on the ground that it is too early, and perhaps injurious, and should it not through internal measures and financial combinations both assure easiness for the public treasury and grant whatever means are required for expenditure on the refugees?

If there are any who support these views, they forget very quickly the tragical examples of other Governments which, led astray into a similar currency policy, brought general ruin upon their countries.

Greece must follow the straight path pointed out by the teachings of science and experience.

Two important points in our economic life are overlooked by, or are unknown to, those who are afraid of the country being burdened with foreign capital.

Financial Exhaustion.

The first point is that during the last 15 years—i.e., from the date of the Balkan Wars—Greece, having been engaged in immense struggles, has expended for extraordinary requirements, military needs, and in the settlement and maintenance of refugees (including the Refugee Loan), a total sum exceeding £173,000,000.

Of this amount, the fraction representing assistance from abroad amounts only to £36,000,000, which was received in the form of loans. The whole of the remainder was found by the country from its own resources.

It is, consequently, not a matter for surprise if after this immense effort some exhaustion is noticeable. This exhaustion is so much the greater as, during recent years, there has occurred a large increase of immobilised capital in many works of agricultural and industrial productions, which give slow returns.

Another remarkable characteristic of our present economic and social complex is also ignored. Greece has increased her population suddenly, but her production has not yet been able to adapt itself to the additional requirements, especially owing to the insufficiency of disposable liquid capital. The result of this is the unbalanced condition of production to be noticed, the concentration in the towns of the movable population, the suspension of many businesses—events which, to those who wish to see clearly, present points of view not devoid of danger.

It is, consequently, imperative that capital should be attracted to the country in order that the public treasury may balance its expenditure, that the productive level of the country may be raised and improved, that fruitful and continuous work may be assured to the daily increasing ranks of unemployed, that industry, which is at present in an embarrassed position owing to insufficiency of financial resources, may be able to continue to work without impediments. In

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fine, that with the assistance of all the above elements an automatic reduction shall take place in rates of interest, which may be said to have reached prohibitive heights.

Burden of National Debt.

Our country is certainly one of those which have the lightest burdens to bear on account of the National Debt. In spite of the wars, the disasters, and the heavy and sometimes unreasonable expenditure, we have a National Debt amounting to only about 341 gold drachmæ per head of population, whilst, in 1912, the proportion amounted to 381 gold drachmæ. On the other hand, the actual wealth of the country is incomparably greater, the production is more plentiful and of a higher order, the amount invested in savings more regular and wider spread, and our country is, in general, richer and endowed with an industrial and an agricultural organisation incomparably more complete. There is, consequently, no economic argument against turning abroad for capital of which the destination would be the assistance of production and not investment in unfruitful objects which serve but to increase our liabilities.

Nothing of the above can be realised, however, unless we do our best to place the drachma on a sound footing. The instability of the drachma is the chief cause of our economic want of equilibrium. Instead of the drachma being a stable unit, in which values can be accurately measured, it has come to be a mere name, representing a value which fluctuates according to the appreciation of the public. The drachma has thus inevitably become an object of speculation, with all the disastrous consequences, moral and economic, which result from the resulting instability of all values.

How are we to make our way out of this unhealthy state of affairs, which unceasingly weakens our national economic condition, and recover a sound monetary unit, which shall bring back a condition of stability?

The idea of the appreciation of the drachma is a dangerous chimera, at any rate for those States whose economy has already for many years fallen far below par, and the real value of which is now but a small fraction of its original value. The old drachma unit, equivalent to 0.290322 grammes of fine gold is, for the future, only a historical reminiscence. The force of circumstances, the inevitable intervention of the State, and the flexibility of economic life which adapts itself to the monetary conditions on every occasion, have abolished it, as other units of value before it have been abolished by the force of other conditions and are now mentioned only in history.

Consequently, we in our turn, following the example of other States before us, must aim at the restoration of our currency, not by a rise in value but by fixing the value of the monetary unit at the level which has emerged by itself, which facts themselves will dictate—the level which will protect all the legitimate interests of the community. This fixing of the value of the monetary unit, which is called stabilisation, in order that it may produce the good results which are expected from it, must first be guaranteed by law—that is to say, the law must fix the rate at which the drachma will be converted into currency of real international paying value—and, secondly, it must have behind it all the real guarantees for this rate—i.e., liquid cover, absolutely sufficient, bank credits both ready and of adequate amount—so that the aid of all these elements, law, cover, and credits, shall create a real easiness and shall give the impression of complete security and the conviction that at any moment the local currency can be converted into foreign exchange freely and without expense.

The Benefits of a Sound Currency.

The confidence which will certainly return with our monetary convalescence will not only bring back to the country the capital which has flown abroad, and will lead it to demand Greek drachma securities which are now in a weak condition, but it will, above all, remove all psychological impediments to that free movement of capital between the different markets which automatically creates an equilibrium. This capital will be attracted wherever there is more profitable temporary or permanent employment; it will fill the deficiencies in our balance-sheet, and will contribute most powerfully to the reduction of the rate of interest, which it will bring down to lower levels, not much above the rates prevailing elsewhere. The various businesses and undertakings which are now languishing for lack of cheap capital will easily find supplies of money, and will be strengthened, will be set in motion, and will progress with ease and will contribute with advantageous conditions to the whole national economy.

Then the public treasury will also automatically benefit by the increase in the yield of taxation, which will follow the prosperity of the sources from which it draws its revenue.

British Support.

It is, however, unthinkable that we shall succeed in reaching this goal—to which we look after many years of trial and of whose importance nobody is ignorant—if we are left to ourselves. No State, however wealthy and economically organised, can restore its faltering monetary condition by resting on its own resources. The question is only what extent and what form assistance from abroad shall take. For the problem goes beyond the limits of the State left to itself. In order that a successful solution shall be found, in addition to strong and prolonged endeavour on its own part, active assistance on the part of others—assistance which sometimes goes as far as solidarity—is required.

I believe that our country has obtained this assistance as far as was possible by the recent settlement of the War debt. In return for abandoning the balance of the credits of the 1918 agreement, we have the assurance of the British Government that in the effort which the

country will make to restore the national finances and to obtain a sound currency—and which will take the form of an adequate plan—it will enjoy the full support of that Government in finding the necessary means and in the successful realisation of the proper combination for that object.

COMPANY NOTES AND REPORTS.

ORIENTAL TELEPHONE AND ELECTRIC.

The report of the Oriental Telephone and Electric Company, Ltd., for the year ended December 31 last states that the net revenue of the company for the year was £68,282 5s. 11d., and after adding £14,218 brought forward from 1925, and deducting the interim dividends paid on November 1, there remains a balance for disposal of £58,735. The directors recommend that this sum be appropriated as follows:—In payment of the final dividend for the year of 3½ per cent. on the preference shares issued (less income tax), £6,608; in payment of a final dividend of 6 per cent. and a bonus of 2 per cent. for the year (free of income tax) on the ordinary shares issued, £34,315—£40,923; to carry forward, £17,812.

The Bombay Telephone Company, Ltd., shows an increase in lines at December 31, 1926, the number in service at that date being:—exchange lines, 8,278; extension lines, 2,909; private lines, 397. Whilst there has been improvement in the actual results of working during the year, it has not been possible to declare a dividend owing to the exceptionally heavy charges for depreciation, etc., which have had to be met. The Government sanction for the introduction of the message rate has not yet been obtained, but it is hoped that this will be received at an early date. Satisfactory improvement has been shown by the Bengal Telephone Company, Ltd., both in the number of lines and revenue. The total number of lines at June 30, 1925, was:—exchange lines, 8,066; extension lines, 2,878; private lines, 605. The dividend paid for the twelve months ended June 30, 1926, was 6 per cent. (free of Indian income tax) compared with 2 per cent. for the previous year. The Madras Telephone Company, Ltd., shows an increase in the number of subscribers, the lines in service at December 31, 1926, being:—exchange lines, 1,391; extension lines, 838; private lines, 57. A dividend of 7 per cent. has again been declared, free of Indian income tax. The Rangoon Telephone Company, Ltd., also records an increase in lines, the number in operation at December 31, 1926, being:—exchange lines, 1,920; extension lines, 1,008; private lines, 74. Owing to special charges for depreciation, this company has only been able to pay a dividend of 5 per cent., free of Indian income tax, for the last year as against 8 per cent. in the preceding year.

MORTGAGE COMPANY OF EGYPT.

The net profit of the Mortgage Company of Egypt for the year ended March 31 amounted to £129,112. A balance of £125,000 was brought forward, and £9,450 has been recovered in respect of taxation. The distribution for the year on the ordinary shares is again 15 per cent., while an addition of £21,062 is to be made to the special reserve. A balance of £155,000 is carried forward. A large area of land in Egypt was put under cotton in 1926, and the crop is estimated to exceed 7,500,000 kantars; production in other countries being also on a large scale, prices weakened from the beginning of the selling season. Landowners therefore found their anticipated revenue considerably diminished, and borrowers were not able in all cases to pay their instalments in full, with the consequence that there is an increase in the amount of arrears. Land sales effected during the year were unimportant. There was a more active demand for loans, and there is an increase in the amount outstanding of some £22,000, compared with a reduction of £171,000 during the previous year.

NATIONAL BANK OF EGYPT.

Position at March 31, 1927, published in conformity with Article 8 of the Statutes. Banking Department.—Liabilities: Share capital (300,000 fully-paid shares of £10 each), £2,925,000. Reserve Fund: Statutory reserve, £1,462,500; special reserve, £1,145,625; current, deposit and other accounts, £15,803,336; Egyptian Government, £19,692,386; Sudan Government, £317,124; Mixed Tribunals, £1,559,708; bankers' accounts, £319,184; cheques and bills payable, £302,150; sundry other accounts, £1,572,902—£45,099,915. Assets: Government securities and securities guaranteed by the Egyptian Government, £24,992,178; sundry securities, £356,869; advances on merchandise, £2,216,911; advances on securities, £3,235,552; advances otherwise secured, £1,370,551; sundry other advances, £1,119,249; bills of exchange, £3,210,273; local bills discounted, £604,405; buildings and furniture, £128,476; money at call and at short notice, £1,506,375; bankers' accounts, £3,081,854; sundry other accounts, £1,017,620. Cash: Notes, £1,537,268; gold, £306,625; silver, nickel, etc., £415,709—£2,259,602—£45,099,915. Issue Department.—Notes issued, £28,500,000. Gold, £3,339,576; *British Treasury Bills, £10,910,424—£14,250,000. Securities: Egyptian Government securities and securities guaranteed by Egyptian Government, £1,355,896; British Treasury Bills and National War Bonds, £12,894,104—£14,250,000—£28,500,000.

* By authority of the Egyptian Government these Treasury Bills are deposited in lieu of gold (see *Journal Officiel* of October 30, 1916).

A GOLD MINE.

The discovery of a gold mine at Vizeh, in Turkey, is reported in the Turkish Press, with all the romance suitable to such an incident. The lucky discoverer is a Bulgarian subject, grandson of a *komitaji*, who is said to have hit upon in his search for a safe retreat a cave in the Strandja Mountains which was covered with a carpet of gold coins. He retired from the *komitaji* trade and spent the rest of his life in his native village "rich and respected." Convinced that the cave contained natural gold, the old *komitaji* on his deathbed confided the story of his discovery to his family, but all the members remained sceptical on the subject, until this particular grandson determined to put the story to the test. It is to be hoped that his experience will be more fortunate than that of others who have learned the truth of the old definition that a mine is a hole in the ground owned by a liar.

SUMMER HOLIDAYS.

Messrs. Thos. Cook and Son's tour book entitled "Summer Holidays" at home and abroad grows in volume and scope each succeeding year. The 1927 edition contains close on 300 pages, packed with alluring suggestions and useful facts. Among new features are tours to Czechoslovakia and Poland and vacation tours to Egypt and Palestine. Undoubtedly the book is the most comprehensive vade-mecum of holiday arrangements ever published. A copy can be obtained at any of Messrs. Cook's offices.

The annual Trade Fair at Liubliana will be held on July 2.

The directors of the Imperial Tea Company, Ltd., recommend the payment of a final dividend of 12½ per cent., less tax, making 20 per cent., less tax, for the year ended December 31, 1926 (against 15 per cent. for 1925). Transfer books will be closed from June 2 to 15 inclusive.

An Exhibition of Aeroplanes and Aeronautical Appliances is to take place at Bucharest on June 23 under the auspices of the Aeronautical Propaganda Association. The Roumanian Minister of War has extended an invitation to British aeroplane manufacturers to participate. The exhibits will include models, blue prints, diagrams, sections of parts, etc.

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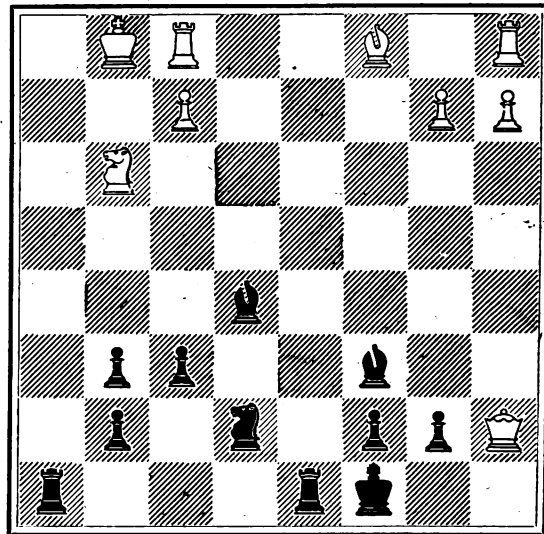
Boston (Mass): Smith and McCance, Ashburton Place.

BULGARIA'S RAILWAY DEVELOPMENT.

The problem in regard to Bulgaria's railways is not so much one of extending mileage, as in Turkey, (it is pointed out in a recent American Consular report), but rather of improving the mileage already in operation. For a small, mountainous country, Bulgaria already has a fair percentage of track. The chief ports—Varna, Bourgas, and Rustchuk—are connected by broad-gauge lines with Sofia, the capital, and there is a through line from the north-western to the south-eastern frontier. The main problem of the moment is to improve station facilities, relieve the pressure on existing lines, and clear up the congestion. The station at Sofia was built some 40 years ago when Bulgarian traffic was small; it has few, if any, sidetracks or switches. Now, however, the station has to serve a modern city of 200,000 inhabitants—the industrial centre of a developing country, the meeting point of several railway lines, and the biggest transit point between Nish and Constantinople. Freight cars passing through *en route* to Turkey and the Near East often are held up for days and even weeks by congestion. The same is true, in a lesser degree, of the stations at Philippopolis, Gornia Orechovitz, and Svilengrad. The Bulgarian Government would like to remedy this state of affairs by widening and rebuilding the stations, but that would entail more expense than the Government has funds available to meet. Consequently, it is desired to obtain this cash abroad. After port, timber, and shale oil, it is possible that one of the next concessions granted by the Government will be for the purpose of modernizing Bulgarian railway stations.

CHESS.

By "CARO-KANN."



I gave last week an example of an admirably conducted attack. Here is another game in which a winning combination for Black was available, but was not seen at the time. Black (M. Tchigorin) played P—Kt3 and drew, but R—R8 (ch) led to a mate in six. Actually it is not difficult to miss these chances at the end of a hard played game. I remember a game some years ago in the Metropolitan Chess Club Championship which lasted 110 moves or thereabouts. Towards the end of the second sitting a very complicated sacrificial win was overlooked, and like the game above the end was a draw.

Spies Petroleum Company announces that cabled advice has been received by Hamilton's Oil Concessions from Bucharest as follows:—"Week ending May 20 production No. 8 nil, owing cleaning. Well again making small bows. New well No. 9 cleared and drilling restarted; depth now 971 metres. New well No. 10, depth 500 metres. Romano Belgiano participation strong flow."

Cotton and Cotton Goods.

THE EGYPTIAN MARKET.

The Alexandria Commercial Company in their report for the week ended May 19, state:—

Since our last report the futures market has been very active and very firm, prices improving day by day. The week's summary of price movements is as follows:—Sakellaridis: May, 31.37 dollars, 2.27 dollars up; July, 31.52 dollars, 2.14 dollars up; November, 32.55 dollars, 2.10 dollars up; January, 32.20 dollars, 1.95 dollars up. Ashmouni: June, 22.95 dollars, 1.54 dollars up; August, 23.45 dollars, 1.69 dollars up; October, 24.05 dollars, 1.72 dollars up; December, 24.20 dollars, 1.77 dollars up; February, 24.30 dollars, 1.67 dollars up.

Sakel: We have had a series of very firm markets; all the ground lost last week has been recovered, and prices to-day marked the highest point attained since the advance started. As we have said in our recent reports, the movement is an almost entirely speculative one.

On several occasions recently, the news from America with reference to the damage to the crop caused by the Mississippi floods has been contradictory; without doubt, the damage caused is serious, but, for the moment, it is difficult to fix the extent of the damage. The New York market, whilst firm, is far from being out of hand, like this market; since the floods started, New York prices have advanced about 125 points, whilst here we mark a rise of about 475 points.

The demand from abroad has again been poor, and the turnover on the spot market at Minet el Bassal is relatively small. Cotton continues to come down from the interior, and the stock in Alexandria shows a slight increase on the week, an unusual thing for this time of the season.

The competition of Sudan Sakel with Egyptian Sakel in Liverpool has become rather more accentuated; the Sudan Plantations Syndicate is reported to have the cotton unhedged, and consequently is able to under-offer Egyptian Sakel every time.

Another factor which has contributed to the reduced takings of Egyptian Sakel is the poor quality of this season's cotton, and, in our opinion, it would be a wise move on the part of the Government to release at least a part of the half-million kantars which it holds; the greater part of this cotton is good-style stuff, and its release would tend to re-establish Sakel with spinners before the crop now in the ground is put on the market.

Uppers: This market also has been very firm, especially the October option. As with Sakel, most of the operations have been for speculative account. The demand from abroad has been only moderate.

The week's receipts amount to 182,374 kantars against exports 132,371 kantars; the stock in Alexandria stands at 2,967,738 kantars.

The official figures of arrivals and exports for the period September 1, 1926, to May 12, 1927, are as follows:—Arrivals: Lower Egypt, 4,735,000 kantars; Upper Egypt, 2,899,000 kantars; total, 7,634,000 kantars. Exports: Sakel, 2,539,934 kantars; Ashmouni, 3,097,011 kantars; various, 359,701 kantars; total, 6,032,646 kantars.

Spot: During the week under review we have once again had a series of very quiet markets, and a continued poor demand from spinners. Sales amount to about 10,300 bales, of which we estimate 4,300 bales Sakellaridis, 5,400 bales Ashmouni and Zagora, 400 bales Pilon, 100 bales white, and 100 bales other varieties. The spot situation is about as last week in respect of quantity and quality of offerings.

Sakellaridis: Has met with a poor inquiry, and a very moderate business has taken place, covering all styles,

however. Good lots of decent staple cotton continue hard to find. Spot differences are easier for the lower grades, unchanged for the medium styles, and somewhat dearer for the better grades.

Ashmouni and Zagora: Have been in very moderate demand, and all grades have been dealt in. Spot differences are generally unchanged.

Pilon: A moderate business has been done at about last week's spot differences.

White: A small business has been done. Spot differences are distinctly easier.

Various: Brown is neglected and no business is reported. Spot differences are quotably unchanged. A few lots of Nahda have changed hands, and a few bales of Fouadi have also been done.

Up-country: With the approach of the date fixed for the closing of the ginning factories, business has been brisk. A fresh communique published by the Ministry of Agriculture states that it is the intention of the Government to enforce strictly, as from the 22nd inst., the law relative to the storing of cotton in seed on all cotton still in the village stores or markets, or in factories which have closed down for the season. The tenor of this communique leaves one to suppose that the factories which are still working on the 21st inst. will be allowed to go on working until they have ginned all the cotton actually in the factory compounds.

Crop, 1927: Reports from all districts are satisfactory in every respect. Weather conditions have been favourable during the week: Water is sufficient, and the growth of the plant is quite up to the normal. Some cases of leaf worm are reported, but damage is insignificant. Complaints of shortage of water are rare, and only apply to fields at the tail-end of canals.

THE LIVERPOOL COTTON MARKET.

Messrs. Reynolds and Gibson report as follows for the week ended May 25:—

Egyptian Futures.—Sakel Contract.—The improved undertone to which we drew attention last week has since continued in evidence, and with increasing trade support and speculative buying, backed up by good Alexandria reports, prices have shown a further substantial advance. Periodical bouts of profit-taking generally attributable to American sources have been in evidence and these at times have caused prices to react sharply, but, so far, the contracts so released have been well absorbed and, whilst not closing at the best of the week, the gains registered are 79 to 87 points for near and 63 to 72 points for distant positions since our last report. The principal feature of the week, in our opinion, has been furnished by the local trade; Manchester reports in the fine section have been more encouraging than for some time past and these have been backed up by considerable activity in the raw material. Egyptian Sakels, however, have not participated in the improvement as much as the Sudan variety, in which a large business has been transacted. Whilst it must be conceded that much of the appreciation that has taken place since the early days of April is due to speculative activities based on the assumption of a shortage of staple cotton in the

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next American crop, and also to a reduced acreage in Egypt, it would appear that we are now beginning to encounter the consolidating evidence of increasing trade at the level now obtaining. We are rather optimistic that the latter will continue, provided that prices remain steady or develop a gradual hardening tendency. Throughout the week the Alexandria market, apart from periodical bouts of liquidation, has shown a firm undertone, and provided ruling conditions in our market and in the United States show no radical change, we cannot anticipate any weakness from this quarter, as apart from supplies of tenderable cotton in the existing stock being rather limited, the opinion is gaining ground that the restriction of acreage decreed by the Government has been more effective than generally anticipated. Some of the more conservative houses are now beginning to believe in a 20 per cent. decrease.

Uppers.—Trade in this option continues on broader lines, and with the encouragement of hardening American values and a satisfactory amount of trade support prices on the week have advanced 48 to 60 points for near and 36 to 46 points for distant positions. We still consider that there is room for further appreciation.

Egyptian Spot.—The week has been characterised by an all-round broadening of the daily inquiry, but, unfortunately, except for a sudden demand which has sprung up

during the past few days for low and "inferior" cotton, very little improvement in the sales of Egyptian cotton has taken place. Nevertheless, the continued strength of the various markets is having its effect and signs are not wanting that the trade, after holding out very persistently for a long time, is now becoming seriously perturbed, and we should not be surprised to see an improved business doing in Egyptian cotton before long, provided that the current level holds.

Of course, sellers' ideas of the value of Sakellaridis cotton will have to be considerably modified if business is to be attracted, otherwise buyers will continue to bestow their custom on the products of the Sudan. During the past seven days a very large business has been done in Sudan Sakel at prices ranging from 16.75d. to 19d. A fair inquiry has continued for the White (or American seed) variety. Rather more interest has been shown in Egyptian cotton for shipment.

Forwardings to spinners for the week ending the 20th inst. were returned as 3,797 Egyptians and 1,860 bales Sudan. Estimated sales, 1,700 Egyptian and 15,000 bales Sudan. Quotations of Sakel have been reduced 10 points for Extra Fine, and Fair is unchanged on the week; other grades have been advanced 40 to 70 points. Quotations of Upper and Brown have been advanced 50 points. F.G.F. Sakel to-day, 16.70d. F.G.F. Upper to-day, 13d.

Stock and Share Markets.

LONDON EXCHANGE		Prices on May 30	Railways.		Prices on May 30	Coal.		Prices on May 11
Government Stocks.								Rs.
Egyptian 4 p.c. Unified Debt	...	83	Assam-Bengal	...	84	Baraboni	...	21
Do. Pref. 3½ p.c. 1890	...	72½	Bengal Nagpur	...	95½	Bengal	...	46½
Do. Turk 4 p.c. 1891	...	87½	Egypt Delta Light Rly.	...	49/16	Burrakur	...	16½
Do. 3½ p.c. Eg. Trib. Bonds. '94	...	79½	Southern Punjab	...	193½	East Indian	...	22½
Greek 5 p.c. 1881	...	56½				Equitable	...	19½
Do. 5 p.c. 1884	...	56½	Rubber.			Pench Valley	...	24½
Do. 4 p.c. Rentes, 1889	...	46	Ceylon Para Rubber Ord.	...	13/3	Raneegunge	...	33½
Do. 5 p.c. 1890	...	56	Doolgalla (Ceylon) Rub. Est.	...	20/-	Standard	...	50
Do. 5 p.c. Funding Loan, 1893	...	54	Grand Cent. (Ceylon) Rubber...	...	43 9	Cotton.		
Do. 4 p.c. Rails, Loan, 1902	...	54	Hewagam Rubber Co.	...	26/9	Bengal Nagpur	...	25½
Do. 4 p.c. Loan, 1910	...	53½	Kepitigalla Rubber Estates	...	3½	Bombay Dyeing, etc.	...	950
Do. 5 p.c. Loan, 1914 (Lon. issue)	...	67½	Malayalam Rub. and Produce	...	41/-	Bowreah	...	360
Do. 7 p.c. 1924	...	97½				Buckingham and Carnatic	...	215
Persia 5 p.c. 1911	...	81½	Shipping.			Cawnpore Textiles	...	4½
Roumania 4 p.c. Ext.	...	72½	Anchor 5½ p.c. Prf.	...	7½	Century	...	450
Do. 4 p.c. Consolidation	...	46½	Cunard	...	27/-	Central India	...	54½
Sudan 5½ p.c. Guar. Bds.	...	107½	Furness Withy	...	38/-	Elgin	...	92
India 3½ p.c.	...	70½	Khedivial Mail Ord.	...	1	Khatau Makanji	...	117
Do. 3 p.c.	...	59½	P. and O. Deferred	...	295	Muir	...	292
Do. 2½ p.c.	...	50½				New Ring	...	288
Do. 5½ p.c.	...	103	Tea.			Phoenix	...	46
Do. 4½ p.c.	...	90 11/16	Assam Co.	...	43/6	Svadeshi	...	553
Turkish 4 p.c. Unified	...	25½	Bengal United Tea Ord	...	33/16			
			Bramapootra	...	37	Jute.		
Banks.			British Indian Tea Ord.	...	34	Alliance	...	656
Agri. Bank of Egypt...	...	7½	Cachar and Dooars Tea Ord.	...	41	Barnagore	...	251½
Bank of British West Africa	...	43/16	Ceylon Tea Plantations Ord.	...	65/16xd	Budge Budge	...	580
Bank of Roumania	...	85/-	Consolidated Estates	...	41/16xd	Clive	...	42½
Barclays Dom. Col. Pf.	...	27/6	Darjeeling Co.	...	25/16xd	Dalhousie	...	533
Lloyds	...	62/6	Dimbula Valley (Ceylon) Ord.	...	39/16	Delta	...	656½
P. and O. Banking	...	9½	Dooars Tea Ord.	...	44	Fort Gloster	...	1,060
Eastern	...	6½	Doolooogram Tea	...	13	Gourepore	...	800
Chartered Bank of India	...	19½	Doom Dooma	...	4 3/32	Howrah	...	47½
Ottoman Bank	...	11½	East Assam	...	3 25/32	Kamarhaty	...	708
Imperial Bank of Persia	...	9½	Empire of Ind.	...	211/16	Kanknarray	...	553
Land Bank of Egypt Ord.	...	13½	Halem Tea	...	29/16	Khardah	...	53½
Westminster	...	19	Jhansie Tea Association	...	417/32	Kinnison	...	1,145
National Bank of Egypt	...	34½	Jokai (Assam) Tea Ord.	...	410/32	National	...	34
National Bank of India	...	49½	Lanka Plantations Ord.	...	24	Standard	...	531
			Lungia (Sylhet) Tea Ord.	...	15/16	Union	...	767
Land.			Nuwara Eliya Tea Estates Ord.	...	5½	Miscellaneous		
Kassala Cotton	...	7/6	Pabbojan	...	6 15/16	British India Corporation	...	3½
Sudan Plantations	...	4½	Scottish Assam	...	2	Bengal Paper Mills	...	37½
			Upper Assam	...	24	Bengal Timber Trading	...	160
Mines.			Insurance.			Burn and Co.	...	252½
Balaghat Gold Mining	...	4/6	General Accident Fire and Life (£25, £11 paid)	...	7½	Cawnpore Sugar	...	28½
Burma Corp.	...	14/9	London & Lancs (£25, £11 paid)	...	22½	Champaran Sugar	...	12½
Champion Reef Gold	...	12/6	Royal Exchange (£1)...	...	7	Howrah Oil Mills	...	16½
Mysore	...	15/6	Sun Fire £10 (£2 paid)	...	25½			
Nundydroog	...	12/3	Trade Indemnity (£10)	...	13	ALEXANDRIA		
Ooregum Gold Mining Ord.	...	15/3				Prices on May 20, supplied by G. L. Mortera, Alexandria & Cairo.		
OIL.			Miscellaneous.			Agricultural Bank of Egypt	...	£74
Anglo-Egyptian B	...	13/16	Alexandria Water Co.	...	14½	" " " Foad.	...	£630
Anglo-Persian Ord.	...	4½	Associated Cotton Ginners	...	17/-	Alexandria Water Co.	...	2 14 29 32
Do. 8 p.c. Cum. 1st Pt.	...	27/-	Egyptian Hotels	...	7½	Assoc. Cotton Ginners	...	11
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Burmah Oil Co. Ord.	...	515/16				Comptoir Fin. & Com. d'Egypte	...	£ 6/16
Do. 8% Cum. Pref.	...	26 7/8	INDIAN EXCHANGES.			Credit Foncier Egyptien	...	Frs. 1,016½
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MANELA	8,303 ..	June 11 ..	June 18 ..	Madras and Calcutta
DOMALA	8,441 ..	June 25 ..	July 2 ..	Bombay and Karachi
MARGHA	8,258 ..	June 25 ..	July 2 ..	Madras and Calcutta
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City of Baroda	7,129	July 2	Colombo & Calcutta
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City of Benares	6,984	Aug. 3	Colombo & Calcutta

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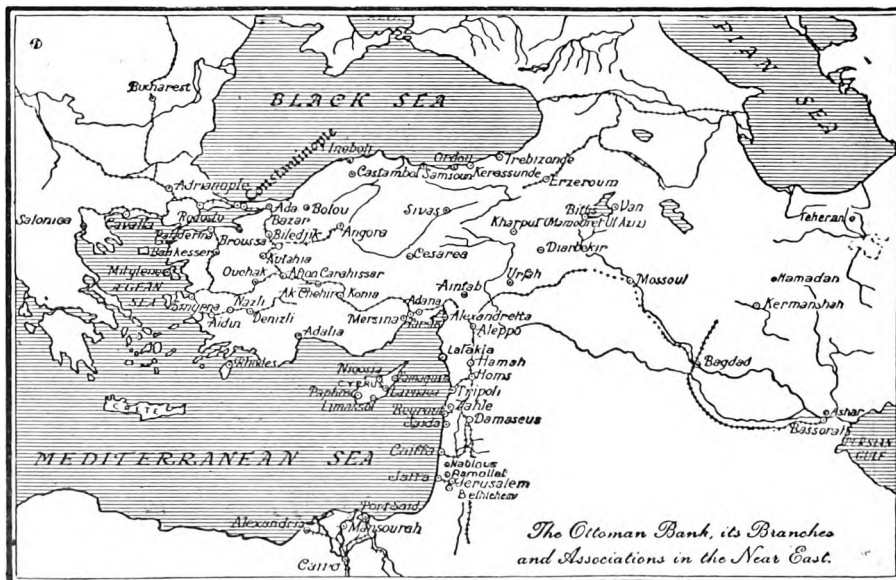
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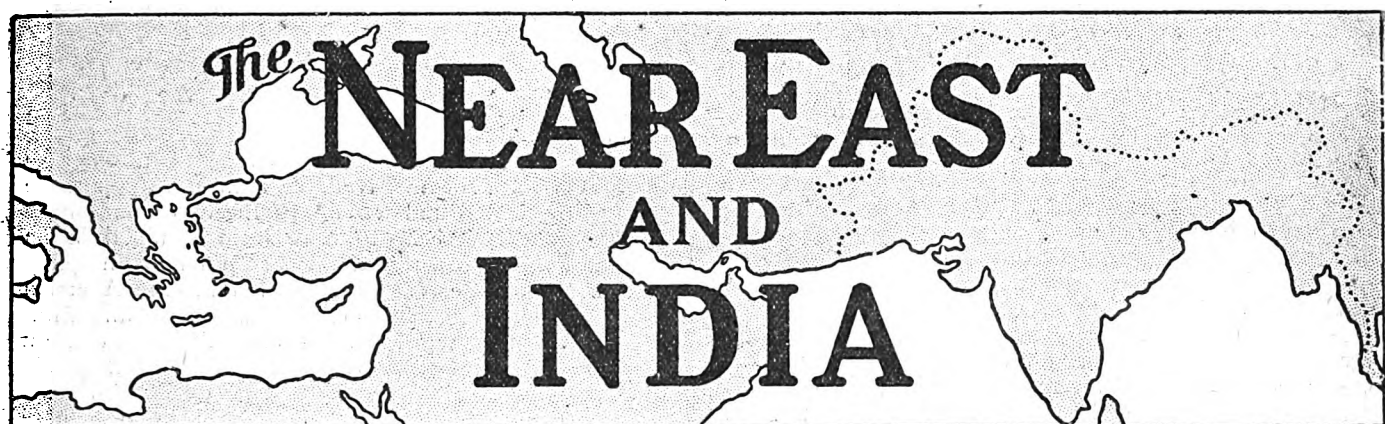
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THURSDAY, JUNE 9, 1927.

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Notes of the Week.

The Egyptian Contretemps.

No one can contend that the British Government has not justification for the steps that it has suddenly taken in connexion with the situation in Egypt; whether those steps were altogether expedient is another matter. We are still within three years of terrible outrages in the streets of Cairo; six years ago there were riots in Alexandria. A Government that receives reports of fresh efforts to foment political excitement among Egyptians can hardly be blamed for being unwilling to run further risks and for wishing to forestall any possible excesses. To-day, however, there is a crucial difference in the Egyptian situation. The Egyptian Government is a friendly one. At its head is an able man of affairs, not only well disposed towards Great Britain, but striving to bring about the improvement in Anglo-Egyptian relations that the sane people on both sides desire. It is true that the position is complicated by the fact that the Ministry of Sarwat Pasha not only includes members of the Wafd—the party that has shown determined hostility to Great Britain—but is also dependent on that party for its majority in the Legislative Assembly. Egypt is very young and inexperienced as an independent country; it has more than its fair share of unballasted individuals, politically half-educated, and is further handicapped by the absence of men of strong character who will stand up for what they know to be right and can hold the agitators in check. This state of affairs is not to be rapidly altered. Political education can be acquired only by slow degrees. Under Sarwat Pasha, to an even greater extent than under his predecessor, Adly Pasha, the irresponsible extremist, who was for a time encouraged to believe that he was the Government of Egypt, is beginning to learn his limitations. It was most desirable that this process of political schooling should not be interrupted, and for this reason the British Government might well hesitate to take any step which tended to weaken the position of Sarwat Pasha. There can be little doubt that the presentation of the British Note to the Egyptian Government and the dispatch, at the same time, of

British battleships to Alexandria will add to the difficulties of Sarwat Pasha's position, but it should not make it actually untenable.

The Question of Expediency.

Within the question of expediency comes the consideration of the reasons that led up to the steps taken. These have been stated by Sir Austen Chamberlain in the following words:—"For some time past the Egyptian Army has attracted the attention of a section of Egyptian politicians. The aims of this section are, first, to increase the existing numbers of the Army, and strengthen its armament, and ultimately to convert it into a weapon at the disposal of one political party, the Wafd." To this end recommendations had been made by the War Committee of the Egyptian Parliament for the cancellation of the budgetary credit for the Sirdarate, which would have the effect of transferring the functions of the Sirdar, hitherto a British officer, in the main to the Ministry of War. "The party in power would, as a result, be enabled to exercise for their own purposes unchecked political influence over the Army." It is a natural assumption that the War Committee was deliberately working to this end and hoped at the same time to drive a wedge into the Reserved Points, which constitute the unimportant but inevitable limitation on Egypt's independence. On the other hand, when we have to bear in mind the wisdom of not weakening Sarwat Pasha's position, it may be asked whether even the potential interference with the Egyptian Army—a relatively unimportant force of some seventeen thousand men—made it expedient at this particular moment to run the risk of losing at the head of affairs the only man, as far as can be seen, that stands between Egypt and chaos. Of the exasperating nature of the extremists, who owing to the noise that they make in Parliament claim to rule the roost in Egypt to-day, there can be no question; they are wholly responsible for the troubles that have been brought upon Egypt and for the strain in Anglo-Egyptian relations. Their kind, however, is to be met with in every country, and, in view of the

fact that friendly relations with Egypt may be said to be essential to Great Britain, prudence might have suggested the desirability of "waiting for the tortoise to put out its head," rather of taking action on account of the noise that it was making.

The Passing of the Crisis.

If the Egyptians are capable of a dispassionate analysis of the situation, there is no reason to despair of a satisfactory issue. The earliest proceedings in the Assembly since the presentation of the British Note were entirely correct and there is no need to submit the War Committee's recommendations to Parliament, which has already sat too long into Egypt's hot weather for the good of the deputies' tempers. King Fuad was on the point of leaving Egypt, accompanied by his Prime Minister, for a visit to Paris and London. There can be no doubt that the presence of the King and Sarwat Pasha in England would help towards a smooth solution of outstanding problems. The British Note was intended as a warning to the extremists that the question of the Reserved Points can be settled only by friendly discussion and that Great Britain's position is not to be breached by direct assault or by mining. It expressed the willingness of the British Government to open negotiations and urged the necessity for an agreed settlement. That it should cause the leopard to change his spots is not to be expected; but it is to be hoped that it will not have the effect of compelling Sarwat Pasha, as the representative of the political sanity which Egypt is gradually acquiring in increased measure, to withdraw from his office, out of disgust for the apparent hopelessness of the task of inculcating political wisdom and common sense among the more vocal of the present members of the Egyptian Parliament. At the moment of writing the reply of the Egyptian Government to the British Note would not seem to have produced a solution of the matter; but the manifest good will of both Governments is a hopeful feature of the situation.

Yugoslavia and Albania.

An incident that might conceivably have serious consequences has occurred in Albania, where the authorities have arrested an Albanian subject employed as a dragoman at the Yugoslav Legation in Durazzo. A demand for his immediate release was at once made by Yugoslavia, but has not been complied with by the Albanian Government, on the ground that compromising documents have been found on the man. The Yugoslav Government instantly recalled its Minister from Durazzo,

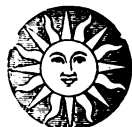
and relations between the two countries are thus officially ruptured. Both parties will now have time to consider the matter at more leisure, and it is to be hoped that common ground for agreement will shortly be found, before the League of Nations is called upon to take action. On the evidence available it is quite impossible to gauge the rights and wrongs of the case; but undue precipitancy would seem to have been indulged in on both sides. If the arrested dragoman has been guilty of unlawful activities, it is natural that the Albanian authorities should wish to seize him unawares and without notifying the Yugoslav Legation. The first concern of the Yugoslav Government, it would be thought, would be to dissociate itself from the dragoman's illegal practices, if committed; and only if it had reason to suppose that he had been unjustly arrested would it press for his release. The haste with which the stage of a rupture has been reached would seem to reflect the strained situation left by the Tirana Treaty and the recent Italian Note to the Great Powers. Nothing could be more unfortunate for Yugoslavia on the threshold of negotiations with Italy than that she should seem to play into the latter's hands. It must be taken for granted that the Tirana Treaty would not allow Italy to stand on one side, if Yugoslavia attempted to correct Albania for a diplomatic solecism. It is, however, the essence of Yugoslavia's grievance against Italy that the latter is pushing things to a head in the Balkans at the present time, because the Italian Government realises that the Yugoslavs will be much stronger from a military point of view in three years' time than they are now. It would, therefore, be entirely bad tactics on Yugoslavia's part to pick a quarrel with Italy at a favourable time for the latter, or to advance, in connection with Albania, along a road from which retreat would not be easy. If the need should arise, British influence might well be brought to bear to heal the breach between Yugoslavia and Albania to the advantage of both parties.

A New Roumanian Government.

For the sudden resignation of a Government with a substantial two-thirds majority in both Chambers a reason outside parliamentary exigencies must be sought. There is, however, no need to press for any other explanation in regard to the resignation of General Averescu's Cabinet than that by common consent a Coalition Government was held to be necessary in the wider interests of the country. The fact that General Averescu was invited to form one, but failed, would seem to dispose of the suggestion that he was suspected of planning a dictatorship in certain events. His supersession by Prince Barbu Stirbey is significant. Prince Stirbey has hitherto been more conspicuous as a close friend of the Royal Family than as a politician. Even apart from the complexion of his Cabinet, his relationship to M. Ion Bratianu, who married his sister, would indicate that the Liberal Party, in spite of being represented in the Chamber by only fifteen seats out of 387, had lost none of its hold on the country or its political life. Prince Stirbey has secured the co-operation of representatives of all the chief parties, with the exception of the People's Party of General Averescu, although an attempt is still to be made to overcome its formal refusal to be represented in the new Ministry. For the most part Prince Stirbey's colleagues will be "second strings" rather than the leaders of the respective parties. Among them, however, is Dr. Lupu, the leader of the Peasant Party who seceded from the Transylvanian fusion which brought the National Peasant Party into being; there are four members of the National Liberal Party, including M. Lapedatu, Minister of Religion in the last Bratianu Cabinet, M. Inculetz, and M. Stelian Popescu, both former Ministers, the latter being proprietor and Editor of a leading Roumanian newspaper; other members of the Cabinet are Dr. Argetoianu, who seceded from General Averescu's Party, and General Angelescu, who is presumably Marshal of the Court. In the light of recent events a strong case can be made out for a Government representative of all parties, which will preclude the re-opening of the question of the suc-

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cession to the Throne. The new Ministry will proceed at once to hold elections, and it may be expected that the Liberals will not be content with their present exiguous following in Parliament.

Agitated Days in Greece.

M. Venizelos's last incursion into Greek politics will not have added to his reputation. Unwilling to trust himself to the mainland, he is paying a long visit to his own island, Crete, and from there, in spite of his self-denying undertaking not to interfere again in Greek politics, he has called upon his countrymen to force a plébiscite on the electorate to decide anew the question of the form of government for Greece. The reasons against this step, which were elaborated in these columns last week, are so obvious that only one who has never understood the domestic politics of his own country or is incorrigibly a revolutionary at heart would have made the suggestion. It may be that M. Venizelos's return to Greece has brought home to him the tragic consequences for his country of the policy associated with his name, and that he desired to have the consolation which a further vote in favour of the Republic might afford him. His counsel has been repudiated with wonderful unanimity by all parties. For a moment it promised to lead to the very military interference that M. Venizelos professes himself anxious to eliminate. The situation has been far from clear. At one time it was thought possible that the Army would prevent the reinstatement of officers agreed upon by the Cabinet, and in so doing would bring the Coalition to an end; but the Government found support in another section of the Army, and the Republican *coup* was frustrated. Whether this is a case of "out of the frying-pan into the fire" remains to be seen. The immediate result, however, is that the officers have been reinstated in the Army, the Constitution has been published, and the position of the Cabinet is considered satisfactory enough to allow M. Michalakopoulos and M. Kaphandaris to leave Athens for Geneva.

A Temporary Crisis in Iraq.

To anyone aware of the convictions which Jaafar Pasha, Prime Minister of Iraq, in common with several of the Arab statesmen and soldiers, possesses concerning the reorganisation of the Iraq Army upon a compulsory basis, it is not surprising that a clash of opinion on this subject between the various authorities in Iraq should have caused him to offer his resignation to King Faisal. It seems fairly evident that the schemes proposed by Major-General Daly have been enthusiastically supported by many of the better-known Arabs in Iraq; the departure of this British soldier has, indeed, been genuinely regretted. Nor is it yet proved that Jaafar Pasha's scheme for imposing a limited form of conscription on Iraq will yet prove impracticable, for, contrary to some reports that have found credence, the Conscription Bill has not yet been put before the Baghdad Majlis. The whole problem is still in the preliminary stages. However, King Faisal has not accepted the resignation of the man whom he sent for from London as being the one Arab who might resolve the differences of Iraqi politicians, and it is stated that the whole matter has been postponed until the next Parliamentary session. The downfall of Jaafar Pasha's Cabinet at this particular moment would have been doubly unfortunate, for already in some quarters there was being exhibited a misleading tendency to link up the crisis in Iraq with that which has arisen in Egypt on the question of the native Army there and of the degree of British responsibility for it. In any case, conscription for Iraq is not a question on which it is desirable that any lay commentator should set down a definite opinion, for it is obvious that in such a country as Iraq, with its ambitious townsmen and conservative tribesmen, the problem is far different from that obtaining in more developed and closely-knit countries. The urgency of Iraq's problem of cheap defence, and the difficulty of its solution, make delicate indeed the task of those Arabs who, agreeing with or disagreeing with

such advice as is offered them in various British quarters, are attempting to lead their country to complete independence.

The Position in Syria.

The prolonged sojourn in Paris of M. Henri Ponsot, High Commissioner for Syria, would appear to bear the implication that the position in Syria has passed the danger stage. Unfortunately, another implication is also possible: that the French Government has not yet made up its mind upon the policy to be adopted in Syria. The account of his charge which M. Ponsot gave in Paris on June 2 to the Foreign Affairs Committee of the Senate was optimistic indeed; we should, however, prefer this optimism to be made a basis of action. Examination is useful, but animation is better. According to M. Ponsot, the military situation in Syria can be regarded as stabilised; and the effectives of the French forces are being reduced. Financially, he said, the position is sound, the State Budgets are balanced, and "the regular development of resources, which strengthen the credit of the country, will facilitate the beginning without delay of an economic process which will increase the prosperity of the State under the French Mandate." We hope, indeed, that this last dictum is correct: but what a comment upon the activities of M. Ponsot's predecessors in Syria! The beginning of an economic process! And this after seven long, pregnant years! Perhaps, after reading this, we were less moved than we might otherwise have been by the High Commissioner's special reference to the scheme of railway extension which would ensure the junction of the European railway system with that of Egypt. The project for linking Beyrouth and Haifa by railway is, of course, no new thing; it was, indeed, one of General Weygand's most favoured notions. It is an excellent project; but Syria must first be saved from within. In time, one must confess to a certain disappointment with the present handling by the French Government of the Syrian problem; and if, as has been reported, M. Ponsot is taking back no new plans, no definite Constitution, no political innovations, it may be that further disappointments are in store. We shall be freer to comment, however, when M. Ponsot has actually gone back to the charge which so anxiously awaits his return.

Change in Persia.

Change in Persia is a curious thing, belonging either to the category of the unceasing and unimportant, or to that of the very gradual and significant. Instances of either sort of change have recently been provided by the purveyors of news from Teheran. First, is the new Cabinet formed under the ex-Lord Chief Justice, Mehdi-gholi Khan Hadayat, who has surrounded himself with a strong element of the Cabinet which, under Mustafî-al-Mamalîk, resigned on May 28. And secondly, and perhaps of more lasting interest than the formation of a new Cabinet—which, however, should be noted as containing high representation of the new political ideas in Persia—is the announcement of a "Fight for Liberty" campaign on the part of the women of Persia. It is said—and one supposes that these things are always said at first of but a minority—that Persia women are attacking the veil, and show open and impudent resolve to wear the European hat. But the natural resources of Persia are not thus to be thrown open to all and sundry without some struggle, and the police order which has been issued in Teheran prohibiting veiled women from conversing with males in the streets or bazaars (it is also alleged that the police have been ordered to whip any Persian woman who shows herself unveiled in the streets and in the company of men) is an indication that the superficial imitation of the West is not to be so easily achieved in Persia as, say, it is being achieved in Turkey. Of itself this "feminist" movement in Persia is perhaps insignificant, but taken by and large it may be held to herald some sort of new

(Continued on page 690.)

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MISUNDERSTANDING IN EGYPT.

Great Britain is being called upon to pay a heavy price for the mistake made five years ago, when the Government of the day hurriedly proclaimed the independence of Egypt, subject to certain "Reserved Points." In 1920 the same Government had rejected the solution proposed by Lord Milner, that a reciprocal treaty should be concluded between the two countries; yet, when the problem became acute in 1922, it conceded the independence recommended in the Milner proposals, but with the important difference that it did not wait for Egypt to bind herself by the obligations that were to be a *quid pro quo* of the grant of independence. The event has proved that, instead of being a solution of the Egyptian problem, the Declaration of Independence has served every now and then to aggravate the relations between the two countries. A section of the Egyptian people which has sought to dictate the country's policy to successive Governments has set itself to resist the British claim to any restrictions on Egypt's independence. Far from admitting that the Reserved Points are a subject for discussion and mutual adjustment, it has left no stone unturned to render the reservations null and void. It is lost sight of in Egypt that the Reserved Points do not represent peculiar villainy on Great Britain's part, from a desire to give independence with one hand and to take it away with the other. The conditions laid down in the British Declaration are inherent in the whole situation. Egypt could not defend herself against the world in case of need without the assistance of a Great Power, and Great Britain's record in Egypt is such that she is not called upon to yield that rôle to any other Power. In this circumstance lies the measure of restriction that there must inevitably be on Egyptian independence. As in so many other cases, such restriction may be made to loom large by constant emphasis or can be reduced to vanishing point by frank and friendly acceptance. Unwisely, as it seems in British eyes, the Egyptians have elected to keep in the forefront the Reserved Points, until the issue is in danger of becoming: No Reserved Points, no Independence.

The position is complicated by the failure of the Egyptians to understand the essentials of constitutionalism. The parliamentary system as practised in the country threatens to become a parody of constitutional government, when Ministry after Ministry strives to promote good relations between Egypt and Great Britain, but is thwarted by a group in the Legislature. The trouble, we believe, is due not so much to viciousness as to ignorance. Fired with a patriotic zeal for their country, the extremists have made up their minds that it is their duty to resist all encroachments upon their independence,

as they understand the term. They are too ignorant, too unsophisticated to appreciate Egypt's position in the world, and as in the case of all ignorant people they are inaccessible to argument and reason. In any other country they might rage never so furiously, but Government and the Chamber would proceed quietly on their own way and the country would not suffer overmuch. In Egypt, owing to the peculiar circumstances in which the country finds itself, these extremists can dragoon both the Chamber and the Ministry. They have driven Adly Pasha from office, and they have forced his successor into a wholly false position by thrusting the military question into the foreground. Great Britain, unfortunately, cannot deal directly with these extremists; she has to lodge her complaints with, and to press her claims on, her friends who form the Government, which as a body desires nothing better than to live at peace and amity with the British. It is impossible not to feel sympathy with Sarwat Pasha and his colleagues in their predicament. They must realize, as other Governments in the East are learning, that Western constitutionalism is a plant that is not easily acclimatised in an Eastern country; but they are bound by the fetish that constitutionalism is essential to progress. What they have now to bring home to the extremists of the Wafd is that, unless an Egyptian Government is allowed to administer Egypt according to its own lights, free from the encroachment of the Legislature on the Executive, constitutionalism in Egypt is doomed. It has contrived in five short years to reduce Anglo-Egyptian relations to an exchange of insults in the Chamber on the one hand and the presentation of Notes on the other. It is impossible that this state of affairs should be tolerated indefinitely, and there must be many Egyptians who would secretly welcome the cancellation of the Declaration of 1922 as an escape from the farce which the Wafd extremists have made of constitutionalism.

In view of all that has happened during the last five years the immediate cause of the latest crisis in Egypt may be held to be of little moment. The main point at issue remains one and the same, that Great Britain, in virtue of her responsibility for the defence of Egypt, has to retain a privileged position in the country, while anxious to make Egyptian independence as real and as practical as possible. It is admittedly a complicated problem: one that calls for detailed discussion with frankness and good will on both sides. Yet so long as the Egyptian Parliament remains what it is, no Government in Cairo seems able to initiate such discussions. With regard to the military matters now under dispute, it is conceivable that Egyptians should hold different opinions regarding their Army and its purpose from those of the British Government and its advisers, who cannot lose sight of the fact that the ultimate safety of the country must rest on British shoulders. If the subject had been broached in the right spirit, rather than seemingly as a device for driving a wedge into the Reserved Points, it should not have proved difficult to find a solution. To prevent further mischief from being done to the relations between the two countries a British Note has had to be presented to the Egyptian Government, and the exceptional position of Great Britain in Egypt has been emphasised before all the world. With more reciprocity on Egypt's part, the Reserved Points by now would have passed into oblivion, and the nations would have been led to suppose that, whatever reservations there might be on paper in regard to Egyptian independence, they were non-existent in practice, and that Egypt had made a wonderful bargain by securing independence with effective protection from all aggression, whether military or political, from without.

The Near and Middle East*

From Our Own Correspondents.



Cairo, May 28.

Empire Day.

Empire Day was fittingly celebrated in the four principal towns of Egypt. Thanks to the initiative of Lord Lloyd the British communities in all those centres now participate in the celebration. Until last year celebrations had been confined to Alexandria. In each instance the day was made into a children's day, sports being held—in Cairo at Gezira and in Alexandria at the Sporting Club—with a march past the flag followed by an address on the significance of the day—delivered in Cairo and Alexandria by the High Commissioner, who prefaced his speech by a message from the Council of the Royal Colonial Institute. All the celebrations were a conspicuous success and the various committees are deserving of every congratulation at the result which their efforts have achieved. Lord Lloyd took the opportunity of his visit to Alexandria to stay a couple of days, during which he received and discussed questions of the moment with leading residents and attended the great Garden Fête in aid of the Y.M.C.A., which was given the following evening in Mr. Ralph Carver's garden at Bulkeley.

New Telephone Exchange.

King Fuad this week inaugurated the new telephone exchange, which has just been completed in Cairo. Egypt has undergone such development that while ten years ago there were but 20 exchanges and 30 trunk lines, to-day the service needs no less than 90 exchanges and 180 trunk lines, while the number of subscribers has doubled and the revenue risen from £E193,000 to £E600,000. An idea of the increase in work entailed can be gauged from the fact that the total length of line is now 15,000 kilometres compared with 1,300 kilometres ten years ago, while last year there were nearly 2,500,000 trunk calls as against 1,500,000 in 1919. The question of rapidity of telephone communication is a vexed one, and efforts are being made to introduce the automatic system so as to minimise the delays. One exchange is already so organised, and it is hoped within the next year or two to make the automatic system general in Alexandria as well as in Cairo. The difficulties at present to be con-

tended with by the authorities are exceedingly great, particularly when one bears in mind the number of languages current in which the telephone girls have to proficient. While now and again one does get exasperated at the vagaries of the system, yet, taking everything into consideration, we might fare much worse. Indeed, I am told by people qualified to judge that Egypt is much better off than many other parts of the world.

Parliamentary Scenes.

Parliament started the week well, but ended very badly. The work opened on Monday with a unanimous and highly proper decision that the salaries of its members should be reduced from £E600 to £E480. It closed on Thursday with a most unusual debate on the question of the High Commissioner's recent visit to Minia in response to an invitation proffered to him by the notables. This debate was but a continuation of what had happened the previous weeks on the occasion of similar interpellations in connexion, for example, with the non-presentation of Letters of Credence by the High Commissioner and his Note regarding the sentences on servants convicted of assaults on their European mistresses. Like these questions this one was raised as a sign of defiance of the British Government and as before the deputies took the opportunity of giving expression to sentiments which were extremely hostile to Great Britain. The Chamber signified throughout its complete approval of what was being said, and the venerable President Saad Zaghloul Pasha, who appears to be none the worse for his recent illness, never intervened to ask the orators to moderate their tone and language, thus giving the direct lie to those who aver that he strongly disapproves of these attacks and that he still retains complete control over the rank and file of his party. Apart from the complete lack of taste of Thursday's debate nothing could have been more untimely.

ROUMANIA.

Bucharest, May 21.

Roumanian Independence.

On May 10 a great celebration took place in Bucharest of the fiftieth anniversary of Roumania's independence. On May 10, 1877, the United Principalities of Wallachia and Moldavia proclaimed their independence from Turkish suzerainty and elected as their ruler Prince Carol of Hohenzollern-Sigmaringen, who in 1881 became King of Roumania, his Royal crown being forged from parts of the cannon taken from the enemy. All good Roumanians have retained in affectionate remembrance this wise, if austere and autocratic ruler and his amiable and talented Queen, Princess Elizabeth of Wied, whose lyrical writings made her known far beyond the frontiers of her own country under the *nom de plume* of Carmen Sylva. Every

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year since 1877 a solemn mass has been celebrated in the Bucharest Cathedral with the attendance of the Royal Family, High Officials, and the Diplomatic Corps in ceremonial dress. A general holiday is observed as a rule, and the King reviews the troops and drives in state through the city, followed by a long procession of troops, priests, and school children bedecked with flowers, suggesting the May Day celebrations in England.

This year, owing to the delicate health of His Majesty, King Ferdinand, only the religious ceremony was held. His Majesty is still weak (though he goes to his study and receives his Ministers daily) and a consultation is to be held shortly between his Roumanian physicians and medical experts called from abroad.

Foreign Relations.

The public and Press during the last week have been preoccupied with the meeting of the Little Entente at Joachimov (Joachimstal), and great satisfaction is felt that the friendly relations of the three countries concerned have been so well preserved up to the present, in spite of the various side issues of recent date which might have been calculated to upset them.

The demonstrations of friendship between Roumania and Italy still continue. An Italian squadron recently visited Constantza and was given a great reception by the Roumanian authorities.

The breaking off of diplomatic relations between Great Britain and the Soviet Government has created a profound impression here and is causing lively speculation on what the immediate and ultimate consequences will be.

The Anglo-Roumanian Society.

With a view to cementing the friendly relations between Roumania and Great Britain, by promoting more intimate personal relations between nationals of the two countries, the Anglo-Roumanian Society was formed three years ago under the auspices of some prominent Roumanian friends of England, such as Dr. C. Angelescu, General Randu Rosetti, Professor Jorga, Mme. Pantazzi, and M. Boncescu (then *The Times* Correspondent). The Society holds its meetings in the new and splendid building of the Academy of Higher Commercial and Industrial Studies every Sunday morning. Professor Jorga gave a lecture last Sunday on "Anglo-Roumanian Relations in the Past," and made some interesting allusions to the earliest British influence on Roumanian commercial life, which he traced to the traders from the Ionian Islands (when under British rule), who came and settled in Braila and Galatz.

Dr. Seton-Watson, who is at present sojourning in Roumania, was present at Professor Jorga's lecture, as an honoured guest of the Society, but he modestly refused to respond to General Rosetti's kind invitation to him to say a few words to the audience.

The new Bulgarian Sobranie is expected to meet for an extraordinary session on June 20, to discuss financial matters.

The Yugoslav Government have given a contract to the Polish foundries Huta Krolewska and Laury for 20,000 tons of rails, 1,500 tons of metal parts for the construction of bridges, and several cranes.

A copy of the first Edition of the "Seven Pillars of Wisdom," the wonder book of Colonel T. E. Lawrence, "of Arabia," privately printed at 30 guineas a volume, has been presented to the London Library by a friend of Dr. Hagberg Wright, the head of the library.

Brigadier-General Andrew William Proudfoot, Indian Army (retired), Colonel, 4th Battalion; 4th Bombay Grenadiers (109th Infantry), temporarily residing at Fulford House, Fulford, Yorks, who died on April 20, aged 78, left estate of the gross value of £3,389, with net personality £3,295.

In a dispatch addressed to the Secretary-General of the League of Nations, Sir John Maffey, Governor-General of the Sudan, states that the progress made in abolishing slavery in the Sudan has been remarkable. Slave-raiding is a thing of the past and the various forms of "domestic slavery" have undergone such rapid adjustment to new ideas that the term, broadly speaking, is hardly justified.

MINDAN AND AQRA.

BY GEORGE STANLEY.

Anybody traversing the last few miles of the approach to the Mindan ferry on the main, and only, Mosul-Aqra track, might well be excused for momentarily imagining it to be a portion of the moon's surface, for the landscape is of a type that might readily be associated with that luminary. Of course, everything is in miniature, but is positively grotesque—a veritable rash of rocky pimples with an occasional touch of dull red, connects totally unreasonable craters, the sides of which maintain menacing projections of top-heavy ledges; a swiftly-moving stream winds in and out of the confusion, with the sombre Jabal Maqlub blocking out the horizon, and a few bold scarlet and pink anemones, protesting against this manifestation of fatuity, wage a losing fight midst the clumps of camel thorn, and droop their heads in the bitterness of defeat.

Of Man and his works there was but little evidence unless, indeed, some of the hummocks and hillocks were the covering of centuries over worn-out and decayed buildings. High up in the heavens, a few hawks sailed on motionless wings like ill-omened spectres, whilst on the hard-baked mud an occasional Emperor beetle, in the remorseless struggle for existence, rolled his pellets of food in between the numerous eggs of the locust, along to his underground larder. Good luck to this indefatigable little creature which rolls his little pellets with his hind legs backward! Ever and anon he loses them in his blindness, and then rushes hither and thither in an agony of despair, eventually regaining his property.

The landscape was so unique that the Convoy was halted, and it was decided to climb the 3,000 ft. Jabal on foot, in order to gain an impression of the locality from that altitude.

Divesting ourselves of our jackets, and taking haversacks and sticks, three of us set off to climb the challenging Jabal.

"Faithful John," the one bearer that accompanied the Convoy, delighted at the prospect—for these Assyrians are true mountaineers—led the way carrying a humble Chokodar gun lest Sisi or other "Goose-s" should inadvertently cross our path.

Once over the monotonous foothills, the actual base of the Jabal was soon reached, but there were no convenient signposts, as in European climbing resorts, showing the way and distance to the top, nor were there any defined pathways. True, there was the semblance of a track, but it did not seem to lead up the mountain side, merely round it. On being appealed to, "Faithful John" pointed to an almost vertical ascent as the best way of getting up, but, not possessing prehensile toes, we proceeded to look for an easier, if longer, ascent. John's usual idea of a short cut was an impossibly steep one, and his estimations of time and distance were peculiar, to say the least. Running down the side of the mountain was a dried watercourse—for the Jabal had ceased its weeping—and as it seemed to be a more or less reasonable gradient, we headed in its direction.

At first conversation flowed freely, but shortly we relapsed into silence, reserving energy for the work in hand, and as the ascent became steeper and stonier, breathing was more laboured. Thus, for an hour and a half in a scorching sun. The last 500 feet were almost an agony; there were no "chimneys" to climb or anything thrilling like that, merely sheer solid grind, stepping sideways in order to obtain foothold on the steep surface.

At the summit, after the haversacks had been emptied of their foodstuffs and liquids, out came compasses and maps for a perfect orgy of taking bearings, locating landmarks, and so forth. Much to our disappointment, the aspect from the top was uninteresting. Though a clear view was obtainable of most points of the compass, the sharpness and fantastic shapes of the mounds below were not readily distinguishable.

The first sign of life we had seen at the bottom of the Jabal was the Emperor beetle, and now the next was up here at the top. Two small lizards, each about eight inches long, were engaged in mortal combat and so occupied that our presence at first had no effect upon them; it was not until the camera clicked about a couple of feet away from them that they scuttled off and hid behind some rocks. One of them had been deprived of its tail, and that is why, perhaps, it frequently found itself lifted bodily off the ground and carried a distance of feet in the other's jaws. An even worse tragedy happened, for the photograph was a failure owing to the film's not unreeling properly.

From the starting point of our climb to the ferry itself was a comparatively short run, but the main problem that concerned us was whether the recent rains and floods had washed away the ferry, and if so, whether the river bed was fordable at any spot. This latter question was answered as soon as the state of the river was seen. At the usual fording place there were at least eight feet of water, although the ferry was still intact. The ferry consisted of a couple of pontoons lashed together and a top covering of planks. A hawser connected the pontoon to an overhead wire cable stretching across the river. An Arab ferryman at the stern, by using a large oar as a tiller in conjunction with the current and cable, manoeuvred the craft across the stream—a simple application of the triangle of forces.

Three ferrymen reside in a tumbledown hut overlooking the ferry, and it is their business to assist all vehicles on to the planking. This assistance usually amounts to laying down running boards from the pontoon on to the stones and then shrieking at each other, with appropriate—sometimes inappropriate, it is to be hoped—gestures. About thirty feet of rough sandstone and limestone rocks have to be traversed by the unfortunate car before it can

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hope to reach the running boards. The three Arabs in their excitement invariably all talk at once and wave the disconcerted driver in opposite directions. That individual's only hope of avoiding a complete disintegration of his car's gear-box is to ignore the ferrymen entirely and trust to his own intelligence or that of the second driver, who by now will be waving him on to the running boards. "Left lock—right, no dash it—more, more—left lock—mind the gear-box—oh, that's torn it properly." Somehow or other the car manages to flop down on to pontoons which shift during the operations a few feet downstream, and the driver mops his brow in the interval of crossing, possibly fearing that the descent from the pontoons will be equally difficult. In this he need not be disappointed.

As the ferry can take only one car at a time, we spent over half an hour in getting three cars across the twenty yards width of river. On the other side, once the high ground has been attained, the rocky surface ceases and soft sand takes its place at a village called Shurak. From here over the sand ridges down into the Jujar Plain driving is unpleasant, and in wet weather quite impossible, for the wheels cannot get a grip. If caught in this particular belt during the rains, it may mean being stuck for over a week—a not particularly pleasant prospect, as even if the sand is negotiable, the river may be impassable.

After descending into the Jujar Plain, a distinct rise in temperature was noticeable, probably owing to the reflected heat of the flat surface. There are several villages near the track over the Plain, the chief being Simla, Great Jujar, and Little Jujar, and the inhabitants are nearly all Kurdish. We stopped with carburation trouble at Great Jujar—the difference between Great and Little Jujar would appear to refer to the number of pi-dogs, the villages themselves being almost identical. Three Kurds walked the half-mile from their mud huts to the track and stood watching us. They certainly "stood," but whether these particular individuals were engrossed in anything but merely "standing" was not apparent, and they were not nearly as attractive looking or intelligent as the Kurdish hillfolk.

Leaving the Plain, the convoy entered a locality which suddenly became very stony, though this time the stones were all lying on the surface of the ground instead of being embedded, and weighed about ten pounds each. It was a very deserted part and looked as though it might once have been the bed of a river. Perhaps these conclusions are incorrect, for a local legend, as explained by

"Faithful John," is that once upon a time a race of very wicked men lived there and so annoyed *le bon Dieu* that He pelted them with these stones and ever since then nobody has cared to live in the accursed spot.

Into the foothills, a few more turns, and the Aqra Dagh loomed right ahead, for, be it noted, here the term Dagh is used for the Arabic word Jabal. After the stony-ness of the wicked locality, the sight of emerald green grass and miles of narcissi bursting into flower, intermingled with the scarlet, blue, and pink anemones, was a most pleasing sight. Though the costumes of the Kurdish inhabitants were not perhaps so picturesque or striking as those met in other parts, the countryside compensated for it in its flowering beauty.

At Aqra there was a large camp of Assyrian Levies—where we had arranged to stay the night—but it was situated on the top of a large hillock immediately in front of the actual village, which is built on the slopes of the Dagh at a slightly higher altitude than the hillock and about a mile distant. To get to the Assyrian Camp, we had about an hour's run through flowery undulations and after fording a small stream at the foot of the hillock, were faced with an extraordinarily steep gradient. The Ford of the Convoy gave up the attempt half-way up, and help had to be obtained from the Camp to drag them up the remaining portion of the slope. Although we had encountered a certain amount of engine trouble during the run, the failure to get up the slope was expected, as rarely, if ever, do many cars going to Aqra manage to negotiate this hill.

At the entrance to the Camp were the Officers' Quarters and Mess, in a long trim building, and a hundred yards or so behind, fenced in with barbed wire, the married quarters of the Levies. For the Assyrian Levy, "married quarters" does not mean merely accommodation for wife and children, but also includes parents, relations, and wife's relations: they all live together in long mud huts and in consideration of all their difficulties managed to keep their surroundings in a wonderfully sanitary and tidy condition.

The Assyrian Levy, dressed in military khaki and equipment, with a slouch hat and plume or feather of his tribe, is a model of smartness and keenness, comporting himself in a manner worthy of the best trained soldier.

At the far end of the married quarters was another wire entanglement and then the quarters of the single men, with the W/T hut in the distance. It was from this hut that the most comprehensive view could be obtained. Facing due north was the mountain wall of the Aqra Dagh, with its village perched half-way up, looking from a distance as though the houses were built one on top of the other just like some Thibetan village; to the East, the Dagh merged into other ranges, still higher and white-topped. Distances were deceptive and the nearest limestone Dagh, apparently only a stone's throw away, was perhaps a distance of five miles from the Camp. On the South, looking across the Jujar and Mindan, the Jabal Maqlub interrupted the featureless aspect and served as a useful weather indication, for when clouds covered its nakedness, heavy rains were to be expected, according to the Aqra-ites.

That evening we dined with the four lonely officers stationed there, and by pooling our food resources, a most excellent meal resulted for such an out-of-the-way spot. A plentiful supply of game and Kurdish fruit was available, whilst our little party produced loaves of bread, butter, and tins of jam—of which there was a complete scarcity, the Mess having already been on Chuppatties for several days past.

After dinner, a few rubbers of Bridge and so to bed.

Sunrise the next morning gave promise of fine weather, but shortly after breakfast the sky clouded and a few preliminary raindrops decided us to leave before the Maqlub became entirely covered and the sand belt at Shurak impossible.

The departure was delayed at the last moment by the breaking of a couple of front springs on one of the Rolls.

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It then became a question whether the Convoy should move off, leaving the damaged Armoured in the security of Aqra camp, or whether to delay the departure until new springs had been fitted, and Convoy could proceed intact. The latter course was decided upon, and it became a grim race with the weather. The Convoy—thanks to the complete absence of engine trouble—eventually won, crossing the sand belt before it was rendered impassable, and negotiating the ferry at Mindan as the storm broke.

This little excitement over, the cars formed upon the hard and higher ground of the "Moon" locality and continued the reconnaissance patrol.

BIRTHDAY HONOURS.

The following selection from the list of Birthday Honours published on June 3 is likely to be of particular interest to readers of THE NEAR EAST AND INDIA:—

Baron.

DAZIEL, Sir Davison Alexander, Bt., M.P. M.P. for Brixton Division 1910-23 and since 1924. For political and public services.

Baronet.

CONGREVE, Lieut.-Commander Geoffrey Cecil, R.N., son of the late Governor and Commander-in-Chief, Malta.

Knight.

MIFSUD, Ugo Pasquale, Esq., LL.D., B.Lit., Head of the Ministry and Minister for the Treasury, Malta.

K.C.B. (Civil Division).

TYRRELL, Sir William George, G.C.M.G., K.C.V.O., C.B., Permanent Under-Secretary of State for Foreign Affairs.

WILSON, Brigadier-General Sir Samuel Herbert, K.C.M.G., K.B.E., C.B., Permanent Under-Secretary of State for the Colonies.

C. B. (Civil Division).

VANSITTART, Robert Gilbert, Esq., C.M.G., M.V.O., Counsellor in the Foreign Office.

Honorary K.C.M.G.

ABDULLAH, His Highness the Amir, G.B.E., of Trans-jordan.

C.B.E. (Civil Division).

ABRAMSON, Major Albert, O.B.E., District Commissioner, Northern District, Palestine.

GALLAGHER, Lieutenant-Colonel Albert Ernest, D.S.O., Chief Commandant of Police and Inspector of Prisons, Cyprus.

SMITH, Arthur Lionel Forster, Esq., M.V.O., Inspector-General of Education, Iraq.

O.B.E. (Civil Division).

CRITIEN, Attilio, Esq., M.B.E., M.D., Chief Government Medical Officer and Superintendent of Public Health, Malta.

CROSBIE, Robert Edward Harold, Esq., Assistant District Commissioner, Southern District, Palestine.

DIMITRIOU, Dimitrios Nicholas, Esq., Member of the Executive Council of Cyprus, and President of the Municipal Council of Larnaca.

JOHNSON, William Joseph, Esq., Deputy Treasurer, Palestine.

MIFSUD, Edward Robert, Esq., M.B.E., Private Secretary to the Governor of Malta and Clerk of the Executive Council, Nominated Council and Privy Council of the Island.

PRICHARD, John, Esq., President of the Court of First Instance, Baghdad, Iraq.

ROACH, Edward Keith, Esq., Deputy District Commissioner, Jerusalem District, Palestine.

ROYDS, George Freeman, Esq., Director-General, Tapu Department, Iraq.

SMITH, Joseph Mario, Esq., Chief Veterinary Officer, Palestine.

ZIA-UD-DIN, Haji Hafiz Mehmed, the Mufti of Cyprus.

M.B.E. (Civil Division).

CRUSHER, Robert Barker, Esq., Assistant Inspector, Department of Surveys, Palestine.

ELLIS, Frank Tate, Esq., lately Headmaster, Bishop Gobat's School, Jerusalem.

MOFFATT, Robert, Esq., Assistant Engineer, Posts and Telegraphs Department, Palestine.

PAPAPETROU, Antoni, Esq., Assistant Registrar-General, Land Registration and Survey Department, Cyprus.

Honorary M.B.E.

HADEFF, Zaki, Esq., Mayor of Tiberias, Palestine.

KHALEDI, Ahmed Effendi, Principal of the Men's Training College, Department of Education, Palestine.

SAAD, Shawki Effendi Fatallah, Assistant Superintendent of Police, Palestine.

TOLKOWSKY, Samuel, Esq., of Tel Aviv, Palestine, in recognition of his public services.

K.B.E. (Military Division).

SPINKS, Lieutenant-Colonel (local Major-General) Charlton Watson, D.S.O., O.B.E., Regular Army Reserve of Officers, Royal Artillery, Inspector-General, Egyptian Army.

C.B.E. (Military Division).

ALEXANDER, Captain Leslie William, Regular Army Reserve of Officers, 1st King's Dragoon Guards, and local Lieutenant-Colonel Commanding 1st/2nd Cavalry Regiment, Iraq Levies.

O.B.E. (Military Division).

BRANDER, Major Gustavus Glyn Spieker, The Suffolk Regiment, late attached Sudan Defence Force.

CLAYTON, Major Iltud Nicholl, Royal Artillery, Chief Instructor and Staff Officer, Artillery, Iraq Army.

EASTWOOD, Captain Noel Walter, 3rd the King's Own Hussars, attached Sudan Defence Force.

GATT, Captain Alfred Joseph, M.C., Royal Malta Artillery.

GUISE, Major Vernon Robert, M.C., Royal Artillery, lately attached Iraq Levies.

RENTON, Lieutenant James Malcolm Leslie, M.B.E., The Rifle Brigade (Prince Consort's Own), lately serving with the local rank of Major, as Deputy Adjutant-General, Iraq Levies.

M.B.E. (Military Division).

DENT, Lieutenant William Harry Noel, Royal Corps of Signals, Iraq Signal Section.

FERGUSON, No. 2865096 Warrant Officer Class II. Company Sergeant-Major John, The Gordon Highlanders, attached Sudan Defence Force.

MACGREGOR, Company Sergeant-Major Alpin, The Gordon Highlanders, lately local Regimental Sergeant-Major, Iraq Levies.

MOHAMED, Veterinary Assistant Surgeon Noor, 2nd Cavalry Regiment, Iraq Levies.

PACKER, Lieutenant Ernest Vincent, Regular Army Reserve of Officers, The Essex Regiment, lately serving with the local rank of Captain as Adjutant 1st Battalion, Iraq Levies, and now attached Iraq Army.

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SHAH, Jemadar Sayed Gul Akber, Sub-Assistant Surgeon, 2nd Cavalry Regiment, Iraq Levies.
 VENNING, Regimental Sergeant-Major John George, attached Iraq Levies.
 WILDE, Company Sergeant-Major Cyril Arthur George, attached Iraq Levies.

G.B.E. (Civil Division).

HOARE, Lieutenant-Colonel the Right Hon. Sir Samuel John Gurney, Bt., C.M.G., M.P.

Diplomatic List.

K.B.E. (Civil Division).

MIDWINTER, Captain Edward Colpoys, C.B., C.M.G., C.B.E., D.S.O., Controller Sudan Government, London Office.
 PERCIVAL, John Hope, Esq., Judicial Adviser to the Egyptian Government.

C.B.E. (Civil Division).

DAVIDSON, Nigel George, Esq., Legal Secretary, Sudan Government.
 GRIFFITH, George Herbert, Esq., O.B.E., Deputy General Manager, Egyptian State Railways.
 JAMESON, James Alexander, Esq., Fields Manager of Anglo-Persian Oil Company.
 PARKER, Arthur Claude, Esq., M.B.E., General Manager, Sudan Government Railways and Steamers.
 SHEPPARD, Vivian Lee Osborne, Esq., Surveyor-General, Survey of Egypt.

O.B.E. (Civil Division).

BARDSLEY, Robert Vickers, Esq., M.B.E., Deputy Governor, Blue Nile Province.
 BOLTON, Laurence, Esq., Chief Town Surveyor, Khartoum.
 BRAMALL, Geoffrey, Esq., District Traffic Manager of Sudan Government Railways.
 CLARKE, William Peter Dunham, Esq., Assistant Financial Secretary (Second), Sudan Government.
 CROKER, George Norman, Esq., M.C., Deputy Chief Engineer, Sudan Irrigation Department.
 GRABHAM, George Walter, Esq., Government Geologist, Khartoum.
 GROSE, Cedric Vincent Wild, Esq., Head Master, English School, Cairo.
 LLOYD, Edmund, Esq., M.B.E., M.B., Church Missionary Society, Sudan.
 LUCAS, Walter Randolph, Bey, D.S.O., Governor of Tura Prison, Egyptian Government.
 PARR, Robert, Esq., British Vice-Consul at Damascus.
 SAXBY, Charles Henry, Esq., of Messrs. Lawrence and Mayo, Opticians, Cairo.
 SIMPSON, Macduff Frederick, Esq., Controller of Secondary Education, Egyptian Government.

* M.B.E. (Civil Division).

CAMPBELL, Ewen, Esq., M.C., Assistant District Commissioner, Sudan Government.
 CONQUEST, Miss Hilda, Private Secretary to Financial Adviser, Egyptian Government.
 DAWSON, Samuel James, Esq., Superintendent of Soldiers' and Sailors' Institute, Alexandria.
 DEAN, William Seymour, Esq., Inspector of Customs, Sudan Government.
 GERRISH, Leveson, Esq., Finance Inspector, Sudan Government.

GIBSON, Miss Agnes, Head Mistress of Scottish School for Girls, Alexandria.

HARRIS, John Edwin, Esq., Inspector of Surveys, Sudan Government.

HIRST, John Tetley, Esq., Manager, Gordon College Instructional Workshops, Khartoum.

JOANNIDIS, John, Esq., Vice-Consul, Laurium, Greece.

JOHNSON, Herbert Montague, Esq., Assistant Telegraph Engineer, Sudan Telegraphs.

KIDD, Captain Herbert Frederick, Assistant District Commissioner, Sudan Political Service.

LASSELL, Miss Harriet, Matron of Kasr el Aini Hospital, Cairo.

LEE, John Manly, Esq., Assistant District Commissioner, Sudan Government.

SILLITOE, Frederick Sampson, Esq., Superintendent of Government Gardens, Khartoum.

STOWE, Sidney Duncan, Esq., Mercantile Marine Service, Board of Trade, acting British Vice-Consul at Port Said.

WALKLEY, Charles Edward Joseph, Esq., Inspector, Civil Department, Sudan Government.

British Empire Medal.

(Medal of the Civil Division. For Meritorious Service.)
 FADL MUSA, Sergeant, Darfur Province Police.

Foreign Office List.

C.M.G.

HUGHES, George Lewis Hollingsworth, Esq., Chief Inspector of Parquet, Egyptian Ministry of Justice.
 MACMICHAEL, Harold Alfred, Esq., D.S.O., Civil Secretary, Sudan Government.

NEAR AND MIDDLE EAST ASSOCIATION.

A meeting of the Near and Middle East Association will be held on June 23, at 8.30 p.m., at the Hans Crescent Hotel, where Mr. H. G. Hart (formerly Inspector-General of the Persian Ministry of Finance) and Lt.-Col. Sir Arnold T. Wilson, K.C.I.E., C.M.G., D.S.O., will speak on "The Outlook in Persia." Mrs. L. Cobham will act as hostess and the Lord Lamington, G.C.M.G., G.C.I.E., will preside.

The Shah of Persia has ordered the embargo on the entry of Russian goods into Persia to be lifted.

M. Skefery, who has been appointed Consul-General for Greece in Alexandria, is expected to arrive in Egypt shortly from Athens.

M. Zamaria, the new Greek Vice-Consul at Alexandria, arrived in Egypt at the end of last month.

The Greek Ministers of Finance and Foreign Affairs embarked on June 3 for Geneva. The Foreign Minister intends later to visit Paris and London.

The tour which the King of Bulgaria proposes to make in Western Europe this summer will not have an official character, according to *The Times* Sofia Correspondent.

All pending questions being settled, the text of the Greek Constitution was published in Athens on June 3 and the lists issued restoring the Royalist officers to the Army. The Chamber was prorogued the previous day.

The Worshipful Company of Ironmongers have recently decided to grant on "Empire Exhibition" of the value of £50 per annum, tenable for a period not exceeding four years. The first award has been granted to the Colony of Cyprus, and is to be given to a student of the Agricultural School, Nicosia.

In accordance with ancient tradition large numbers of people from Minia make a yearly pilgrimage to a hill near Samallout (15 miles south of Minia) to commemorate the birth of the Blessed Virgin. On June 2, according to a message from Cairo, a boat which was transporting some of the pilgrims came into collision with a tug. The tug capsized and sixteen persons were drowned.

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Book Review

ITALIAN AMBITIONS IN AFRICA.

"L'ITALIA NELLA POLITICA AFRICANA." By Dr. Paola ol' Agostino Orsini di Camerota (Bologna: Licinio Copelli. Lire 15.)

Dr. Paolo Orsini di Camerota is a well-known leader of the party in Italy which is clamouring for a greater share of the world's surface for the needs of her teeming population and for the growth of her trade and commerce. He and his followers argue that Italy is like a super-heated boiler without a safety-valve and that a terrific explosion is certain unless the steam, in the shape of redundant population, is allowed to blow itself off. His school believe that the only safety-valve of any value is territory of which Italy is either the owner or the protector, possibly in their eyes a distinction without much difference. The errors of her own (pre-Fascist) statesmen and the greed of France and England at Versailles have so far prevented her from expanding as her needs and position as a Great Power required; it is now necessary, therefore, to consider how the damage done can best be repaired. This is the object of this book, and Africa is its theme because he feels that Italy has to become a Mediterranean Empire. Syria he does not trouble about, because, in his opinion, there is no doubt that it will drop, like a ripe pear, into Italy's mouth. All she has to do there is to await events.

A book written by an Italian for Italians cannot be judged by the same standard as one written by an Englishman for Englishmen. So we do not propose to find fault with the constant blare of trumpets proclaiming the greatness, generosity and wisdom of Italy and generally magnifying her qualifications for Empire. We do not usually indulge in this ourselves, but that is probably merely because we happen to be Anglo-Saxons and not Latins. But we feel that, while big talking may be harmless or even natural, megalomania is a real danger in international matters. For this megalomania there may be some justification. We do not propose to enter into that question. The point we want to make is that Dr. Orsini's plan cannot tend to produce a state of idyllic peace. These ideas are given as his own. He himself says that Il Duce has given no hint so far of his views on colonial expansion. We may hope, therefore, that the Government of Italy may have other notions.

The book is well and cleverly written. On the whole the author dots few "i's" and crosses few "t's," while making it easy for the reader to do so. One of the instances where he performs the operation himself concerns Tunisia. The following quotation speaks fairly clearly:—

The French dream in Northern Africa is destined to crumble and to give place in time to the formation of independent States, of which Tunisia will certainly be one. Italy knows that on that day it will her fate to take the place of France in the agricultural and industrial exploitation of the country and in its economic development; called on to do so by the Tunisians themselves to give them, to crown victorious independence, riches and prosperity, and to provide the Italian colonists with work. On Italy it depends whether these events are accelerated or retarded in Tunisia. France ought to see this and meet our desire for collaboration half-way. If she does not, we Italians will hold out our hands to the natives and say to them, "We and you will make a new Africa, free, independent and rich," and will say to ourselves that on that day will begin on the Mediterranean our true greatness.

To save space we do not propose to dwell further on Dr. Orsini's views of what Italy should do in French North Africa. He frankly hates the French and does not propose to spare them, especially as he has decided that they are effete. It will be more profitable to give some account of his hopes for Italy in Egypt and the neighbouring countries of Abyssinia and the Sudan. Here our author treads very carefully, but it is not difficult to read between the lines. Our reading gives us curious results. Let us make it plain that the author seldom speaks really openly and that we are merely attempting to interpret in plain English what he sets forth delicately and in hints.

There are two main objects in view. One is Abyssinia, to be approached from the existing Colonies of Eritrea and Italian Somaliland; the other is Egypt and, apparently, the Sudan.

On the subject of Abyssinia he writes at great length and, except that he thinly disguises the desire for conquest by the blessed word "collaboration" with a free but backward nation (without interference, of course, from the French or any other nation—the English can easily be settled with by giving them what they want in the way of Nile control), he makes it perfectly clear that what Italy wants is complete control of the whole Somali coast, extinction of competitors there and full control of Abyssinia. He feels there is no time to be lost in doing this, as otherwise the English Cape-Cairo Railway may cut into the game and "dish" the Italians. The French will doubtless object vigorously, but their day is drawing near to its end, while assistance can fairly be expected from the English. All a little wild, but there it is, without the literary embellishments which may possibly have confused the thoughts of the writer himself. Anyhow Abyssinia is to be Italian and to be "collaborated" with, or in other words, annexed and exploited for the good of Italy.

About Egypt Dr. Orsini is much more cautious. He gives us a dithyramb on the present proud position of Italy in Egyptian commercial and social spheres. He is able, at the end of the book, to express intense satisfaction at the statesmanlike solution of the Jarabub difficulties which had seriously worried him at its beginning. Finally, he greatly deplores the numerous tragic errors of England in regard to Egypt and the bullying attitude of the English Government to the Egyptians from the War-time till the present, and takes the opportunity to express the deepest sympathy with the Wafd in their patriotic endeavours to make the country really free.

Egypt has the sympathy of the Italian nation as well as of Fascism. These may be of use to her to-morrow, as to us also may well be useful the friendship of a country rich and near to us like Egypt, where there are so many working Italians and so many traditions of Italian collaboration.

This may remind an Englishman of the Walrus and the Carpenter. It seems clear that this sympathy and friendship are to be used in order to enable Italy to step into the shoes which Dr. Orsini believes England to have discarded. In the meantime it is of great importance that Egypt should enjoy to the fullest degree Italian sympathy

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with her determination not to allow the Sudan to be filched from her. The reason seems obvious. Surrounded by Libya, Egypt and Abyssinia, all in Italian hands, it is clear what the fate of an Egyptian Sudan is to be. Finally, Italy is to secure "collaboration" with Belgium and Portugal in their African colonies, while the Suez Canal is to be internationalised with Italian preponderance in its control. Quite a programme!

Much space is given to indignant sympathy with Germany's colonial treatment in the Treaty of Versailles. The reason is obvious. Germany and Italy are to combine in demanding a revision. For this reason too Dr. Orsini loudly disclaims all desire to see Italy securing a mandate on any ex-German colony.

We prefer to refrain from further comment on this dangerous propaganda, but close with another quotation which follows on a disquisition on the ideal way of settling these matters:—

"For our part, we affirm our scepticism and repeat that there is a hard law of Nature that he who has, keeps, and he who has not has to take by force."

C. S-W.

NOTES OF THE WEEK

(Continued from page 681.)

order. Whether that order will be better than the old, it is hardly for us of the West to say, who have stretched to the limits toleration of female fashion and female freedom. One might have thought that the East has nothing to learn concerning the Eternal Woman, but, if once it confesses even to partial ignorance, it will surely be found that there is no turning back.

The Wahhabis and the Mahmal.

As has already been announced, the Egyptian Government has decided this year not to send the Mahmal to the Hijaz, and the Egyptian Press has on the whole supported the Government as against the Wahhabis. Most of the Arabic journals in Cairo appear to absolve King Ibn Saoud from the chief blame, asserting that he is surrounded by Wahhabi ulama and tribal leaders whose fanaticism he cannot assuage. The Wahhabis have, however, found a champion in the Egyptian Press in the person of Shaikh Muhammad Rashid Rida, who points out that the independence of the Hijaz is a fuller thing than that of Egypt. He asserts, as we suggested recently, that King Ibn Saoud considers Egypt as a foreign State which has no right to send an armed force to the Wahhabi Kingdom, and that the traditions of the Cairo Mahmal have vanished as completely as the traditions of the Damascus Mahmal, with the change in the status of the Government in Egypt and Syria. Further, this Shaikh states that the Mahmal is a religious innovation and not a Shari practice. It is obvious, therefore, that this question is not one not so much of right or wrong as of national dignity. But Egypt has by no means forgotten its duty towards the Hijaz, and the Government has specifically inquired—with what results we do not yet know—whether King Ibn Saoud objects to the sending of the Holy Carpet (Kiswa) in boxes and without any guards or ceremony for the pilgrimage.

Egyptians and the Pilgrimage.

It is extremely unfortunate that this dispute between the Governments at Cairo and at Mecca should have arisen, for the reforms which the Wahhabis have made in the interests of the pilgrims have manifestly appealed to the devout Misris. Some time ago it was reported that the number of Egyptian pilgrims who had received passports to proceed to the Hijaz this year exceeded 15,000; and it is significant that, of the 820 pilgrims who took passports from the Alexandria Governorate, only ten decided not to proceed when the refusal was published of the Egyptian Government to accede to King Ibn Saoud's

demands in connexion with the Mahmal. To-morrow, June 10, the actual ceremonies of the pilgrimage are due to begin, and we must await reports to see whether the fears of the non-Wahhabis have any justification in fact. It is one of the most interesting experiments in the world, this attempt of King Ibn Saoud to make Islam return to the fundamental principles of the Sunna and to conform with the original rules of the Hajj.

CORRESPONDENCE.

The columns of THE NEAR EAST AND INDIA are open for the discussion of subjects of general interest to its readers. The publication of such letters must not be taken, however, as indicating that the views expressed by the writers are those of THE NEAR EAST AND INDIA.

ANGLO-EGYPTIAN RELATIONS.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—During my stay in Cairo last winter, I spent a considerable amount of time in a study of the Egyptian political situation and of the state of Anglo-Egyptian relations. In course of conversation I discussed the question of the Egyptian Army with several members of the Parliamentary Army Commission and the Minister for War.

At the beginning of last April there was no question of any general anti-British sentiments in existence in Egypt, nor in the Wafd party was there more than an odd individual who could be labelled an "extremist."

The following is a summary of the Egyptian point of view of the Egyptian Army.

(1) The Egyptian Nation would prefer to have an Egyptian as Commander-in-Chief of the Army, but it is quite prepared to accept an Englishman. It desires, however, that an Englishman appointed to this position should be one capable of fulfilling the functions and thoroughly trained in matters of modern war.

(2) If there is to be an Egyptian army and Egyptian money devoted to its upkeep, (£1,200,000), the army should be one capable of taking part in modern warfare. The Egyptian Nation is not so rich as to be able to spend money on a useless organization. One of the steps which the Egyptian War Minister desired to carry out was to create a College on the lines of Sandhurst or Woolwich where future officers could be efficiently trained and whither present senior officers could return in order to become conversant with modern military science. (The Egyptian Government recognises that the first requisite for an efficient Army is an efficient corps of officers.) The Sirdar refused his consent to the creation of such a school.

(3) The numbers of the Egyptian Army can be left for a decision at a later date, but the recruitment of the present Army should be brought to a higher level by raising the exemption of Military Service from the sum of £20 to that of £100.

(4) The Egyptian Army has ordered two batteries of modern howitzers from England. After inordinate delay four of these guns have been delivered. Up to this moment the artillery has consisted in guns dating from the Battle of Omdurman.

There are no machine guns except a few stored in the Citadel and under British guard. Such are the views of the Egyptians; and I do not think that these views can be considered either as extreme or illogical.

It is my belief that in April last that there was so much goodwill in existence among the Egyptians towards Great Britain, that there had never been any more opportune moment for Anglo-Egyptian relations to be finally put on a definite basis; when not only would Egyptian *amour propre* in its ideal of national independence have been fully satisfied, but every essential British demand and guarantee for the safety of the Empire's communications would have been recognised and accepted by the Egyptian Government.—I am, etc.,

R. GORDON CANNING.

PERSONAL AND GENERAL

TO-DAY

June 9, 1927 (New Style).

May 27, 1927 (Old Style).

Julhiggia 8, 1345 A.H. of the Muslim Calendar.

Sivan 9, 5687, of the Jewish Calendar.

The Aga Khan has left the Ritz Hotel for Paris.

Lady Jejeebhoy arrived last week at the Hyde Park Hotel.

Sir Alfred Mond, Bart., M.P., and Lady Mond, left 23, Lowndes Square on June 3 for Melchet Court, near Romsey.

The Prince of Wales received Major C. A. L. Howard and the King's Indian Orderly Officers at St. James's Palace on June 3.

Sir Herbert and Lady Dering have returned from the Continent, and are staying with Sir William Geary at Oxon Heath, Tonbridge, Kent.

Lady Clifford, wife of Sir Hugh Clifford, Governor of Ceylon, left London last week to join the P. and O. ss. Rajputana at Marseilles for Colombo.

Mr. and Mrs. Howard William Kennard, who arrived in London recently from the British Legation, Belgrade, will be at 18, Bruton Street for a few weeks.

The Egyptian Minister in London, accompanied by Mme. Izzet and their son, Abdullah Bey Izzet, arrived at Claridge's Hotel last week from the Continent.

Sir Edward Manville has been given authority to wear the Insignia of Grand Officer of the Order of the Crown of Roumania, conferred upon him by the King of Roumania.

The Greek Minister left London on June 5 for Geneva, and will be away for some weeks. M. Collas, Counsellor of the Legation, is acting as Chargé d'Affaires in his absence.

Mr. V. J. Patel, M.L.A., President of the Legislative Assembly, India, left London on June 2, for the Grand Hotel, Harrogate, where he is staying until June 15, when he will return to the National Liberal Club.

Mrs. Arthur F. Walter returned last week to 35, Courtfield Gardens, S.W., after five months' absence in Southern India and Ceylon. Mrs. Walter joined the National Pilgrimage to Rome on her way home, and was received by the Pope in special audience on May 27.

A sharp earthquake shock lasting for five seconds was felt in Allahabad at 10.15 p.m. on June 2.

The Rev. R. A. J. Chute, chaplain of Jamalpur, India, has been appointed by the Bishop of Chelmsford vicar of Canvey Island, Essex.

It has been decided, according to the *Pioneer*, to revert to the title of Brigadier-General instead of Colonel Commandant in the Indian Army.

Mehdigholi Khan Hadayat, the Mokhbar es Saltaneh, who became Lord Chief Justice of Persia on May 8, has undertaken the formation of a new Cabinet, in succession to that of Mirza Hassan Khan Mostofi, the Mostofi ul Mamalek, which resigned on May 28.

The Dean of York announced at a meeting of the York Minster Anniversary Celebrations Committee, with reference to the decision to earmark one-third of the Thankoffering Fund to church extension overseas, that he had received among others a request for a new church at Delhi. It was decided to grant half the amount to Delhi.

A MAHARAJA IN ABYSSINIA.

(From a Correspondent.)

Addis Ababa, May 8.

The Maharaja of Kutch, who had planned a hunting expedition in the forests of the Hawash basin, Chercher and Arosi mountains, arrived with his grandson and party at Jibouti on April 15. He was obliged to stay there for five days, owing to trouble on the railway line. During his stay at Jibouti he was the guest of Messrs. G. M. Mohamedally and Company.

His Highness entrained at Jibouti for Hawash on April 20. He passed one night on the way at Dire-Daoua, and arrived on April 22 at Hawash, whether Mr. F. M. G. Azad, representative of Messrs. G. M. Mohamedally and Co., had specially come from Addis-Ababa to receive him and to make all arrangements for his hunting caravan at Hawash basin.

Sir Geoffrey Archer, ex-Governor of Sudan, met the Maharaja at Hawash and joined the hunting party. They came here by special train on May 5, when the railway station was crowded by the members of the British Legation, British Indian merchants, and others. The Abyssinian Government has sent two representatives and some town police to receive the Maharaja, who went to the Legation with H.M. Minister and Sir Geoffrey Archer in the motor car of the Empress, with an escort of twelve Abyssinians.

The Maharaja during his short stay here was very busy paying visits and receiving Abyssinian and other officials. On Thursday morning he saw the Empress and the Regent and was introduced to them by the British Minister. In the afternoon of the same day he visited the Regent at his own Palace. On Friday he, with members of the staff of the British Legation, attended the lunch given by Messrs. Mohamedally and Company at their premises. Later on the same day the Regent went to see the Maharaja at the British Legation, and dined there in the evening. On the following day the British Minister arranged a tea party for Indian and Arab merchants at the Legation, to enable them to see the Maharaja, who was much pleased to talk with them in this country. The Indian communities on Sunday afternoon invited the Maharaja and some of the members of the British Legation to a tea party. The Maharaja with Sir Geoffrey Archer and party will leave Addis Ababa for Modjo on May 9. From Modjo the party will go into the beautiful mountains of Chercher and Arosi and thence, shooting and hunting, will go to British Somaliland.

At a meeting of the Anglo-Russian Literary Society held on June 7 at the School of Slavonic Studies, an address was given by Mr. N. B. Jopson, entitled "Early Slavonic Funeral Ceremonies."

Two rock tombs, one quite untouched, were discovered in the grounds of St. George's Cathedral, Jerusalem, during the excavations for the foundations of a pilgrim hostel. The tombs, says *The Times*, are of the late Roman period and closely adjoin what are known as the "Tombs of the Kings." Both contain human bones, and in one a glass phial and a good earring were found.

The issue of regular stamps for Palestine began to appear on June 1, in succession to the overprinted issues of the old Egyptian Expeditionary Force stamps, which was first issued nine years ago. The stamps for three and 13 milliemes of the new issue are now on sale, the former in green with an illustration of Rachel's Tomb on the Hebron Road, the latter in blue with an illustration of the Dome of the Rock in Jerusalem.

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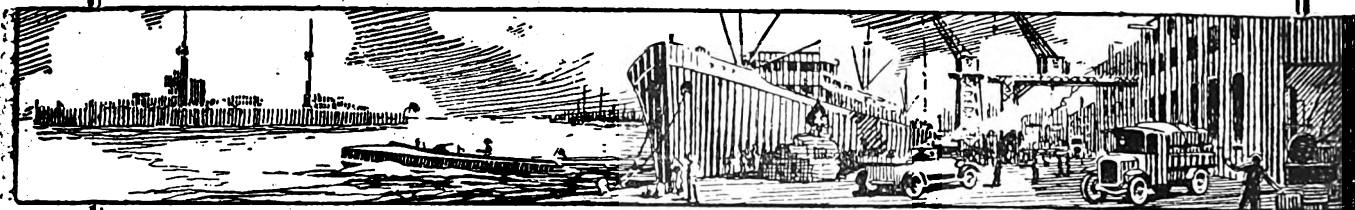
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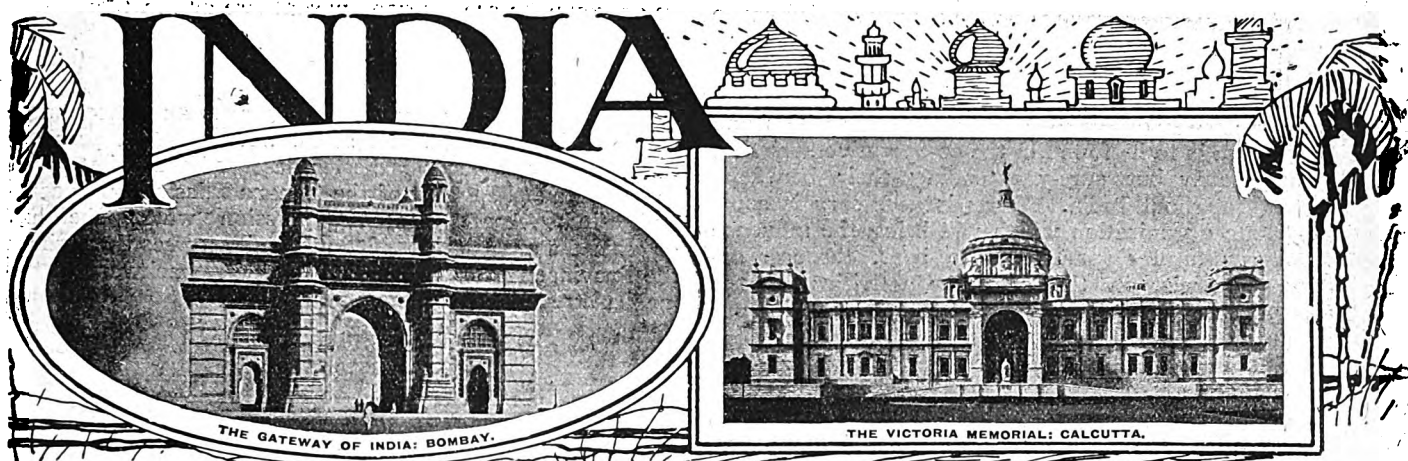
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INDIAN AGRICULTURE.

The first interim report of the Royal Commission on Agriculture in India which, as it is confined entirely to the evidence given by officers serving under the Government of India during the first week of the Commission's tour, may be more accurately described as the first official report of its proceedings, makes an eminently timely appearance. On Tuesday the Commission entered upon the London stage of its inquiry, during which time the evidence of home experts in agricultural research and administration and authorities on the question of marketing Indian and other Empire produce will be taken. It is understood that before returning to India in the autumn to complete its investigations on the spot by a visit to Burma, Bihar and Orissa and Sind—none of which provinces were included in the earlier itinerary—the members of the Commission will visit Rothamsted Experimental Station and other research centres in this country, while the deputation of a small Sub-Committee to survey the position on the Continent and in Egypt is not improbable. The first Indian tour, which extended from the second week in October to the beginning of April, was extensive, reaching from the Frontier Province and Assam to Madras and Coimbatore; no less than 256 witnesses were examined and the list is likely to be greatly extended before the Commission retires to the inevitable hill-station to prepare its report. On the whole, while the President's appeal for public confidence in an inquiry from which political considerations have been rigidly excluded, met with wide response, and the Commission's reception everywhere was of the most cordial character, the non-official evidence generally, with certain notable exceptions, was not noteworthy. Owing to the delay in the publication of the questionnaire, the Simla sittings, to which the present volume relates, were devoted only to the examination of about a dozen official witnesses and were primarily designed to provide the non-official members of the Commission with first-hand information respecting the existing policy of the several departments whose activities have both a direct and indirect bearing on the subject of the inquiry. The wide scope of the Commission's task is indicated by the fact that, in addition to Dr. D. Clouston, the Agricultural Adviser to the Government of India, whose evidence is naturally of outstanding importance, the officers selected for that purpose included the Educational Commissioner, the Public Health Commissioner, the Director-General of Observatories, the Officiating Director, Imperial Institute of Veterinary Research, the Chief Controller, Indian Stores Department, the Officiating Inspector-General of Forests, the Director-General of Posts and Telegraphs and the Chief Commissioner of Railways. The remainder of the Indian evidence will be issued at intervals of, probably, a fortnight or three weeks during the summer and should provide much valuable material for all who agree with Lord Irwin in the view that the "Indian agriculturist is the foundation upon which the whole economic prosperity of India rests and upon which the

structure of her social and economic future must in the main be built."

The evidence so far published has made it abundantly plain that the question of how to increase the earning capacity of the Indian cultivator is at once the most urgent and the most important of all the problems which confront the Royal Commission. It raises not merely technical agricultural issues relating to the fertility of the soil but also questions of the pressure of the population on the land; rural indebtedness; the financial accommodation afforded by co-operative societies; marketing facilities and the like. In areas where the population is dense—and in many parts of rural India the pressure is 800 or 900 persons to the square mile—the size of individual holdings is naturally much reduced, and the breadwinner has to maintain a family on an acre or so of land. Relief is to some extent afforded by migration and emigration. In the Punjab particularly, but also in the United Provinces and Central Provinces, Bombay and Madras, irrigation projects have considerably increased the cultivable area. These remedies suffice at the moment, but irrigation cannot be indefinitely extended, and its ultimate effect on productivity has yet to be gauged. Some means must be found whereby the general standard of cultivation will be raised, with proper safeguards against undue exhaustion of the soil. Agricultural experts have done wonderfully successful work in evolving improved types and inculcating more up-to-date and efficient methods. The Indian cultivator is by no means slow to follow a sound lead, but he is seriously hampered by lack of capital. There exists, therefore, a vicious circle whereby, through lack of means, the cultivator is unable to increase his revenue or to build up capital resources for future development.

As the Delhi Correspondent of one of the leading financial journals recently remarked in this connexion, a vicious circle, considered broadly, is, however, not really a circle at all. It is a spiral. At some point in the vortex the economic trend is deflected downwards and matters progress from bad to worse. Find that point and introduce an upward trend and the retrogressive spiral becomes progressive. For example, how is it that America has been enabled to progress industrially and commercially since the War? The explanation is that money was poured into her railway systems. Railway extensions, obviously paying propositions, were planned and financed. The industries helped the railways and the railways helped the industries. National prosperity, with efficient organisation, was unavoidable. What the railways have been to America agriculture must be to India. If agriculture can be stimulated so as to yield increased returns, not only is the taxable capacity of the people enhanced, with beneficial results to education and hygiene, but their spending capacity is also enlarged, to the advantage of both local industries and overseas trade. The solution must be sought, and undoubtedly be found, in the single word—organisation. Nobody who has been in close touch with the mainsprings of Indian economic life can have failed to realise how great is the faith in the powers of Government

and how ready is the response of the private individual to an efficient lead given by the powers that be. Undoubtedly the organisation required is one that must have official initiative and sanction behind it. The inspiration already exists in the work of the Agricultural Departments and the mechanism is to be found in the co-operative societies, which are slowly but surely extending their beneficial activities throughout India. What is necessary is some form of State organisation which will bring the influence of the Agricultural Departments to bear, through co-operative channels, on the everyday activities of the cultivator, leading to the more extended and profitable use of improved types of seed, effective manures, efficient implements, improved methods of sowing and weeding and harvesting, of rotation and storage. Provided this organisation is efficient capital will be forthcoming—either local capital on local terms or British capital on British terms. The two must compete, as they have competed in the past. Indian capital is willing to take risks but is expensive. British capital is cheap, but demands assured conditions of intermediate profit and ultimate repayment. In the past, both rupee and sterling capital has been forthcoming in adequate measure to finance the productive debt of India—chiefly railways and irrigation. We shall feel, and that strongly, that the present inquiry has failed of one of its primary purposes if we do not see, as an outcome of the Commission's proposals, the gradual development of a new class of productive debt—that incurred on account not of railways and posts and telegraphs, but of agriculture and of forestry. The assets in each case are enormous; the returns are no less certain.

CURRENT TOPICS.

The Indian Honours List.

The list of Birthday Honours present no striking features so far as India is concerned, and contains the usual admixture of well-deserved, conventional and somewhat surprising awards, with, also as usual, a few conspicuous omissions. Among the knighthoods, Sir Padamji Pestonji Ginwala has shown good sense and moderation on the important Tariff Board over which he is at present presiding. Sir Manmohandas Ramji Vora represent the old and conservative class of Hindu merchants in Bombay. He has done much public service on the Bombay Municipality, the Bombay Legislative Council and the Council of State. Although his attitude has generally been one of somewhat unreasoning suspicion towards any proposal emanating from Government, he has always been honest in this opposition. Sir Sorabji Mehta adds another to the little band of Parsis who have been decorated for their excellent management of industrial concerns in the Central Provinces. Sir Charles Fawcett is a well-known member of the Bombay High Court Bench, which has of late years been somewhat neglected in the honours list, so far as the judges who are members of the Civil Service are concerned and his distinction is the well-merited reward of long and exceedingly able service. The many friends of Frank Crawford, the late Director-General of the Hyderabad Police, will greet his knighthood with much pleasure. The K.B.E. of Sir Geoffrey Corbett is perhaps to be reckoned among the surprises; but this able member of the Indian Civil Service rendered good service on the Commission to South Africa. The K.C.I.E. given to Sir Cowasji Jehangir, junr., is doubtless justifiable on the length of his service in the Bombay Legislative Council. Although he was in no way responsible for the original mistakes in the Bombay Development schemes, the evidence given before the Commission certainly failed to show much ability on the part of the Department over which he presided to correct the miscalculations, or to set the facts clearly before the public. The honour granted to him will, however, doubtless please the Parsi community, in which his family holds so prominent a place. Those who know Colonel Ferrar, the Commissioner of the Andaman Islands, will

be delighted to see his good work there and in the Punjab recognised by a C.S.I. The good work of Mr. A. G. Edie in the Forest Department of the Bombay Presidency has been very properly recognised by a C.I.E. As usual, the award of the Kaisar-i-Hind medal is an indication of much patient medical and social work. None, perhaps, of the present awards is better deserved than that given to Miss Rachel Piggott of the Zenana Mission in Hyderabad, Sind. Apart from her mission work, she has organised a system of trained maternity nurses throughout the Province of Sind, which is especially backward in the medical treatment of female patients.

CALCUTTA LETTER.

(From Our Own Correspondent.)

Calcutta, May 19.

The Failure of the Bengal National Bank.

There seems to be a widespread desire to revive and remodel the Bengal National Bank. Of course, there cannot be any question of resuming business in the sense of just reopening the doors. But there might be a chance of utilizing the patriotic feelings stirred by the disaster—while they are still fresh—to raise a practically new concern, the object being to escape as much as possible the obligations of the old one. That sponging does not please everybody, and it may not be considered at all. Many schemes of reconstruction have been put forward, but it is doubtful whether any will be carried out successfully. As things stand, it is bold of the papers to say that the unfortunate depositors may, some day or other, get back 4 annas in the rupee. The bank has been dying, and was almost dead several times already. In 1923 there was a great resurrection, and deposits began to pour in again to the tune of 85 lakhs of rupees. But from that year up to date its life was again threatened, the directors borrowing twice in the same year 10 lakhs of rupees, against certain securities mortgaged to the Imperial Bank. The causes of failure were indiscriminate advances and excessive overdrafting. The affairs of the bank have undoubtedly been mismanaged, yet it has helped many a small industry, and its help will be missed.

Death of Mr. Arratoon Stephen.

The late proprietor of the Grand Hotel in Calcutta was a prominent citizen of this place. Those who have resided in Calcutta during the last thirty years or so have known him as a business magnate. His beginnings were humble, but his fortune was based on exceptional abilities in the commercial line. He has considerably enlarged and developed the Grand Hotel, both in Calcutta and in Darjeeling, also building magnificent blocks of houses in Park Street, Chowringhee, and Dalhousie Square, commodious and modern mansions, which will remain as monuments to his successful business enterprise. Mr. Stephen was also an art collector with a flair for good pieces, engravings, and china. They say that when Lord Kitchener was in India, he visited Mr. Stephen at his home, to inspect his magnificent collection of curios. While handling a specially remarkable vase, he let it drop on the ground, where it broke to pieces. Graciously, Mr. Stephen remarked that the vase was now doubly precious. He sent it to Europe for repair, and it came back, patched up and perfectly done up. That vase was one of Mr. Stephen's most treasured possessions. It will be remembered that he had arranged for a clock tower to be erected in Ispahan, his native town, and the sanction of the Persian Government had just come, when the generous donor passed away. The Armenian community loses a good friend. His two sons are at present in England. His daughters are in Calcutta or in the Hills. The late Mr. Stephen was one of those romantic figures from the Near East, one of those industrious, persevering Orientals, who manage to do something out of nothing. He leaves a widow, two sons, and five daughters, three of whom are married. His interest in the Armenian College and the Persian School had earned for

him the Order of the Lion and Rising Sun from the Shah.

Political Detenu S. C. Bose.

Mr. Subhas Chandra Bose, who was to have arrived last week by the s.s. *Angora*, did not leave Rangoon before Thursday last, on the *Aronda*. Crowds waiting for his arrival were disappointed on both occasions, as, to avoid demonstrations, the authorities stopped the boat downstream, to make the prisoner alight "somewhere near Calcutta." The passengers who were on the *Aronda* say that the prisoner appeared to be emaciated, and was clad like a *sunnyasi*. The stopping of the boat caused some anxieties to the other passengers, who, not being aware of the presence of the political prisoner on board, thought some accident had happened. A large number of reporters were disappointed, not to have any item to report. Mr. Bose, who has not accepted the conditional release offered by the Government of India, is being directed to Almora, a cool and resting place in the U.P. The Indian Press, naturally, admires Mr. Bose's attitude, whilst the Anglo-Indian Press condemns it. In all the papers one finds the text of Bose's letter to his brother, on his departure from Insein Jail, in Burma. In this letter the prisoner expresses his regret to read that some papers have considered his refusal as an attempt to bargain for better terms. A passage of his letter reads:—

"My decision follows directly from my general outlook on life, and closer thinking only serves to confirm it. The longer I live in gaol, the stronger does the conviction grow within me that the struggles of this world are at bottom conflicts of ideas, conflicts between false ideas and true, or between different degrees of reality and different degrees of truth. Ideas are the stuff of which human movements are made, and they are not static, but dynamic and militant. They are as dynamic as the Absolute Idea of Hegel, the Blind Will of Hartmann and Schopenhauer, the *élan vital* of Henri Bergson. Ideas will work out their own destiny, and we, who are but clods of clay encasing sparks of the Divine fire, have only to consecrate ourselves to these ideas. A life so consecrated is bound to fulfil itself, regardless of vicissitudes." The *Statesman* still hopes that Mr. Bose will accept the Government's terms, as, "apart from other considerations, he would make more easy the reconsideration of the cases of his compatriots who are still under detention." On Monday morning there was a *coup de théâtre*; H.E. the Governor of Bengal ordered the release of the prisoner: Mr. Bose is free.

Here and There.

Governments are just as pleased as any ordinary people at being able to make a little extra money. Advertisements have been inflicted on us even on telegraph forms, and someone has suggested that advertising should be resorted to on postage stamps, in order to reduce postal rates. There is no knowing where it will end. There is plenty of billposting space on Government House gates and railings, and sky-sign on the top of the Ochterlony monument would certainly look striking.

Mrs. Sarojini Naidu, in a recent speech, said that what was driving India to revolt, perdition and death was communal hatred. "Leave Government alone," she said, "leave the leaders alone. All your fight against Government is nothing but delusion. Indeed, what matters to me is that you and I should endorse the great ideals of yesterday, to leave our children freedom and unity." Mrs. Naidu has received from Romain Rolland's sister an invitation to represent India at the International League for Peace and Freedom. But Mrs. Naidu replied that she could not accept the invitation, as her activities are necessary to her own country, and she cannot see her way to undertake external peace-making missions. The League's object is to enlighten public opinion on the problems raised by modern civilisation, and to examine impartially the claims of various native populations, with a spirit of justice and brotherliness. Mrs. Naidu added that the freedom of her own motherland was first and foremost in her heart.

It is reported that the latest move of the strike leaders of the Burma Oil Co. is to try to bring about a general strike in Madras. The management of the Asiatic Petroleum Co. has issued a notice saying that in view of some A. P. Co.'s workmen have been enticed against their better judgment to join the B. O. Co.'s strikers, they have decided to take back those among them who wish to return to work on the old terms, provided they return at once, otherwise their places will be filled with fresh men. The shooting of unarmed people, mostly workmen, has been severely condemned and the Chief Presidency Magistrate is making inquiries into the matter. The labour leaders are appealing for funds.

The President of the Rotary Club of Calcutta will henceforth wear a chain of office, similar to that worn by mayors and sheriffs and Rotary Presidents at Home. A generous rotarian, Mr. J. H. Simpson, has presented the embellishing decoration. A contemporary says that "it will add lustre to the already scintillating radiance of wit and intelligence met at the Club's functions."

A funny story, typically Indian, is going round. A European took a letter to the Post Office to be registered. He had affixed one stamp more than was required. The *babu*, after considering the cover for some time, remarked that there was one stamp too many, and that it should be removed. The gentleman was in a great hurry and did not mind the stamp. "Never mind," he said, "come along, man, I am in a hurry." But the *babu* looked much distressed. "No, Sir," he said, "it cannot be." And he shook his hand in the well-known Indian way. "Please remove it yourself, Sir," he pleaded. The gentleman was getting hot. "Never mind the blooming stamp; it will be damaged when it is removed. After all, if you want to remove it, do it yourself, and be quick about it." The postal employee wetted the stamp and carefully removed it. Then he handed the letter back to the gentleman. "Please, Sir," he said softly, "be kind enough to initial the empty space." "Oh, Hades!" exclaimed the *Sahib*, but he signed the blank space. Then a thought struck him. "I might as well get an acknowledgment," he said. "Yes," replied the clerk, "but you must then put on an additional stamp." "Why not put back the one you have taken off?" said the client, with a sound logic. But the stamp could not be used again, being damaged, and when the *babu* affixed another, he would not place it on the initialled blank space, so that, when ready for dispatch, the letter was covered with so many stamps and stampings that the address was scarcely legible. There may be a sequel to that story, but I don't know it; yet it would be easy to add to it until it became a kind of endless story, like Mark Twain's Locust-and-Grain-of-Corn Tale-without-end.

A committee of inquiry has been appointed by the Government of Bengal to investigate the question of the excessive consumption of raw opium in the Calcutta area, including Howrah and Bally, and in Serampore and Barrackpore. The consumption is markedly in excess of the standard laid down by the League of Nations. The Committee include the Rev. Herbert Anderson of the Temperance Federation of Calcutta. The leakage is due to the smuggling of crude opium from up-country. Those smugglers carry on the trade, in spite of the activities of the Government officers who are constantly engaged in suppressing it. The cumulative effect is harmful.

The "Angels" continue to fall on the "Empire Theatre." The company, whose success has been tremendous, announced "Morals" for next week. The public is getting ripe for that. A film, "The Triumph of the Rat," has been advertised, but the Board of Censors of Calcutta have banned it as unfit for consumption. The film is nevertheless shown every night in Balgalore. What is food for the Madras Presidency is apparently poison for Bengal.

The New Delhi railway station was opened for traffic on June 1 as the first step in a scheme for providing a large central goods shed for accelerating goods traffic on the broad-gauge lines. Transport facilities between Old and New Delhi will probably be provided by the opening up of motor-omnibus services.

BOMBAY LETTER.

(From Our Own Correspondent)

Bombay, May 21.

The A.I.C.C.

"On the right track at last!" That just about sums up public opinion on the recently concluded sitting of the All-India Congress Committee. What precisely the Committee set out to do during this Bombay session it is not very easy to define, and of results there are none. Yet it has succeeded! This probably appears a paradox, but it is easily explained. The Committee simply had to meet, and in having done so and still retained as much if not acquired more homogeneity than it had before, it has succeeded where it might most justifiably have been expected to fail. And its failure to fail is the measure of its success. Indeed, one would not be at all surprised to see the Indian National Congress figuring very prominently on the list of witnesses that the 1929 Royal Commission will examine.

A President's Strategy.

Easily the most prominent feature of the proceedings was the strategy employed by the President, Mr. Srinivasa Iyengar. Many Congressmen expected the sitting would clarify the policy and programme of the Indian National Congress. In this respect the deliberations have proved a blank, for the attempts of the Diehards of the Left Wing to stiffen the programme and embark on a general walk-out from the Councils failed signally. The credit for this goes to Mr. Iyengar, who ingeniously ruled out of order every inconvenient motion calculated to create a further split in the ranks of the party. He failed only in one instance, and, knowing that he would fail, he vacated the Chair in favour of Pundit Motilal Nehru and allowed that gentleman to go through a very difficult hour, while he himself became an interested spectator.

Joint Electorates.

The communal question engaged attention first, and the acceptance of the Muslims' joint electorates proposals after due modification was principally the outcome of numerous informal discussions between the leaders in the truly cosmopolitan surroundings of the Taj Mahal Hotel. The A.I.C.C. finally accepted joint electorates in principle and also the Muslim demands for the constitution of Sind into a separate province and for the introduction of reforms in the Frontier Province, but as a counter-blast to this demanded the constitution of Andhra and Karnatic, two predominantly Hindu areas, into separate provinces as well. As a first step in the preparation of the Congress case for presentation to the Royal Commission the move is quite an ingenious one, but whether it is calculated to another question.

Which is Better?

Another side to this question is raised by the *Bengalee*, which while admitting that in themselves joint electorates are preferable to communal electorates from the national viewpoint, doubts whether the advantages to be derived will not be more than outweighed by the reservation of a fixed number of seats for each community. For one thing, it will lead to the return to the legislatures of a class of men who will do much more harm to the country than good. Sincere men who feel strongly, the paper points out, will be handicapped by having to rely solely on the support of the voters of one community; while men of accommodating views will be able to bid for the votes of both communities by declaring themselves equally prepared to defend contrary interests.

Facing Facts.

Having sought to emphasise its importance in the political life of the country by a paper pact on communal unity, the Congress has cleared the ground for conditional co-operation. Thus, and thus only, was it able to adopt the proposal to frame a brand new constitution for India in consultation with other parties whose representative

character the Congress has hitherto disputed. It is all part of the propaganda to rehabilitate the Congress, other instances of which were evident in the refusal to censure the Madras Swarajists for permitting the establishment of a Ministry in Madras and meeting the Responsivists halfway so as to prevent a breach. Altogether, Moderate Indian opinion is inclined to the view that the Congress leaders, and particularly Mr. Srinivasa Iyengar and Pundit Motilal Nehru, are at last showing their courage to face facts and to readjust, although gradually, the Congress programme to fit it with realities.

Mahableshwar Doings.

The yearly two months' stay at Mahableshwar of the Bombay Government is fast drawing to a close, the move to Poona being due in the first week of June. Meantime, much has been afoot at the former. When not playing golf, tennis and billiards, the residents have been discussing the future of this pretty little hill station. Rumour states that the annual visit of the Governor is to be discontinued after the present year, but that is very doubtful indeed, for it is far too popular in official circles, and not least of all with the Governor himself. A sensation was caused there the other day when Captain W. H. Brett, of the 8th Cavalry, up on leave from Bolarum, fell out of a window in the Club while sleep-walking and sustained more or less serious injuries. The Governor and Lady Wilson with a small party have left for visits to Simla and Kashmir, to Lord and Lady Irwin and Maharaja Sir Hari Singh, respectively.

Panic on Stock Exchange.

The tightness of the money market, due principally to the Government currency deflations, caused a virtual panic on the Stock Exchange a day or two ago, when Government securities suffered a sudden decline owing to heavy sales by "bear" operators which the "bulls" were not prepared to take up. The panic, however, was only temporary, and towards the close the week securities steadied up and, in the event of there being no further deflations, a substantial rise may be anticipated in the near future. Cotton also is expected to rise, the local market being firm despite adverse American reports. Cotton mill shares are quiet pending the publication of the Textile Tariff Board's report, which is expected soon. Exchange is quiet, demand for silver is less in evidence and gold is lifeless.

THE CALCUTTA DINNER.

The annual Calcutta dinner, founded 25 years ago by Mr. A. H. Wallis, who was unfortunately unable to be present at its silver jubilee, was held at the Hotel Cecil on June 1, with Sir William Currie in the chair, and the Right Hon. Sir Lancelot Sanderson, K.C., ex-Chief Justice of Calcutta, as the guest of the evening. No less than five ex-Governors of Bengal and other provinces and two Governors-designate were among the 340 present, a record in the history of the gathering.

The Chairman said that times were changing in India, but, as in the past, so at the present time, service in that country, whether in a civil, military or mercantile capacity, called for the best of Britain's sons. If the political repercussions of the past six years had not been very severely felt in the commercial world, the path of the Indian Civil Service had not by any means been strewn with roses, and he paid an especial tribute to the way in which the members of that great service had continued to give unstintingly and unhesitatingly of their best, in increasing association with public spirited Indians, to the administration of the country, thereby providing an effective guarantee that, even under the altered conditions, the high traditions, efficiency and moral fibre of the Government of India, would be faithfully maintained.

Appealing to his fellow "box wallahs" to take up their share of the burden, Sir William Currie said that it was essential that the representation in the Legislatures allotted to the European community should be adequately

filled. Signs had not been wanting that growing political consciousness and political power had inspired among some the ideas of handicapping British commerce, of restricting the free flow and use of British capital, and of dictating who should be employed in business firms, irrespective of capability or efficiency. Such methods must be combated, not only because there must be free play for all, but because of their economic unsoundness. For this reason, and in the interests of India itself, it was necessary for the European in India, in co-operation with those Indians who were working for the good of the country untrammelled by racial prejudice, to bear his share and give of his best in its administration.

Sir Lancelot Sanderson spoke of the remarkable success of the judicial administration in India. A most satisfactory feature was the confidence which the people had in it. It had been a pleasure for him, since taking his seat on the Judicial Committee of the Privy Council, to hear the words of praise uttered by colleagues with reference to judgments delivered by some of the subordinate judges of Bengal, and on the learning displayed therein. Indians had adjusted themselves to the system of administration of justice instituted under British rule. They had become very efficient advocates; they had shown themselves learned and capable judges.

Sir Alfred Pickford proposed a vote of thanks to the Chair and at the unanimous and vociferously expressed request of the assembly Lord Ronaldshay and the Maharajahderaj Bahadur of Burdwan also spoke. The company included:—Lord Sinha, the Earl of Ronaldshay, Lord Meston, Sir Charles Innes, Sir Henry Wheeler, Sir Charles McLeod, Sir George Sutherland, Sir John Hewett, Sir Henry Burt, Sir Benjamin Robertson, Sir Archibald Birkmyre, Sir John Cumming, Sir Robert Carlyle, Sir Thomas Catto, Sir Stephen Demetriadi, Sir Edward Every, Sir Arthur Froom, the Archdeacon of Calcutta, Sir George Godfrey, Sir Robert Highet, Bishop Hope-Gill, Colonel Sir Gordon Hearn, Sir D'Arcy Lindsay, Sir Duncan Macpherson, Sir H. McMahon, Hon. Kenneth Mackay, Sir Robert McLean, Mr. F. Noyce, Mr. George Pilcher, Sir Alfred Pickford, Mr. F. Palmer, Sir Campbell Rhodes, Sir T. Richardson, Mr. H. M. Haywood, Sir B. Scott, Sir Thomas Smith, Sir Trevredyn Wynne, Sir Robert Watson Smyth, Dr. Cecil Webb-Johnson, Sir W. S. J. Wilson, Sir Arthur Yapp, Messrs. C. H. Bonpas, Mr. C. B. Chartres, J. B. Crichton, L. T. Carmichael, Mr. M. M. S. Gubbay, N. Gupta, N. Gangalee, H. A. F. Lindsay, P. C. Sheridan, Mr. Walter Davies (hon. treasurer), and Mr. E. J. Bowrey (hon. secretary).

THE SIND DINNER.

The Sind Dinner was successfully held at the Café Monico on May 31. Field-Marshal Sir Claud Jacob presided, and amongst those present were Sir Henry Lawrence, Sir Charles Mules, Sir Rayner Barker, Sir James Begbie, Mr. A. D. Younghusband, Mr. P. R. Cadell, Mr. Robert and Mr. Edward Giles, Major-Generals A. le G. Jacob, G. A. Leslie, D. G. L. Shaw, and F. H. Jelly, Mr. Justice N. Kemp, and many other connected with the Province.

The toast of "The Province" was given by the Chairman, and was coupled with the name of Mr. Cadell, its most recent Commissioner, who, in his reply, reviewed its progress and position. The Chairman has had a long-standing connexion with the Province, being the grand-nephew of General John Jacob, whose memory is still revered as a soldier and administrator. Another great-uncle raised and for many years commanded Jacob's Rifles, afterwards the 130th Baluchis. Sir Claud Jacob himself joined this regiment more than 40 years ago, in the days when the Baluch Brigade was practically a localised force, whose stations were always in Sind during times of peace.

THE CHARM OF ASSAM—III.*

"Assam is not a military recruiting ground, but in spite of this it made some contribution to the Great War. 174 of the civil officers were spared for military duty. The I.C.S. has a cadre of only 43, and under the orders of the Secretary of State, no Indian Civilian might leave India for any theatre of war without his express permission. Twenty-two joined the army for shorter or longer periods, 2 of whom were killed. The highest mortality was amongst the regular officers serving with the military police battalions. Fifteen went, one third of whom were killed, and their places were taken by the wreckage of the war. 278 non-official members of the Volunteer Corps joined the Indian Army Reserve of Officers, the regular forces or the Labour Corps. The military police battalions served as training grounds for the regular army, and over 3,000 officers and men were drafted to fighting units. Manipur and the three large hill districts sent labour corps 2,000 strong to France, the Garo hills sent 500, and Sylhet 1,000 to Mesopotamia.

"Many of these hillsmen had never so much as seen a railway train before they started. Yet they settled down quite happily in France and fitted into their old simple haunts just as easily on their return. The Nagas caused quite a sensation in their journey across India. At each halt all dogs in sight were killed and eaten and at one place it is said a dhobi's donkey added substance to the meal. The Indian staff were terrified at these naked men, armed with their spears and axes, and messages flashed down the line warning their friends to send their families away.

"The war took its toll even from the most unlikely places. In 1919, I was camping in forests which seemed incredibly remote from Europe. In the evening the villagers squatted round the camp fire, with the light flickering on their faces and lighting up the tree trunks which loomed in the darkness like the pillars of some huge cathedral. And they told us how some of their men had gone, and how those who had returned had told them a little of the war, 'but only a little, sahib, because there was an order, and what a curious war it was. How men would be gathered together and a box would arrive and when the box was opened men died.' That was the Mikir's description of a bursting shell. The jungle folk took things very much for granted. The first railway tunnel was an alarming experience, but once you have swallowed a railway train, you can manage an ocean-going steamer and an aeroplane. Sea sickness was a disease which it was held only attacked 'black men,' and those who crossed in the monsoon certainly suffered terribly.

"Of the 8 million people in the province, 55 per cent. are Hindus, 28 per cent. Muhammandans, and 16 per cent. adhere to those primitive forms of belief known as animistic. The bulk of the Muhammadan population is in the Surma Valley and in Upper Assam there are comparatively few. Assam was originally a stronghold of the Saktist form of Hinduism and the temple at Kamakhya is a noted place of pilgrimage. The shrine covers Sati's organs of generation which fell there when her body was lopped in pieces by Vishnu. It is situated on the top of a rocky hill about 600 feet in height, whence a glorious view can be obtained on a clear day. To the south the Khasi Hills descend almost to the river; immediately below the mighty Brahmaputra flows between the rocky hills which shut it in on either side; to the north the plain, dotted with outliers from the Assam range, stretches away to the blue mountains of Bhutan. East and west the river spreads out like a great inlet of the sea till it disappears in the horizon. Nothing could be more striking than the contrast between the natural beauties of the scene and the squalid surroundings of the temple.

(To be continued.)

* Further extracts from a paper on Assam read by Mr. B. C. Allen, C.S.I., late Commissioner, Assam Valley Division, before the Indian Section of the Royal Society of Arts on May 6. Sir Edward A. Galt, K.C.S.I., C.I.E., presided.

THE ASSAM DINNER.

Over 400 of those connected with the Province of Assam and other tea districts of India were present at the annual reunion dinner held at the Connaught Rooms on May 30. The attendance constituted a record even for a gathering that is always the largest of the many similar functions which take place at this time of the year. Mr. L. T. Carmichael, Chairman of the Indian Tea Association (London), presided and Colonel Sir Ronald Ross was the principal guest of the evening.

Extending an especially hearty welcome to those of the guests who were, or had been, members of the Indian Civil Service, the Chairman said that, like the Navy, in that and other respects, they understood the use of camouflage, and "often contrived to conceal beneath a mask of aloof indifference a very real and deep regard for the welfare of the people committed to their care." They were fortunate in having with them the Governor-Designate of Assam, and in offering Sir Laurie Hammond the company's sincere congratulation on his appointment, he felt that the Province was equally to be congratulated on securing his services. Sir Ronald Ross, who had shown the way to rid the world of malaria and had made possible the construction of the Panama, needed no introduction to such an assembly. It was said that the ancient Grecian and Roman Empires had declined largely as the result of the enfeebling effects of malaria. With the knowledge Sir Ronald Ross had given to the world it would be our own fault if the British Empire in the East should decline from the same cause. The Indian Tea Association was glad to be financially responsible for Sir Ronald's recent visit to India, and it was hoped that his work there would serve to quicken interest afresh in this great work of malaria prevention.

Sir Ronald Ross said that his recent visit to Malaya and Assam was the 13th tour he had undertaken to tropical countries in anti-malarial work. It was time that the British Empire undertook its proper duties in connexion with that disease. It was 30 years now since Sir Patrick Manson and he succeeded in finding how malaria was conveyed. At that time he hoped that the scourge would be got rid of in the Empire within a few years, but the latest of his journeys had shown him that they were only just beginning in this work. He admitted that a great deal had been done in Malaya, but Assam had not gone so far. He wanted to see the formation of an anti-malaria committee for each group introduced in Assam. No doubt there were difficulties in securing the help of the Indian villagers, but they could be overcome. The planters should organise independently of Government action; they should rule their own house, and he was quite sure that as soon as they set the example the Government would act too.

The company included:—Sir B. Robertson, Sir Laurie Hammond, Sir C. S. Bayley, Lord Russell, Sir Archdale Earle, Sir J. Cumming, Sir W. Simpson, Sir W. H. Clark, Sir W. J. Reid, Sir D'Arcy Lindsay, Dr. Andrew Balfour, Mr. C. H. Hilliard, Major-General Sir A. W. F. Knox, Brigadier-General F. E. Metcalfe, Lieut.-Col. H. C. Manders, Colonel A. J. M. MacLaughlin, Lt.-Col. A. H. C. Sutherland, Major Norman McLeod, and Messrs. A. H. Abbott, B. C. Allen, H. C. Barnes, A. W. Chaplin, W. H. Duncan, W. M. Fraser, P. F. Howlett (President, Tea Buyers' Association), G. M. Kingsley, H. A. F. Lindsay, W. J. Lucking (South Indian Tea Association), H. M. Haywood, T. McMorran, G. H. Masefield, E. A. Mitchell, F. A. Roberts, and W. H. Pease.

Sir Henry Wheeler, lately Governor of Bihar and Orissa, has been offered a seat on the India Council.

The whole of the Amritsar-Narowal Railway, including the section which crosses the Ravi river by the bridge now under construction, is expected to be completed in December, 1928.

It is semi-officially reported from Colombo that the Rt. Hon. Mr. J. M. Thomas, the railwaymen's leader, will be the chairman of the Special Commission appointed by His Majesty to consider the revision of the Constitution of Ceylon.

CORRESPONDENCE

THE FIRST INDIAN HALF ANNA BLUE.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—It is believed that many stamp collectors all over India and elsewhere who are not members of the Philatelic Society of India, will be interested to know that Messrs. E. A. Smythies, I.F.S., and D. R. Martin, R.E., have collaborated in writing a book on "The First Indian Half Anna Blue, 1854," which deals with the different dies of this stamp, their "touches-up," retouches, flaws, and plating, in a manner which has never been attempted before. Their work has been described by two of the most eminent experts in London as "the most interesting philatelic study" which they have ever seen. It is very fully illustrated and will appear, in the first place, as a supplement to the Philatelic Journal of India, and it is hoped that the first instalment will be issued in the current month. It will afterwards be published in book form. If any *bona fide* collector interested in the subject will apply to me, I shall be very glad to give him any further information on the subject which he may require.—I am, etc.,

J. E. B. HOTSON.

Editor, Philatelic Journal of India.

The Secretariat, Bombay, May 2.

NEWS IN BRIEF.

Mr. Justice Blackett has dismissed with costs the suit filed by Mr. J. B. Petit in the Bombay High Court to set aside the election of Dr. Batiwalla as President of the Bombay Municipal Corporation.

The Secretary of State for the Colonies, in reply to a question in the House of Commons on May 23, said that he had not received any representations from the Planters' Association of Ceylon with regard to the agreement between the Government of Ceylon and the Government of India as to standard conditions and standard wages for Indian workers in the plantations.

Mr. O. A. Smith has been appointed acting Managing Governor of the Imperial Bank of India, vice Sir Norman Murray, who is at present in this country on leave. The term of office of Sir Norcot Warren, Joint Managing Governor, has been extended to December 25, 1927, and it is understood that Mr. Smith will be promoted to the substantive post on Sir Norcot's retirement.

In the House of Commons recently, in reply to a question by Mr. Lansbury, Earl Winterton said that Sir Herbert Baker, the architect of the new India House, is now preparing final plans. Before the Indian Legislature, he added, voted a grant of £60,000 for the current year's expenditure preliminary plans had been submitted to that body and the estimated cost of the whole scheme was £300,000.

During the debate in the House of Lords in Committee on the Indian Church Bill on May 31, the Earl of Birkenhead, Secretary of State for India, gave an undertaking that the third reading of the Bill would not be taken until the Measure had passed through the Church Assembly. The Bill passed through Committee.

It is announced that the Governor-General of Portuguese India has agreed to a request from the Indian Government for permission for four seaplanes to land on Diu Island (170 miles N.E. of Bombay) on their way from Karachi to Singapore, and possibly to Australia.

The Times Bombay Correspondent states that the Viceroy will visit Bombay on July 23 and will open the Indian Broadcasting Company's station, which is now practically complete. He will also open on that day the beam wireless service to England. The Viceroy is also expected to visit Ootacamund in July. On December 11 the Viceroy will begin a week's visit to Bombay, subsequently going to Kolhapur.

The third memorandum on the Indian wheat crop of 1926-27 shows an increase of just over a million acres on the sowings at the same date last year—namely, from 30,000,000 to 31,000,000 acres. The total yield is now estimated at 8,700,000 tons, as compared with the revised estimate for the corresponding period of 1926-26 of 8,600,000 tons. In other words, while the area under cultivation has increased by 3 per cent., the actual outturn is only expected to show an improvement of just over 1 per cent. The general condition of the crop, on the whole, is reported to be good.

In a written reply to Mr. Lansbury, who had invited his attention to the resolution passed in the Burma Legislative Council stating that in the opinion of that body the best interests of the Province are likely to be served by State management of the Burma railways on the termination of the present contract in 1928, the Under-Secretary of State for India stated on May 23 that the Secretary of State is still awaiting the recommendations of the Government of India in regard to the management of the Burma Railways after 1928.

Commercial and Financial Section.

NOTES AND NEWS.

170, Strand, London, W.C.2,
Tuesday Morning.

Notable Honours.

In the Birthday Honours list there are a number of awards of special interest. A detailed list will be found elsewhere in these columns, and I only refer here to a few of the more notable honours. Sir Davison Dalziel, M.P., the executive head of the *Compagnie Internationale des Wagons Lits* and the Pullman Car Company, is made a baron. Then among the new baronets is Sir Harry Goschen, who is a director of the Chartered Bank of India and the National Provincial Bank. In the Diplomatic list an outstanding award is the K.B.E. conferred on Captain E. C. Midwinter, Controller of the Sudan Government London Office. Among the numerous awards in this list mention may be made of the appointments to the C.B.E. of Mr. J. A. Jameson, Fields Manager of the Anglo-Persian Oil Company, Mr. G. H. Griffith, Deputy General Manager of the Egyptian State Railways, Mr. A. C. Parker, General Manager of the Sudan Government Railways and Steamers, and Mr. V. L. Osborne, Surveyor-General, Survey of Egypt. Those I have mentioned are only a few of the many names connected with the Near East which figure in the list.

Egypt and the Cotton Revival.

How quickly under favourable conditions the economic situation in Egypt is likely to recover as a result of the improvement in cotton values may be gathered from the trade statistics for March, which show a great increase in the value of the exports as compared with the same month a year ago. While the value of the imports was £3,702,772 as compared with £4,530,453, plainly reflecting the reduced purchasing power of the country, that of the exports was £4,897,525 as against £4,198,547. The share of cotton in this increase may be gathered from the fact that the exports of raw cotton were valued at £3,804,238 as against £3,510,543, while those of cotton seed were valued at £385,941 as against £196,644. It is an axiom, the truth of which has been shown more than once in the last few years, that Egypt possesses wonderful recuperative powers, and if, as now seems probable, we are in for a prolonged period of higher cotton values, then the factor responsible for the trade depression in that country will have disappeared and before very long we may anticipate that the improvement in the situation will be reflected in the expansion of imports. The recovery of the country may be hindered, however, by adverse political developments, and it cannot be too strongly insisted on that in common with every other country Egypt needs a period of complete freedom from internal difficulties the result of which must be to retard the country's economic convalescence. As I have had occasion to point out before the depression in Egypt has had an effect on neighbouring countries, and has been a principal factor in the difficult situation which Palestine has had to face in the past year. A recovery in Egypt thus means also a much better outlook for Palestine.

Burmah Oil Report.

The full report of the *Burmah Oil Company* indicates the reason for the increase in the net profits, and at the same time renders possible a more comprehensive comparison with the results in previous years. It is stated that increased benefits realised during the year from refinery reconstruction, together with savings in other

directions, more than compensated for the lower values ruling for almost every petroleum product, and for the reduced income from investments consequent on receipt of the normal one year's dividend on the company's holding in the *Anglo-Persian Oil Company*, in place of two years in 1925. Operations in the Burma fields were interrupted for over a month by labour troubles, with the result that crude oil production there was somewhat less than for 1925. The ample stocks customarily carried secured the company's other activities against disturbance and it is anticipated that the consequent reduction in stocks of crude oil should shortly be completely made good. As regards the results as usual field expenditure has been charged direct to income, and the trading profit and other income after allowing for depreciation amounted to £3,167,662 as compared with £3,009,597 for 1925 and £2,881,198 for 1924. The proposed dividend of 30 per cent. compares with 35 per cent. for 1925, but it will, of course, be paid on a much larger capital, and is, in fact, equivalent to 40 per cent. Promising indications have been forthcoming in regard to the test wells being drilled in three areas in Lower Assam, but completion of the tests has been delayed by the heavy gas and water measures encountered. A satisfactory account is given of crude oil production in Upper Assam by the *Assam Oil Co., Ltd.*, in which the company has a large interest. Finally, reference is made by the directors to the further fall in oil values that has occurred during the current year and to the unstable character of the market as a consequence of over production in America.

Ottoman Bank Dividend.

The announcement of the proposed distribution by the *Ottoman Bank* of 5s. per share which represents 2½ per cent. is a welcome indication of the improvement of conditions abroad generally and in the Near East, notably Turkey, of course, in particular. The last distribution by the bank was in 1921, when the dividend was 5 per cent., and for seven years before that date there was no dividend. It may be recalled that but for the advisedly prudent policy pursued by the directors a dividend might have been paid last year. At the meeting a year ago the Chairman, General Sir Herbert Lawrence, paid a tribute to the energy and perseverance with which Turkey has pursued the work of economic restoration, and no doubt at the forthcoming meeting an interesting light will be thrown on developments during the past twelve months.

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Egyptian Tourists.

An illuminating light on the tendency in the modern State to take cognisance of every activity of its citizens is provided by a report by the Egyptian Government to the Financial Commission of the Senate, giving the number of passports issued between 1921 and December 1926. It is stated that though the statement shows that the number of passports issued has decreased the Commission considers it necessary to draw the attention of Egyptians to the harm done by spending money outside the country purely for pleasure. I only refer to this matter because it seems to illustrate so aptly the new development of the theory of a State. Those who have followed the course of events in Great Britain in recent years will understand exactly what I mean. In the new State theory which is arising liberty of the individual *per se* will be a thing of the past. As regards the report to which I refer it seems to come with particularly bad grace from Egypt which has benefited, and promises always to do so, far more than any other country from visits taken abroad for pleasure.

Company Journalism.

Far too little is known by the general public of a development in journalism which is comparatively recent in the shape of the issue by large concerns of house journals. Admittedly they are mainly, though by no means all, primarily of local interest in so far as their main *raison d'être* is to be a chronicle in the main of the social activities of the employees of the concern. They are united in one thing that they all reach a remarkably high standard, showing that the technique of journalism is not an art that cannot be acquired with some facility. These remarks have been inspired by the receipt in the last few days of a copy of *Vickers News*, an admirably produced little journal, which certainly merits a very high place among house organs. This particular issue is certainly not merely of local interest, for it contains a number of most interesting illustrated articles dealing with the activities of the famous concern. Social news, is, of course, a very prominent feature, and the illustrations throughout make the issue one of which those responsible for it may well be proud.

The B.I.F.

Whatever the fate of the Department of Overseas Trade the British Industries Fair for which it is responsible will go on just as if nothing had happened. It is, it may be added, a strong argument in favour of the Department that the Fair is now recognised as an essential weapon in our trade offensive. Already the preparatory work for the 1928 Fair is being carried out, and I recently received detailed particulars of the Birmingham section. The Fair is to be held there and at the White City (if that is to be the London venue) from February 20 to March 2, and the opinion seems to be general that great as were the applications for space at this year's event they will easily be surpassed next time. That goes to show the place the Fair has now come to have in relation to British industrial endeavour. Each time it has been held the results have only served further to point to the conclusion that when world trade conditions are really favourable the Fair will prove a really valuable spearhead for British trade enterprise. How it is coming to be regarded abroad is apparent from the increasing volume of visitors, for it is being increasingly recognised that the Fair is now a business

event of the year which must not be missed by those who wish to be in a position to provide their customers with the latest commodities.

The Rubber Position.

It cannot be said that anything has yet occurred to throw a great deal of light on the puzzling situation with regard to rubber. After a substantial decrease in the London stocks a fortnight ago there was a slight increase last week, and possibly because there is not a continuous decrease the price of the commodity remains much as it was. With the position as it is there seems but a small prospect now of the price reaching a figure which will enable an increase in the exportable quota at the end of the quarter, but on the other hand it is equally obvious that there is no risk of a further decrease in the quota—a development which, it may be added, could not be regarded as otherwise than a misfortune to the industry. If, as now appears probable, we are to have a restriction to 60 per cent. for a full six months—a contingency which seemed wildly improbable only a little time ago—then it is clear that at the beginning of the autumn if not before we shall see high prices ruling. As I have pointed out before, however, the situation is wholly an artificial one, as the demand which could absorb the whole of the possible supplies is not in sight. If therefore high prices result in the 100 per cent. quota being reached there is absolutely no assurance—in present conditions—that the swing of the pendulum will not again take place with the result that in a year or so we may be back at the 60 per cent. quota. The only thing that can avoid this eventuality is the development of the world demand.

COMMENTATOR.

SMYRNA'S EXPORT TRADE IN 1926.

The British Consul-General at Smyrna reports that exports in 1926 amounted in value to £T60,709,175. The values of the chief items (in thousands of £T) were, Tobacco 28,000; raisins 9,424; figs 6,386; carpets 4,622; cotton 1,866; valonia 1,123; boxes 980; barley 854; liquorice root 559; raw hides 455; and valonia extract 349.

The principal exports to the United Kingdom last year included barley, 9,855 metric tons; raisins, 9,472 tons; figs, 9378 tons; valonia, 2,957 tons; boxes, 2,213 tons; cotton and hemp seed, 2,079 tons; emery, 666 tons; millet, 655 tons; beans, 640 tons; valex, 115 tons; liquorice root, 100 tons; tobacco, 92 tons; oats, 87 tons; cotton, 83 tons; cereal refuse, 74 tons; dressed hides, 61 tons; liquorice paste, 50 tons; furs, 9,129 kilograms; pine kernels and pistachio nuts, 5,346 kilograms; opium, 4,466 kilograms; mercury, 2,074 kilograms; almonds, 2,051 kilograms; chestnuts, 1,024 kilograms; and raw hides, 907 kilograms.

PUBLIC LIBRARY IN CYPRUS.

On the initiative of the Governor, Sir Ronald Storrs, the first Public Library in Cyprus was recently inaugurated at Nicosia. A splendid start was made, thanks to the valuable assistance given by the Victoria League, which has shown great interest in the scheme and has contributed upwards of 200 volumes.

Her Majesty the Queen has also graciously presented about 50 books from her own private collection, an act which should afford special gratification to the Island. The Imperial Institute and various private donors have also generously made further gifts of appropriate books.

Steaua Romana (British), Limited, are advised that the production of Steaua Romana Company, Bucharest, for May was 49,040 tons (compared with 29,800 tons for the corresponding period last year), which is the highest monthly production yet obtained by the company.

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THE WEEK'S FINANCE.

(By Our Financial Expert.)

London, June 7.

The Whitsuntide holiday and the growing habit of extending it, is sufficient in itself to explain the quietude which has reigned in the Stock Exchange markets this week. At the same time the monetary situation continues to present something of an enigma, and, until some more light is forthcoming on the future of money rates, fixed-interest securities are marking time, while the uncertainty also affects many other sections of the House. Furthermore the new complication in Egypt has now come to reinforce Chinese and Russian anxieties as disturbing factors in the international sphere. However, the continued success of a series of new issues shows that there is plenty of money available for investment; the wild movements of American Celanese and the support accorded to other speculative favourites show that the spirit of speculation is not dead. Should the political and monetary situations become clearer, there should be some basis for renewed market activity when the Whitsuntide holiday is really out of the way, for the increase in the country's industrial activity, as revealed by the drop in the unemployment figures, is an important fact which should inspire confidence.

The Midland Bank and the Unstamped "Cheque."

The Midland Bank's new scheme for attracting small depositors has aroused a good deal of interest and discussion in financial circles. The scheme, which, in brief, allows clients to draw upon their accounts for amounts of less than £2 by means of a receipt form, which does not require the 2d. stamp compulsory on all ordinary cheques, if generally adopted by other banks should become very popular for the settlement of small tradesmen's bills. It is, therefore, somewhat surprising to learn that the scheme has been approved by the Board of Inland Revenue, since if used to any large extent it will deprive the Exchequer of a considerable amount of revenue both in the form of cheque stamps and in poundage on postal orders. To what extent the new instrument will be negotiable is not yet clear, and until it is adopted by other banks it will be presumably confined to local transactions. If the scheme is taken up by other banks and the new "cheque" is used as a negotiable instrument and passes through the bank clearing, it is difficult to see how it can escape stamp duty, since it will come under the category of a bill of exchange. The Committee of the Bankers' Clearing House has decided not to handle these unstamped cheques and the Chancellor of the Exchequer has stated in the House of Commons that the Government are taking the advice of the Law Officers on the question of their liability to stamp duty. We are unlikely, therefore, to see any wide development from this new and enterprising move by the Midland Bank.

Artificial Silk Shares.

In the past week or two the artificial silk share market has been the centre of speculative interest. The shares of the Celanese Corporation of America, however, have practically monopolised attention. The activity in these shares has been characterised as a "wild gamble" and this is no exaggeration. Making up last account at £38, these shares of no par value have advanced to £61, and the buying fever continues. At £60 the valuation of the common shares is no less than £13,200,000. This enormous figure is all the more remarkable since no dividends have yet been paid on the shares. The speculation is based upon the belief that the factory is working at full capacity, and that sales considerably exceed production. The company's present earnings are stated to be at the rate of 3,000,000 dollars per annum, the surplus available for the common shares for this year being put at 7½ dollars per share and for 1928 at 24½ dollars per share.

These are, of course, extremely optimistic estimates. The present buying movement is reported to be chiefly on account of New York, and the English investor would be well advised not to share in New York's extreme optimism. This is especially advisable in view of the fact that the rise is partly due to the technical position of the market. The bulk of the shares are apparently being held off the market, so that the buying has had disproportionate results. Courtauld's shares have benefited by the wave of speculative interest, the price being around £6½. There is undoubtedly more justification for this comparatively modest rise, particularly if the long view is taken. Courtauld's have handsomely repaid the investor in the past and will probably continue to make satisfactory profits. A cautious attitude should be taken with regard to the shares of the new and smaller companies.

A Sound Preference Share.

The investor seeking a sound preference share giving a good return will find the Manchester Ship Canal Company's 5 per cent. preference shares excellent for the purpose. The Ship Canal is now well past the experimental stage, and in recent years it has returned steadily advancing receipts. Despite even the disturbed conditions obtaining last year, it was able to show an increase as compared with the previous year, for there were large importations of coal into the Port of Manchester. Ship Canal tolls, ship dues and miscellaneous receipts have recently been as follows: 1924, £1,463,656; 1925, £1,493,544; and 1926, £1,592,219. An ordinary dividend of 5 per cent. has been paid for some time past.

Those who are responsible for directing the undertaking by no means lack enterprise, as is proved by the Company's record; and it may be assumed that they will not rest on their oars. Indeed, at the last meeting the chairman was optimistic. He referred to developments in the past year and indicated the lines along which further progress could be made. The advantages of the Port of Manchester are only just beginning to be realised. There are £4,000,000 preference shares outstanding and they give the satisfactory return of £6 8s. per cent.

OVERSEAS AGENTS FOR THE SALE OF
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Alexandria: M. Nacamulli and Co., 12, Rue Sesostris.

Cairo: M. Avatis, 1, Faggala.

Express Book and Stationery Store, P.O. Box 1113.

Port Said: English Agency, P.O. Box 240.

SUDAN.

Port Sudan: The Egyptian Library, Post Office Box No. 44.

PALESTINE.

Haifa: Newspapers Agency Steimatzky, Jaffa Street.

Jerusalem: B. Y. and W. A. Said, 23-24, Jaffa Road.
Newspapers Agency Steimatzky, Jaffa Road.

SYRIA.

Beyrout: Sarrafian Bros.

IRAQ.

Basrah: Jashanamal, Bridge Street, Ashar.

BULGARIA.

Sofia: Librairie Francaise et Etrangere, 44, Bvd. Tsar
Ostvoboditel.

CYPRUS.

Nicosia: Dick Soultanian, P.O. Box 6.

GREECE.

Athens: Messageries de Journaux et Publications Etrangers, 24,
Rue du Stade.

TURKEY.

Constantinople: The Anglo-American Book and Newsagency,
18, Rue des Petits Champs, Pera.

AMERICA.

New York: Brentano's, Fifth Avenue and 27th Street.
Boston (Mass.): Smith and McCance, Ashburton Place.

Shipping Intelligence

TRAFFIC IN THE FREE ZONE OF SALONIKA.

The following report of the traffic in the Free Zone of Salonika appeared in the *Messenger d'Athènes* :—

The directors of the free zone of Salonika communicate the following figures of traffic in the zone for the current year 1926 :—

Arrivals.

- | | | | | | |
|---|-----|-----|-----|-----|---------|
| (1) In the port of the free zone of Salonika, 1,119 steamers loaded with various merchandise of total tonnage | ... | ... | ... | ... | 320,421 |
| (2) By railway, 10,936 trucks loaded with various merchandise of total tonnage | ... | ... | ... | ... | 125,476 |

Total in tons 445,597

The following are the principal commodities: Corn, 71,000 tons; cereals, 45,000 tons; flour, 41,000; minerals and metals, 37,000; sugar, 16,000; rice, 5,500; and other products in lesser quantities.

To this should be added 72,500 cubic metres of wood for constructional purposes, unloaded outside the zone.

Further imports by shipment include 8,185 head of animals from various sources. The service of the zone calculates on the grounds of assembled information—not having to hand the declarations of the respective customs—that the following livestock have been imported from Yugoslavia by rail: About 400,000 goats and sheep, 27,000 cattle, 1,700 pigs, and 200 horses.

The total tonnage of this merchandise corresponding to their various sources is established as follows: Serbia, 114,000; Italy, 56,000; United States, 47,000; Roumania, 34,000; Great Britain, 31,000; Belgium, 30,000; Holland, 28,000; Russia, 25,000; France, 20,000; Hungary, 17,000; Germany, 11,000; Canada, 10,000; Turkey, 8,000, etc.

Exports.

- | | | | | |
|--|-----|-----|-----|--------|
| (1) Loaded on 990 steamers, merchandise imported relating to the above tonnage | ... | ... | ... | 55,891 |
| (2) By rail in 2,629 trucks, etc. | ... | ... | ... | 24,771 |

Total tonnage 80,662

Of which about 20,000 tons were destined for Greek ports and stations and the rest for abroad. Merchandise sent by sea and rail consisted chiefly of cereals (27,000 tons), corn (16,000), flour (5,000), and other articles in lesser quantities.

The chief destinations for exports were France (17,000 tons), Yugoslavia (16,000 tons), Belgium (10,000), Egypt (5,000), etc.

(3) 10,000 head of cattle were exported, and the rest were consumed in the country.

(4) Of the 10,936 trucks which arrived in 1926 in the free zone of Salonika 9,150 came from Yugoslavia and the other 1,786 from other countries.

Thirty-five per cent of Yugoslav merchandise was sent abroad and 54 per cent. was consumed in Greece, and 11,168 tons were found in the warehouses of the free zone of Salonika on December 31, 1926. To judge from the propositions which we have just cited, most of the merchandise in question will be placed in Greece.

These figures must be compared with the Memorandum of the Commercial Syndicate of Salonika, which we published in our number of April 26. The merchants of that town shown a considerable increase in Serbian exports to Greece, owing to the facilities granted to Yugoslavian commerce, whereas Yugoslavia is taking prohibitive measures against Greek exports into Yugoslavia.

M. J. A.

FORTHCOMING SAILINGS.

The following are the sailings for the Near East and India, the ports of departure and closing dates for cargo being given in parentheses :—

Anchor Line.—S.s. Massilia for Bombay (Birkenhead, June 25). (For passenger sailings and dates see advertisement.)

Anchor Brocklebank Line.—S.s. Mahanada for Calcutta (Birkenhead, June 16); s.s. Anchoria for Calcutta (Birkenhead, June 13).

Bibby Line.—S.s. Herefordshire for Port Said, Colombo, and Rangoon (Birkenhead, June 15).

British India Line.—S.s. Merkara for Bombay and Karachi (London, June 11); s.s. Manela for Colombo, Madras, and Calcutta (London, June 18).

Cunard Line.—S.s. Cypria for Gibraltar, Malta, Patras, Piræus, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza, also Algiers and Volo if inducement offers (Liverpool, Glasgow and Swansea, June 18); s.s. Sea Glory for Gibraltar, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Venice, Trieste, and Fiume, also at Corfu, Gruz, and Ancona if inducement (Liverpool June 11, Swansea June 14).

Johnston Line.—S.s. Quernmore for Piræus, Volo, Salonika, Bourgas, Varna, Constantza, Sulina, Galatz, and Braila (Liverpool, June 11).

P. and O. Line.—S.s. Nagoya for Colombo, Madras, and Calcutta (London, June 11); s.s. Malwa for Bombay (London, June 17).

Prince Line.—S.s. Egyptian Prince for Tunis, Malta, Alexandria, Jaffa, Haifa, Beyrout, and Cyprus (London, June 15); s.s. Scottish Prince for Tunis, Malta, Alexandria, Jaffa, Haifa, Beyrout, and Cyprus (Manchester, June 18).

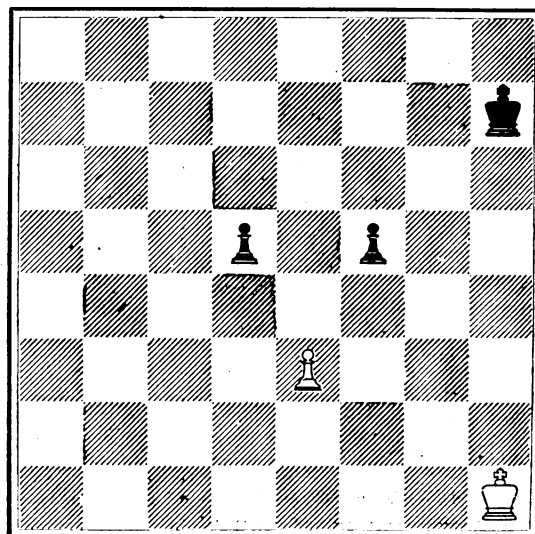
Ellerman and Papayanni Lines.—S.s. Manchurian for Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Gravosa, Ancona*, Venice, Trieste, and Fiume* (Swansea, June 4); s.s. Algerian for Algiers*, Malta, Syra, Smyrna, and Constantinople (Liverpool, June 14); s.s. Mardinian for Malta, Alexandria, Jaffa*, and Haifa (Liverpool, June 18); s.s. City of Oxford for Gibraltar, Malta, Alexandria, Jaffa*, and Haifa* (Liverpool, June 20); s.s. Roumelian for Patras, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza (Liverpool, July 2); s.s. Gerano for Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Gravosa, Ancona*, Venice, Trieste, and Fiume* (Liverpool July 9, Swansea July 19). * Subject to sufficient inducement. Cargo taken on through Bill of Lading to:—Algerian ports via Algiers; Moroccan ports via Gibraltar; Tripoli (Barbary) via Malta; Syria and Cyprus via Alexandria; Greek outports via Piræus or other convenient port; Fiume, via Trieste.

CHESS.

By "CARO-KANN."

The mate in six in last week's diagram was really quite simple. The moves are as follows:—1, R—R8 (ch), Ktx R; 2, B—R7 (ch), KxB; 3, R—R (ch), B—R6; 4, RxB (ch), K—Kt3; 5, Kt—B4 (ch), K—Kt4; 6, R—R5 mate.

I give this week a simple pawn study. White has the move. The solution will be given next week.



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NOTES FROM ALBANIA.

(From Our Own Correspondent.)

Scutari, May 25.

National Bank of Albania.

As will be recalled the National Bank of Albania was established on September 2, 1925, with a capital of 12,500,000 gold francs, with the participation of the Credito Italiano, the Banca Commerciale Italiana, the Banca Nazionale di Credit, the Banco di Roma, the Banque Commerciale of Basle, the Banque Belge pour l'Etranger, the Zadrouga Banque of Belgrade, the Banque Serbe of Zagreb, the Banque Adriatique Danubienne, and the Banque Serbo-Albanaise.

It will perhaps not be out of place here to recall that from 1922 onwards Albania was asking the League of Nations for its support with a view to the creation of a bank with foreign capital and the raising of a small loan. In 1924 the Ottoman Bank made an offer to Albania for the establishment of a national bank, but the concession was given to Italy for reasons of a political order by the Government which at present is in power.

In principle 49 per cent. of the capital of the bank must be held by Albanian shareholders and 51 per cent. by foreigners; but at the present time the share of the capital is unknown. The head office of the bank is at Rome and the chief office in Albania is at Durazzo, there being branches at Tirana, Valona, Scutari, and Koritza.

On April 27 the balance sheet for a period of eighteen months was before the board of directors at Rome—a board composed of Italians, including the managing director, M. Mario Alberti, Minister Plenipotentiary, and one Albanian, M. Stéphan Zurani. It is doubtless of interest to mention also that in the office of the bank in Albania this country is represented neither by a director nor even a commissioner, and that the notes of the bank do not bear the signature of an Albanian official. For these reasons the bank is rather regarded in the country as a foreign institution, despite its official national title.

The balance sheet of the bank has been published in the form of a brochure, and has since been reproduced in its entirety in the *Telegraf* which is published at Tirana. It is in the Albanian language, and no translation has so far appeared. I propose to summarise the principle points.

The report commences by describing the position of the bank as very satisfactory, better indeed than the most optimistic forecasts. The first duty of the bank has been to give Albania a national currency in replacement of a dozen different currencies which circulated in the country. For this purpose bank notes have been issued by virtue of the concession granted to the institution by the Albanian Government. These banknotes are four in number, of 100, 20, 5, and 1 gold francs, and, as the report points out, they have kept their value as against gold, and circulate in the country thanks to the confidence placed in them by all Albanians. At March 31 last banknotes had been placed in circulation of a total value of 2,657,000 gold francs, divided as follows according to each category: in 15,000 gold francs for the banknotes of 5 leks, that is to say of one gold franc, 418,000 for the banknotes of 5 gold francs, 1,640,000 for the banknotes of 20 gold francs, and 584,000 for those of 100 gold francs.

The small number of notes of one franc is due to the fact that these notes have been declared no longer valid from February last; at that period their number was equal to 113,000 francs. I ought to add that despite the stability of the exchange the peasants, and even the merchants, take care not to keep paper money but to exchange it against gold. It must be mentioned here that the first notes of the Albanian Bank were issued in February, 1926.

Besides the banknotes the bank has also placed in circulation coins of a total value at March 31 last of 455,000 gold francs, as follows:—145,000 francs in 100 gold franc pieces, 14,000 francs in 20 gold franc pieces, 75,000 francs in 5 franc pieces and 2,000 francs* in two franc pieces (both of them silver coins), 156,000 francs in one lek† coins, 55,000 francs in ½ lek coins, and 16,000 francs in ¼ lek coins (these coins being nickel), and finally 2,000 franc in 10 centime coins in bronze.

The receipts and expenditure of the eighteen months total at 692,384 gold francs. The expenditure is as follows:—General expenses and administration 424,345 gold francs, interests due and discounts 687, devalorisation and amortisation 26,203, net profits of the year 1925-26 241,055; total 692,384. The receipts are:—interest on current account abroad 220,655, interest on shares and financial operations 451,913, various profits 9,805; total 692,384.

During the period the business transacted at Durazzo has been 82,384,000 francs, at Tirana 21,707,000 at Koritza 4,744,000, at Valona 2,810,000, and at Scutari 1,040,000 giving a total of 112,685,000. If to this total is added the amount of the transactions at the head office at Rome a total is obtained of 245,383,092 gold francs. The business of the bank has enabled the distribution of a dividend of 5 per cent. on the ordinary shares, 5 per cent. to the board of directors and a bonus of 10 per cent. to the personnel, 24,259 francs being carried forward.

The Bulgarian Direction of Public Debt, Sofia, notifies that in conformity with a new law, published in the Official Journal dated April 29, 1927, the period from August 1, 1914, to December 31, 1922, is not to be taken into account in the period of prescription fixed for coupons and drawn bonds of the following loans:—Bulgarian Six per Cent., 1892; Five per Cent., 1896; Five per Cent., 1902; Five per Cent., 1904; Four and a-Half per Cent., 1907; Four and a-Half per Cent., 1909; Five per Cent. Ville de Sofia, 1906; Five per Cent. Ville de Varna, 1907; Four and a-Half per Cent. Banque Nationale de Bulgarie, 1909; and Four and a-Half per Cent. Ville de Sofia, 1910. The coupons and drawn bonds of the above loans due for payment after December 31, 1922, will be prescribed at the expiration of the period allowed in the respective contracts of the above loans.

* On January 20 40,000 two-franc coins were in circulation, but since then they have been declared to be no longer valid.

† The lek is equal to one-fifth of a gold franc.

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NOTES FROM ROUMANIA.

*(From Our Own Correspondent.)**Bucharest, May 21.***Demand for Stabilization.**

The refrain of all conversations and articles in the Press in connexion with the present financial and industrial situation of this country is stabilization of the currency. The recent rise of the leu from 1200 to 800 combined with the high transport rates established last year has produced what may be called a "crisis" in several of the industries including oil and timber. One of the Roumanian petroleum companies has been obliged to close down, while some of the largest companies have reduced their staffs and overhead expenses, stating that under present conditions it is only at a loss that they are able to produce oil at all. A memorandum has been addressed to the Ministry of Industry petitioning for a reduction of freights in order to allow the companies to compete in price with foreign products on the world market, where the high proportion of available supplies in relation to the demand has reduced the prices.

The timber industry is in the same position. Last week a congress of timber merchants was held in Bucharest to consider the situation and they also decided to petition the Government for reduced freights on the Roumanian State Railways. It was stated at the congress that the timber industry employed 20 per cent. of the whole motor power used by all the Roumanian industries and that 50 per cent. of the total exports in 1925 and 21 per cent. of their value represented timber. The recent rise in the value of the leu is causing grave anxiety to this industry also, and the delegates to the congress added their voices to the general cry for stabilization, without which they said there was the gravest danger that their important industry would be completely ruined.

DRIED FRUIT MARKET.

Messrs. J. C. Houghton and Co., of Liverpool, in their report dated May 31, state:—

Currants.—The month opened with a fair degree of activity, but unfortunately this was not maintained, demand slackening off gradually, so that business can only be described as disappointing when account is taken of the proximity of Whitsuntide. A good consumption at this season is always looked for, and consequently it is reasonable to expect a brisk inquiry for some little time in advance, in anticipation of the holiday trade. The arrival of Australian fruit, coupled with the fact that quotations from Greece are easing slightly, probably influences the cautious attitude adopted by buyers, who refuse to purchase beyond what they need for their immediate requirements.

Gerano, Phrygia and Sea Victory arrived with fresh quantities to replenish the market, but very little business resulted, except in lower and medium grades. Slightly lower rates were established, sales having been made as follows:—Cleaned Amalias 41s. 6d. to 42s. 6d., cleaned Patras 42s. 6d. to 43s. 6d., Zante 42s. 6d. to 43s. 6d., Gulf 43s. 6d. to 45s. Vostizza is neglected, and difficult of sale, although some business has taken place in smalls at 43s. to 45s., bold fruit 45s. to 50s., up to 54s. for Choice. Quotations:—Amalias and Patras 42s. to 43s. 6d.; Zante 42s. 6d. to 43s. 6d.; Gulf and Panariti 43s. to 46s.; Vostizza 45s. to 52s.; Vostizza small 43s. to 45s.

Sultanas.—Smyrna and Cretan.—The market has shown a weaker tendency, sellers realising that in order to meet the competition of old crop Australian they would have to accept lower prices, but even at reduced rates only very small progress was possible. Ordinary have been sold at 56s., good 60s. to 63s., fine 70s. Greek 60s. to 66s., ordinary to good, and 70s. to 77s. fine qualities.

Figs.—Difficult of sale, Genuine 26s. 6d. to 27s. New crop offered 24s. 6d. c.i.f. without arousing interest.

NEWS FROM ALL SOURCES.

The Yugoslav American Shipping Company, Ltd., recently placed an order in Glasgow for a vessel of 10,000 tons.

The production of the Slovenian coal mines in 1926 amounted to 1,678,559 tons as compared with 1,822,582 tons in 1925.

After considering the accounts for the year 1926 the Committee of the Ottoman Bank has decided to propose to the general meeting, which will be convened for July 11, the distribution of a dividend of 5s. per share. In Paris this dividend will be paid without deduction of taxes.

The Rohilkund and Kumaon Railway Company has declared an interim dividend of 4 per cent., together with a bonus of 2 per cent., or 6 per cent. in all, on the ordinary stock. The dividend will be paid, less tax at the rate of 2s. 3d. in the £, on July 25.

Yugoslavia's exports in March amounted to 425,865 tons of the value of 55,561,638 gold dinars. The corresponding figures for March, 1926, were 409,347 tons and 62,667,215 gold dinars. For the first quarter of 1927 the exports totalled 1,062,005 tons of the value of 141,297,409 gold dinars as compared with 1,113,041 tons and 161,503,304 gold dinars for the first quarter of 1926.

The Bengal and North Western Railway Company, after transferring £50,000 to reserve and placing, as usual, £35,000 to sinking fund, has declared an interim dividend of 4 per cent., together with a bonus of 4 per cent., or 8 per cent. in all, on the ordinary stock. The dividend and bonus will be paid, less tax, at the rate of 2s. 1d. in the £, on July 25.

A contract worth £300,000 in connexion with the electrification of the main line of the Great Peninsula Railway of the Indian State Railways has been placed with W. T. Henley's Telegraph Works Company, London and Gravesend, states the British Engineers' Association. The contract covers the supply and erection of 269 miles of overhead line on lattice steel towers. The conductors will be of steel-cored aluminium for a working pressure of 110,000 volts.

M. Cafandaris, the Minister of Finance, and M. Michalakopoulos, the Minister for Foreign Affairs, are leaving for Geneva to-morrow (says a Reuter message from Athens dated June 2). It is understood that the Greek Government is asking for three loans—namely, a £3,000,000 refugee loan, £2,500,000 for the covering of the deficit, and £5,500,000 for the stabilisation of the drachma.

A large and representative gathering, including Prince Omar Toussoum and a number of Ministers and ex-Ministers and diplomatists, attended the inauguration of the new Bank of Misr on June 5 (says a Reuter message from Cairo). The managing director, Talaat Bey Harb, traced the history of the development of the bank, pointing out that it was established in 1920 with a capital of £80,000 and sixteen employees, while its capital to-day is about £1,000,000 and it has 500 employees.

The Greek Government has instituted new proceedings in the Court of International Justice against the British Government with regard to concessions obtained before the War by the Greek national Mavromatis for the supply of water and electricity to Jerusalem (says a Reuter message from The Hague dated June 2). The Greek Government contends that the British Government has, by unduly delaying approval of plans for the readapted concessions, caused injury to Mavromatis. It asks Great Britain therefore to make good this injury, which is estimated at £217,000, with interest of 6 per cent. The case should be put down for hearing at the next session of the Court.

REGIONAL AND TOWN PLANNING.

An interesting course of four public lectures on "National, Regional, and Town Development Planning" has just been given by Mr. W. H. McLean, M.Inst.C.E., M.T.P.I. for the University of London. The course embraced a survey of development planning from its widest general interpretation, that is, the Imperial or international aspect, down through the stages of national and regional planning to its comparatively detailed application in town planning.

The lecturer explained that those who have been called upon to plan the future development of a city have found that, besides the usual civic survey, there is the necessity for a wide study of the region beyond its boundaries which may contribute materially to, and may even determine, the future progress of the city. This study, called a regional survey, is made in order to enable the planner to perform his task with due regard to all the probabilities of the future. It is further found that the regional scheme must be linked up with adjoining regional schemes, and that they probably all contain elements of larger issues which are national in character, so that a national survey becomes necessary to co-ordinate the regions which go to make up the national economic unit.

The scope of this study embraces, amongst others, such subjects as population, communications, and transport, commerce, and industry (minerals and agriculture), and the public services (water, light, and power supplies). For example, it was pointed out, a trunk road, forming part of a proposed national system, which passes through a region or regions, would materially affect the planning of these regions, and, again, a national project, like the suggested Mid-Scotland Canal from the Forth to the Clyde, would vitally affect the development planning of several regions and of many towns; and so would the opening up of new coalfields or the "working-out" of existing ones.

It is evident, therefore, that to gain even an approximate idea of the future development or requirements of towns, which contain the greater part of the population in most countries and are the centres of development, it is necessary to make a very wide study in directions which, at first sight, may not appear to have much to do with towns; and that this study should embrace the whole economic unit, that is, usually the whole country. It is also evident that the results of such a study would be of a greater use to the community than merely the planning of their towns, for it would serve also to guide development in many other directions, and assist in making clear the whole economic position.

Unfortunately, in England, owing doubtless to the restrictions imposed by the system of local government, it has been necessary to follow the admittedly illogical course of beginning with the detail, that is, town planning, and working up to the general framework, that is, regional planning, and now the desirability of national planning is becoming recognised. In England a great deal of town planning has been done, and nearly one-fifth of the country has already been planned regionally, but, it was remarked, in Scotland relatively little planning has yet been accomplished.

In order to illustrate the subject, the lecturer described some of the planning schemes and works for which he has been responsible in practice. In the first lecture were described the interesting town planning schemes for the protection of the City of Jerusalem, for the development of Alexandria, and also of Khartoum, the plan for which was prepared by the lecturer under the personal direction of the late Lord Kitchener; and a comparison was made with practice in England.

In the second lecture the larger aspects of planning were dealt with, and the national and regional scheme for Egypt, the suggested national scheme for Scotland, as well as schemes for the development of Colonies, were described, while the proposal for the planning of the Continent of Australia was referred to. Considering the very widest application of planning, a reference was

made to suggestions for Imperial development planning and for international development planning, which are studies not less desirable, but admittedly more difficult, than the narrower and more obviously necessary national, regional, and town planning schemes. Economic pressure, it was remarked, has already necessitated a consideration of planning on this vast scale, and the good work already done by the Imperial Conference and by the recent Colonial Conference was noted.

In the third lecture the methods of procedure in Egypt, Palestine, and the Sudan in the matter of regional and town planning were dealt with, more especially the laws relating to the improvement and redevelopment of built areas, which is a matter much exercising local authorities in England, and legislation is being demanded to deal with this difficult and important matter; while in the fourth lecture various problems of regional and town planning were discussed, such as the more local aspects of population, communications, and transport, electricity for lighting and power, commerce and industry, water supplies for towns and power, town drainage and housing.

The lecturer remarked that the difficulties of co-ordinated planning are increased by Governments and their departments tending to work in watertight compartments, and by local authorities often taking a somewhat parochial view of their duties. Economic pressure and public opinion, it was thought, appears to be gradually changing this, and the value of planning as an aid to the solution of many problems of the day is becoming recognised.

It is sometimes stated that it is difficult to forecast the future, and that the practical utility of development planning is not so great as is claimed; but it must be admitted that the alternative of leaving things to develop by chance is much worse with its uneconomic and deplorable results, which may be, perhaps, more obvious in regard to towns, but exist nevertheless in all other branches of development. It is merely commonsense to make a survey of past and existing conditions, and from these to estimate possibilities and tendencies, and from that again to lay down probable general lines of future development, always on the understanding that it is largely tentative and subject to revision and modification from time to time as conditions change and experience indicates.

Such a study, the lecturer remarked, would tell us where development of any particular kind might be expected, and its probable extent, so that provision might be made for it, as far as practicable; and also it would enable us to take the necessary "bird's-eye" view of the whole, which is difficult when the various branches of development are dealt with separately, for then the wood cannot be seen for the trees.

It is expected that these lectures will be published later.

NEW PERSIAN CABINET.

The new Persian Cabinet, which was formed at the beginning of June, includes:—

Mehdigholi Khan Hadayat, the Mokhbar-es-Saltaneh, Prime Minister; *Ali Kuli Khan Ansari, the Mushower-ul-Mamalek, Foreign Affairs; *Mirza Mohamed Ali Akbar Khan Daver, Justice; *Firuz Mirza Firuz, the Nusret-ed-Dowleh, Finance; Mirza Husain Khan Samy, the Adib-es-Saltaneh, Interior; Mirza Mohamed Tadayyon, Education; Jaffar Kuli Assad, the Sardar Assad, War.

At the time of going to press no appointments have been announced for the Ministries of Public Works and of Posts and Telegraphs.

* Members of the late Cabinet at the time of its resignation. The new Prime Minister was Minister of Public Works until May 8, when he resigned on appointment as Lord Chief Justice.

The traffic receipts of the South Indian Railway Company for the week ended May 7 amounted to Rs.10,77,853, making the total from April 1 Rs.55,03,884.

SPLIT AND SHIBENIK.

Just as there were two favoured seaports under the late Austro-Hungarian Empire, Trieste and Fiume, so Yugoslavia now has two large seaports, namely Split and Shibenik (says M. Slavko Sirischevich in an article in the *Belgrade Economic Review*). But between the two pairs of ports there is a great difference. The former were the outlet of a State counting 50 million inhabitants, whereas the latter are the partial outlet of a State with a population only one quarter as large. On the other hand, while Trieste and Fiume could reckon only on the trade of their own State, Split and Shibenik can count on transit traffic from Hungary and Austria and from practically the whole territory of the late monarchy.

By 1925 Split had achieved 750,000 tons, while Shibenik remained at 162,000, but it made up something of its deficit in 1926 when it reached one-third of the total of Split. Both of the ports, however, have increased their traffic five-fold in the course of the last five years.

Split's goods traffic consists primarily in its export of large quantities of first-class cement and cement material, which go to Italy. The chief goods imported are British coal, flour, marble, broken stone, soil, crude asbestos, and sacks. Other exports are asbestos slate, wine, and carbide. Shibenik exports goods of quite a different nature: wood primarily, then bauxite, brown home coal, carbide, cyanide, and cellulose, while its exports are very small, mainly coal and flour. The proportion of imports to exports at Split is 23/100 and at Shibenik 5/100. Both are therefore pre-eminently exporting ports. Shibenik's great advance in 1926 was caused by the great competition of Dalmatia in the export of brown coal to Italy as a result of the coal strike in Great Britain, and by the larger export of bauxite to America.

Since Sushak, as a part of the old port of Fiume, is

such an exposed port, apart from its other disadvantages, that it is impossible to direct most of the overseas trade that way, and since also Dubrovnik has too small a port and the Bay of Cattaro no constructed harbours or railway connexions, these two ports are of special importance to the foreign trade of the Kingdom. Split, indeed, has been a point of great importance for shipping from the earliest times. Its northern harbour has advantages possessed by no other port in Dalmatia in the facility and cheapness of port construction owing to the gentle slope of the sea bottom. The northern harbour also has the advantage of two entrances, one of which is very wide and convenient. Moreover, it is not exposed to the terrible storms of the eastern Dalmatian shores. Split also has the superiority of being situated in the richest part of Dalmatia, both from the agricultural and general points of view, and of having in its vicinity great sources of water power and mines of coal and other ores. Then it has the special advantage for Yugoslavia of lying in the centre of the coast, and of a triple row of islands to make it the best protected point of the shore.

Shibenik possesses an admirable harbour or fiord, which attracted the attention of the Austrians as an excellent naval harbour. It has also long been considered as a good base, before the War, for wood and coal, and now for bauxite. It also has the great water power provided by the river Krka, which has made possible the building up of industries. Its disadvantage as compared with Split lies in the fact that, in entering, ships have to pass through a very long, narrow, winding strait, while the harbour is too deep and the sea bottom very rocky, which has made it difficult to construct quays. Neither has it so much plain as Split, though since it has a smaller trade than Split, the amount is sufficient.

Split's inferiority as compared with Shibenik is its longer and not well constructed railway, built by the Austrians. The difference would be 27 kms., but since the northern port of Split is 6 kms. to the north, the difference is decreased by so much.

Before the War, Split had only one small steamship company, but now that the headquarters of maritime shipping have been transferred there, there are, in addition to a number of small companies, the two largest navigation companies of Yugoslavia. Split already has two large shipbuilding docks, and new ones are being planned in both ports.

TENDERS INVITED.

Tenders are invited for the following contracts, and must be made by the dates mentioned.

(Particulars of tenders marked D.O.T. are to be obtained from the Department of Overseas Trade, 55, Old Queen Street, S.W.)

EGYPT.

Erection of Water Supply Works at Edkou.—Tenders are invited by the Egyptian Ministry of Public Works for the supply and erection of machinery, filters, and piping, for the water supply works at Edkou. July 25. (D.O.T.)

Uniforms.—The Chief Inspector, Direction General, Customs Administration, Alexandria, invites tenders for the supply of winter uniforms for guards and employees during 1927-1928. August 9.

Iron and Steel Materials, Metals, Etc.—The Ministry of Communications, Ports and Lighthouses Administration, Alexandria, invites tenders for the supply of their requirements during 1927-28 in respect of iron and steel materials, metals, etc. June 14. (D.O.T.)

Boots and Laces.—The Financial Secretary, Egyptian Army, War Office, Cairo, invites tenders for the supply of 16,550 pairs of boots and 8,300 pairs of laces to the Department of Ordnance Services, Egyptian Army, Citadel, Cairo. June 28.

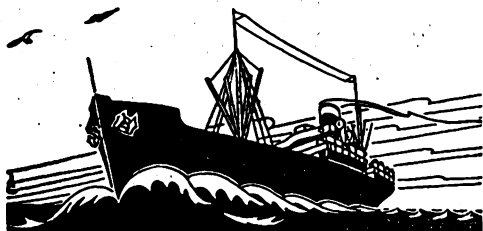
Rails, Etc.—The Surveyor-General of Egypt, Giza (Mudiriya), invites tenders for the supply of 5,000 tons rails. August 10.

Engineers' Instruments, Etc.—The Director of Stores, Ministry of Education, Sharia Qasr el Aini, Cairo, invites tenders for the supply of engineers' instruments, drawing materials, etc., required for the schools during the school year 1927-28. June 30.

General Stores.—The Director of Equipment and Finance Department, Ministry of the Interior, Cairo, invites tenders for the supply of general stores required by the Police Stores, Bulaq, in 1927-1928. July 2.

BULGARIA.

Coasting Steamer.—Tenders are invited by the Bulgarian Mercantile Navigation Company for a coasting steamer. September 6.



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Company Meeting.

ORIENTAL TELEPHONE AND ELECTRIC COMPANY.

Review of the Various Undertakings.

Sir Henry McMahon's Speech.

The thirty-third ordinary general meeting of the Oriental Telephone and Electric Company, Limited, was held on June 3 at the Abercorn Rooms, Great Eastern Hotel, Bishopsgate, E.C. Sir A. Henry McMahon, G.C.M.G., G.C.V.O., K.C.I.E., C.S.I. (Chairman of the company), presided.

The Secretary (Mr. T. K. Brown) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said:—Our report and the accounts for the year 1926 have been in your hands for several days and I therefore presume you will take them as read. (Agreed.)

As you will have observed from the revenue account the result of the year's working shows an appreciable improvement over that of 1925, and, taking into consideration the adverse trade conditions by which enterprises such as ours have been affected—though, fortunately, not to so great an extent as many others—I think we may congratulate ourselves on having made so good a showing for the past year. There is, I am glad to say, good reason for anticipating steadily improving results as normal trade conditions return.

The gross income for the year is £155,754, or £9,874 more than in 1925. On the other hand, expenses have increased by £8,609, principally under the headings of working and maintenance charges at our own branches, £4,089, and income-tax, £2,204.

On the other side of the revenue account there is a slight drop in dividends received from the associated companies, which is principally accounted for by smaller receipts from the Rangoon and China companies, to which I refer later, and in "Sundry commissions and interest," by reason of a reduction in the amount of material and apparatus purchased on commission on behalf of the associated companies.

The net result, therefore, is an available balance for the year of £68,282, as against £67,017 for 1925, or an increase of £1,265, and this, together with the amount brought forward from 1925 and less the interim dividends already paid during the year, it is proposed to deal with as shown in the report—i.e., in the payment of a final dividend for the year of 3½ per cent. on the preference shares, less income-tax, and in the payment of a final dividend of 6 per cent. and a bonus of 2 per cent. for the year, free of tax, on the ordinary shares.

The balance-sheet, I think, calls for little or no comment, there being no very substantial variation from that presented to you a year ago. The diminution in the value of shares and debentures in associated companies is due to the redemption by the China and Japan Company of its issue of 7 per cent. debentures, of which this company held £12,500. I might also mention while on this subject that the valuation of these holdings has been arrived at on a very conservative basis, and that the actual value, based upon market prices at December 31, 1926, where quotations are available, and on a modest estimate of the value of those shares which are not actually quoted, represents a figure substantially in excess of that shown—namely, £711,921.

Of the associated companies, the Bombay company shows an increase in gross revenue and a decrease in working expenses for the year, the net result being an improvement of some three lakhs of rupees over 1925. But the charges for debenture interest and, even more so, the appropriations necessary for depreciation and the writing off of the old magneto plant, which has been superseded by the automatic system of exchange working, still constitute a heavy burden upon the resources of that company that the directors have felt unable to recommend the payment of a dividend. A diminution in these charges, however, may be looked for in the near future, and, with a revival of trade and the introduction of a more attractive tariff of charges, which, as in Calcutta, cannot fail to stimulate that

development of which the Bombay company stands so greatly in need, we may soon hope to see that company firmly re-established once more on a dividend-paying basis.

We have lately received from Sir William Plender a most valuable and instructive report on the position of the Bombay company as the result of the examination which we asked him to make last year. I am glad to say that his advice and recommendations practically endorse the policy which has been adopted by your board, and which is being carried out by the very able chairman of the Bombay company, Mr. Bunbury.

The Bengal Telephone Corporation, whose financial year ends on June 30, continues to make remarkably good progress, and has been able to declare a dividend of 6 per cent. for the year ended June, 1926, as against only 2 per cent. for the previous year. The message rate—introduced in September, 1924—has fully justified expectations in the matter of attracting new subscribers, who are coming on now at the rate of over 1,000 a year. There has been a steady improvement in the efficiency and rapidity of the telephone service, which, you will be pleased to hear, earned the warm commendation of the Commissioner of Police during the disturbances which broke out in Calcutta in the early part of last year.

The Rangoon Telephone Company pays a dividend of 5 per cent., as against 8 per cent. for 1925. This reduction is due to exceptionally heavy charges last year for depreciation, as in the case of the Bombay Company, and to the writing off of old plant and material displaced by the new common battery installation at the central exchange. Here, too, the chief need is for development, against which the present flat-rate charge of £20 per annum militates severely. It is understood, however, that as soon as the heavy pressure of work and the temporary disorganisation resulting from the rebuilding of the exchange premises, the installation of new switchboards, and so on, come to an end, steps will be taken to obtain Government sanction to a system of message rates similar to that in force in Calcutta.

Madras continues to progress, surely if slowly, and maintains its dividend of 7 per cent., as for 1925. The new automatic system was brought into service early in 1926, and, except for such few minor defects and necessary adjustments as are inseparable from any new installation of that nature, has proved itself an unqualified success.

In reporting the appointment to the board of Sir Thomas Catto, the Chairman said his name will doubtless be familiar to you as the managing director of that important and old-established Calcutta firm, Messrs. Andrew, Yule and Co. Sir Thomas is numbered among the most prominent business men, not only in Calcutta, but also here, and in the United States as well; and, as his business necessitates his presence in India annually, we shall reap the great advantage of having a member of your board on the spot to consult with and advise the local boards of the associated companies in which you are so largely interested.

The report was unanimously adopted.

The Fuller Accumulator Company, Chadwell Heath, Essex, have received a contract for dry cells from the India Store Department.

Messrs. John I. Thornycroft and Co., Ltd., Basingstoke, have recently received a repeat order for seven six-wheeler lorries for the Sudan Government.

A contract has been received by the British Ropeway Engineering Company, London, for an aerial ropeway in three sections, having a length of ten miles, for the transport of the exports and imports of the Anamelli Tea Planters' Association.

A Reuter message from Sofia states that representatives of the Bulgarian Development Co., of London, have left for the provinces, accompanied by a Commission appointed by the Minister of Commerce, to make arrangements for the starting of work under the concession recently granted the company for the manufacture, sale and export of bacon and other pork products.

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Sir N. M. Murray.

Manager in London:-

Sir S. A. H. SITWELL.

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Paid-up Capital - Rs. 5.62.50.000

Reserve - - - Rs. 5.00.00.000

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Established in Calcutta, 29th September, 1863.

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Subscribed Capital	£4,000,000	Reserve Fund	£2,900,000

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Americas	Chittagong	Kandy	Madras	Zanzibar	Mombasa		Kampala	
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LONDON, E.C. 3.

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Capital Paid up - £15,810,252

Reserve Fund - £10,000,000
Deposits, &c. (31st Dec., 1926) £347,653,458

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Cotton and Cotton Goods.

THE LIVERPOOL COTTON MARKET.

Messrs. Reynolds and Gibson in their report for the week ended June 1, state:—

Egyptian Futures.—Sakel Contract.—In the earlier days of the week value in this market showed a further hardening tendency, fresh speculative support being encouraged by the strength of Alexandria and further indications of increasing trade activity. More latterly, however, the upward movement in Alexandria has received somewhat of a check, as "long" liquidation, probably induced by the political situation, has been in evidence. This has somewhat unsettled sentiment at this side, and whilst the tone remains very steady, prices have reacted somewhat with the result that the level at to-day's close ranges from 9 to 23 points decline from our last circular rates.

The improved demand for actual is evidenced by the contraction that has taken place in near positions. At the beginning of last month, Mays were running at a discount of 3 points under July. During the later days of the month in question a consistent narrowing took place, and the final going out price showed a premium of 5 points. This, of course, reflects the much improved offtake that has latterly been in operation and engenders a feeling of greater confidence amongst those who are holding cotton or who are operating on the "long" side.

Trade reports in the section mainly concerned with fine spinning continue to be satisfactory, and mills are operating with greater freedom than usually witnessed at this period of the season. Were it not for the fact that Sudan Sakels are monopolising the bulk of the covering, our contract would have been even more favoured than it has been so far by the improved outlook.

Generally speaking, we maintain our "bullish" views, but, at the same time, consider that some reaction, especially should the American market show a hesitating tendency, is likely to be manifest. Should this be the case, we would certainly recommend purchases, as there is little doubt that throughout the coming months, owing to fears of a reduced supply of long staple American cotton, added to the reduction in the Sakel acreage, which has taken place, will make prices particularly susceptible to detrimental crop reports or to sustained trade activity.

Upper Contract.—Values in this contract have shown a very steady tone throughout the week, a moderate amount of trade support and a gradual hardening in American values combining to influence this tendency. Even at the level now witnessed, the Upper basis appears reasonable in comparison with prices demanded for other competitive growths. Trade reports in the coarser counts have latterly shown some falling off in the amount of business transacted, but, in view of the comparative smallness of actual stocks, this has, so far not had any effect on the outlook. We continue to anticipate higher prices later in the season.

Egyptian Spot.—A very fair inquiry has again been in evidence and prices have been well maintained all round. Unfortunately, actual business in spot Egyptian has not shown the improvement which might have been expected in view of the large inquiry, the strength of the futures markets, and the fact that the spinners of the finer counts at Bolton are reported to be doing a larger amount of trade than has been the case for some time past.

As regards Sakel, of course, there is now no doubt whatever that spinners on a whole have definitely decided against it this year, on account of the high prices asked, and that conversely they have found the Sudan Sakel cotton very good value for their money. It appears obvious to us that, if holders of Sakel cotton desire to reduce their holdings this season to any material extent, a very drastic reduction in prices will have to be considered. Uppers are a somewhat different proposition, although 13½d. for Fully Good Fair Upper seems to be a fairly high price considering the moderate amount of

business passing. The bulk of the local inquiry has been for Uppers at 12.00d. to 12.50d., with a small quota ranging from 13.00d to 13½d. Sakel, at from 10.00d. to 12.00d., has been in considerable request, but the better grades have been only sparingly asked for. Pilon, at from 13.00d. to 14.00d., has been in moderate request. Sudans of all descriptions have maintained their popularity, and a large business has again been recorded for the Sakel qualities. With regard to Egyptian cotton for shipment, some slight improvement has been reported from various quarters.

Forwardings to spinners for the week ending 27th ult. were returned as 7,572 bales Egyptian and 2,950 bales Sudan. Estimated sales for the week 1,200 bales Egyptian and 11,600 Sudans. Quotations of Sakel have been advanced 30 points, and those of Upper and Brown 35 points. Fully Good Fair Sakel to-day 17.00d. Fully Good Fair Upper to-day 13.35d.

THE EGYPTIAN MARKET.

The Alexandria Commercial Company in their report for the week ended May 26, state:—

Since our last report the futures market has again been very active, with wide fluctuations in prices; the tone, in general, has been firm. The week's summary of price movements is as follows:—Sakellaridis: July, 32.30 dollars, 0.78 up; November, 33.07 dollars, 0.52 dollars up; January, 32.82 dollars, 0.62 dollars up. Ashmouni: June, 23.55 dollars, 0.60 dollars up; August, 24.05 dollars, 0.60 dollars up; October, 24.57 dollars, 0.52 dollars up; December, 24.67 dollars, 0.47 dollars up; February, 24.97 dollars, 0.67 dollars up.

Sakel.—In spite of the better tone of the reports from America concerning both the damage caused to the crop by the floods in the Mississippi Valley and the weather conditions over the cotton belt generally our market has kept very firm, and prices show a further gain on the week. The firmness must again be attributed principally to speculative buying, and the position at present open for account of speculators must be considerable.

The demand from abroad has been slightly better than that of last week, but this better off-take is far from being sufficient; for the position materially to improve a much larger and sustained demand is essential. Arrivals during the week have been very heavy, but, since the interior movement came to an end on the 21st inst., these heavy arrivals must, of necessity, very soon cease. At the third May tender, 6,000 kantars dockets were issued; the total of the dockets issued during May is 11,250 kantars.

Uppers. This market, whilst not so active as that of Sakel, has nevertheless been quite firm; business has been mainly concentrated on the October option. Commercial houses have recently shown some increased interest as a result of the better demand from abroad during the last few weeks; the inquiry for Ashmouni is in marked contrast to that for Sakel. The statistical position of Uppers is fairly satisfactory and, in view of the poor outlook for the long staple crop of American, we look for some narrowing of the difference between prices of this growth and Sakel.

The week's receipts amount to 222,927 kantars, against exports 104,390 kantars; the stock in Alexandria stands at 3,086,275 kantars.

The official figures of arrivals and exports for the period September 1, 1926, to May 19, 1927, are as follows:—Arrivals: Lower Egypt, 4,844,000 kantars; Upper Egypt, 2,965,000 kantars; total, 7,809,000 kantars. Exports: Sakel—2,583,774 kantars; Ashmouni, 3,158,472 kantars; various, 407,186 kantars; total, 6,149,432 kantars.

Spot. The past week has seen a slightly improved demand from spinners, with a consequent rather better turnover at Minet el Bassal. Sales for the week amount

to about 12,200 bales, of which we estimate 4,700 bales Sakellaridis, 6,850 bales Ashmouni and Zagora, 500 bales Pilon and 150 bales other varieties. The spot situation is about the same.

Sakellaridis: A moderate business has been done covering all grades. Spot differences are without much change for Fully Good Fair and better, but rather easier for Good Fair and the grades below.

Ashmouni and Zagora: A fair business has been done in all grades. Spot differences are unchanged except for the grades below Good Fair, which have eased a little.

Pilon has been in fair request. Spot differences are unchanged except for the lower grades, which are a little cheaper.

White: A small business has been done. Spot differences are easier.

Various: Brown is neglected and no business is reported. Spot differences are quatably unchanged. A few bales of Fouadi have changed hands.

Up-Country: The ginning factories are one after the other now closing down, and the volume of business in the villages is rapidly becoming negligible.

The stock still existing in the various factories of Upper and Lower Egypt must amount to about 100,000 kantars, and if all this cotton is ginned and sent down,

the arrivals in Alexandria from September 1 last up to the re-opening of the factories in August next, will top the 8,300,000 kantars mark.

Business in new crop has, up to now, been slow. Rumour is rife that the Government proposes shortly to bring a Bill before Parliament for the prohibition of "call" cotton business in Egypt. The commercial world is absolutely opposed to any such law as being contrary to the interests of all parties, the grower, the merchant, and the spinner, and it is very probable that the Government will drop the project.

Crop, 1927: Reports from all points of the interior are to the effect that the crop is progressing quite satisfactorily. Temperature is fairly high, but water, except in rare cases, is sufficient, and the plant is developing well. Leaf worm attacks are reported, but the damage so far caused by this pest is insignificant.

A Reuter message from Sofia states that the Commission appointed to examine the tenders for the construction of a powerful wireless station here has recommended that the contract be given to the English Marconi Co., the price being 33 million leva, or about £50,000. The Minister of Posts and Telegraphs has confirmed this decision. Two big German firms and one French firm also competed for the contract.

Stock and Share Markets.

LONDON EXCHANGE		Prices on June 3		Prices on June 3		Prices on May 18	
Government Stocks.		Railways.		Coal.		Rs.	
Egyptian 4 p.c. Unified Debt ...	83	Assam-Bengal ...	84 1/2	Baraboni ...	...	21	...
Do. Pref. 3 1/2 p.c. 1890 ...	72 1/2	Bengal Nagpur ...	96 1/2	Bengal ...	...	462 1/2	...
Do. Turk 4 p.c. 1891 ...	87 1/2	Egypt Delta Light Rly. ...	49/16	Burrakur ...	...	161	...
Do. 3 1/2 p.c. Eg. Trib. Bonds. '94 ...	79 1/2	Southern Punjab ...	193 1/2	East Indian ...	...	221	...
Greek 5 p.c. 1881 ...	56 1/2	Rubber.		Equitable ...	...	191	...
Do. 5 p.c. 1884 ...	56 1/2	Ceylon Para Rubber Ord. ...	13/3	Pench Valley ...	...	24 1/2	...
Do. 4 p.c. Rentes, 1889 ...	46	Doolgalla (Ceylon) Rub. Est. ...	20/-	Rancegunge ...	...	30 1/2	...
Do. 5 p.c. 1890 ...	56	Grand Cent. (Ceylon) Rubber ...	43 6	Standard ...	...	50	...
Do. 5 p.c. Funding Loan, 1893 ...	54	Hewagum Rubber Co. ...	26/9	Cotton.		25 1/2	...
Do. 4 p.c. Rails, Loan, 1902 ...	54	Kepitigalla Rubber Estates ...	3 1/4	Bombay Dyeing, etc. ...	...	950	...
Do. 4 p.c. Loan, 1910 ...	53 1/2	Malayalam Rub. and Produce ...	41/-	Bowraah ...	...	360	...
Do. 5 p.c. Loan, 1914 (Lon. issue) ...	67 1/2	Shipping.		Buckingham and Carnatic ...	...	207	...
Do. 7 p.c. 1924 ...	97	Anchor 5 1/2 p.c. Prf. ...	7 1/2	Cawnpore Textiles ...	...	41/16	...
Persia 5 p.c. 1911 ...	83 1/2	Cunard ...	27/-	Century ...	...	450	...
Roumania 4 p.c. Ext. ...	72 1/2	Furness Withy ...	38/-	Central India ...	...	512 1/2	...
Do. 4 p.c. Consolidation ...	45 1/2	Khedivial Mail Ord. ...	1	Elgin ...	...	92	...
Sudan 5 1/2 p.c. Guar. Bds. ...	107 1/2	P. and O. Deferred ...	292 1/2	Khatau Makanji ...	...	117 1/2	...
India 3 1/2 p.c. ...	69 1/2	Tea.		Muir ...	...	292	...
Do. 3 p.c. ...	59 1/2	Assam Co. ...	42/-	New Ring ...	...	288	...
Do. 2 1/2 p.c. ...	49 1/2	Bengal United Tea Ord ...	33/16	Phoenix ...	...	437 1/2	...
Do. 5 1/2 p.c. ...	103	Bramapootra ...	37	Svadeshi ...	...	538 1/2	...
Do. 4 1/2 p.c. ...	90 1/2	British Indian Tea Ord. ...	37/16	Jute.		635	...
Turkish 4 p.c. Unified ...	25 1/2	Cachar and Dooars Tea Ord. ...	4	Alliance ...	...	250	...
Banks.		Ceylon Tea Plantations Ord. ...	65/16xd	Barnagore ...	...	585	...
Agri. Bank of Egypt ...	7 1/2	Consolidated Estates ...	41/16xd	Budge Budge ...	...	42	...
Bank of British West Africa ...	4 1/2	Darjeeling Co. ...	25/16xd	Clive ...	...	494	...
Bank of Roumania ...	85/-	Dimbula Valley (Ceylon) Ord. ...	39/16	Dalhousie ...	...	644	...
Barclays Dom. Col. Pf. ...	27/6	Dooars Tea Ord. ...	44	Delta ...	...	1,008	...
Lloyds ...	62/3	Dooloogram Tea ...	13	Fort Gloster ...	...	777	...
P. and O. Banking ...	9 1/2	Doom Dooma ...	43/32	Gourepore ...	...	471	...
Eastern ...	6 1/2	East Assam ...	325/32	Howrah ...	...	717	...
Chartered Bank of India ...	19 1/2	Empire of Ind. ...	211/16	Kamarhatti ...	...	560	...
Ottoman Bank ...	11 1/2	Halem Tea ...	29/16	Kankannarrah ...	...	533	...
Imperial Bank of Persia ...	9 1/2	Jhanzie Tea Association ...	417/32	Khardah ...	...	1,145	...
Land Bank of Egypt Ord. ...	13 1/2	Jokai (Assam) Tea Ord. ...	419/32	Kinnison ...	...	34	...
Westminster ...	19	Lanka Plantations Ord. ...	2 1/2	National ...	...	325	...
National Bank of Egypt ...	34 1/2	Lungia (Sylhet) Tea Ord. ...	15/16	Standard ...	...	20	...
National Bank of India ...	49 1/2	Nuwara Eliya Tea Estates Ord. ...	57/16	Miscellaneous		34	...
Land.		Pabjojan ...	615/16	British India Corporation ...	...	34	...
Kassala Cotton ...	7/6	Scottish Assam ...	2	Bengal Paper Mills ...	...	37 1/2	...
Sudan Plantations ...	4 1/2	Upper Assam ...	2 1/2	Bengal Timber Trading ...	...	160	...
Mines.		Insurance.		Burn and Co. ...	...	270	...
Balaghat Gold Mining ...	4/6	General Accident Fire and Life (£5, £14 paid) ...	7 1/2	Cawnpore Sugar ...	...	28 1/2	...
Burma Corp. ...	14/10 1/2	London & Lancs (£5, £1 paid) ...	22 1/2	Champaran Sugar ...	...	12 1/2	...
Champion Reef Gold ...	12/6	Royal Exchange (£1) ...	7	Howrah Oil Mills ...	...	16 1/2	...
Mysore ...	15/6	Sun Fire (£10 (£2 paid) ...	25 1/2	ALEXANDRIA		...	...
Nundydroog ...	12/3	Trade Indemnity (£10) ...	12 1/2	Prices on May 27, supplied by G. L. Mortera, Alexandria & Cairo.		...	...
Oreogum Gold Mining Ord. ...	15/3	Miscellaneous.		Agricultural Bank of Egypt ...	...	£73/16	...
Oil.		Alexandria Water Co. ...	14 1/2	" " " Fond. ...	...	£630	...
Anglo-Egyptian B. ...	13/16	Associated Cotton Ginners ...	17/-	Alexandria Water Co. ...	...	£14 1/2	...
Anglo-Persian Ord. ...	4 1/2	Egyptian Hotels ...	7 1/2	Assoc. Cotton Ginners ...	...	£4	...
Do. 8 p.c. Cum. 1st Pf. ...	27/-	Do. Markets Ord. ...	25/6	Behera Ord. ...	...	££163/16	...
Do. 9 p.c. Cum. 2nd Pf. ...	28/-	Do. Salt and Soda ...	21/8	Ciments d'Egypte ...	...	Frs. 125	...
Do. 5 p.c. Debs. ...	97	Mortgage Co. of Egypt 5 p.c. Pref. ...	83/16	" " Div. ...	...	157	...
Ark. Burmah ...	9 1/2	INDIAN EXCHANGES.		Comptoir Fin. & Com. d'Egypte ...	...	£5/16	...
Burmah Oil Co. Ord. ...	5 1/2	Government Loans.		Credit Foncier Egyptien ...	...	Frs. 1,010 1/2	...
Do. 8 1/2 Cum. Pref. ...	26 1/2	3 1/2 Government Paper ...	...	Fondateur ...	...	2,250	...
Phoenix Oil and Transport ...	21/6	Banks		Crown Brewery Priv. ...	...	Frs. 104	...
Steam Romana ...	12/9	Imperial Bank of India ...	1,485 1/2	Filature Nationale d'Egypte ...	...	£5 11/16	...
		Bank of India ...	79 1/2	Frigerifique d'Egypte ...	...	£6 1/2	...
		Central Bank of India ...	29 1/2	Immeubles d'Egypte Soc. An. des. ...	...	£16 1/16	...
				Land Bank of Egypt Actions ...	...	£12 9/16	...
				" " Parts de Fond ...	...	£140	...
				Menzaleh Canal Navigation ...	...	£t. 300	...

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Reserve Liability of Shareholders -	£1,000,000	Reserve Fund -	£400,000

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HEAD OFFICE: CAIRO.

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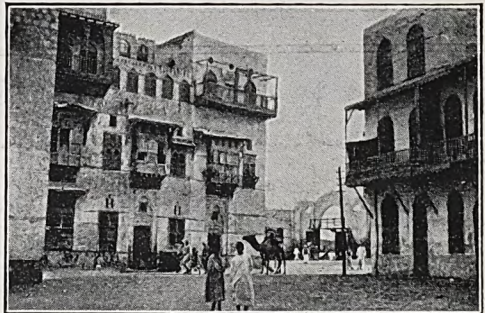
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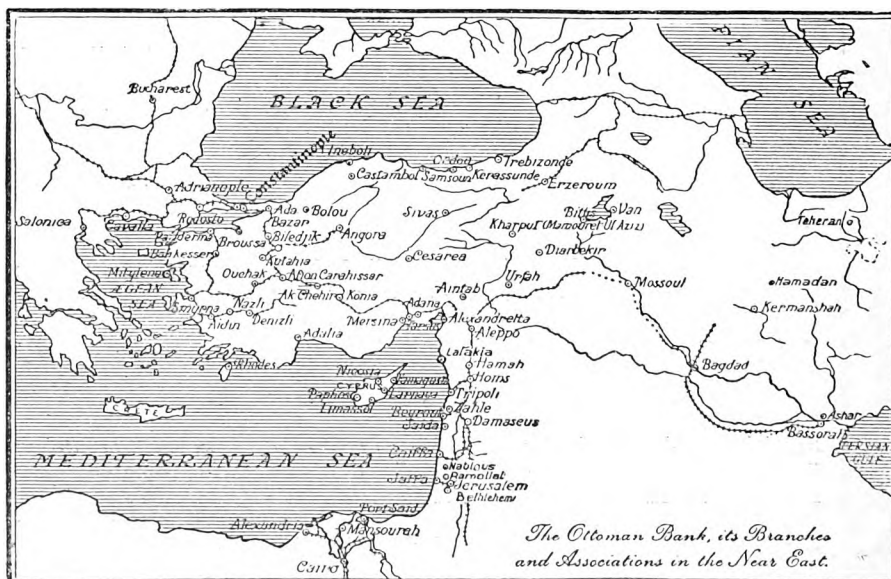
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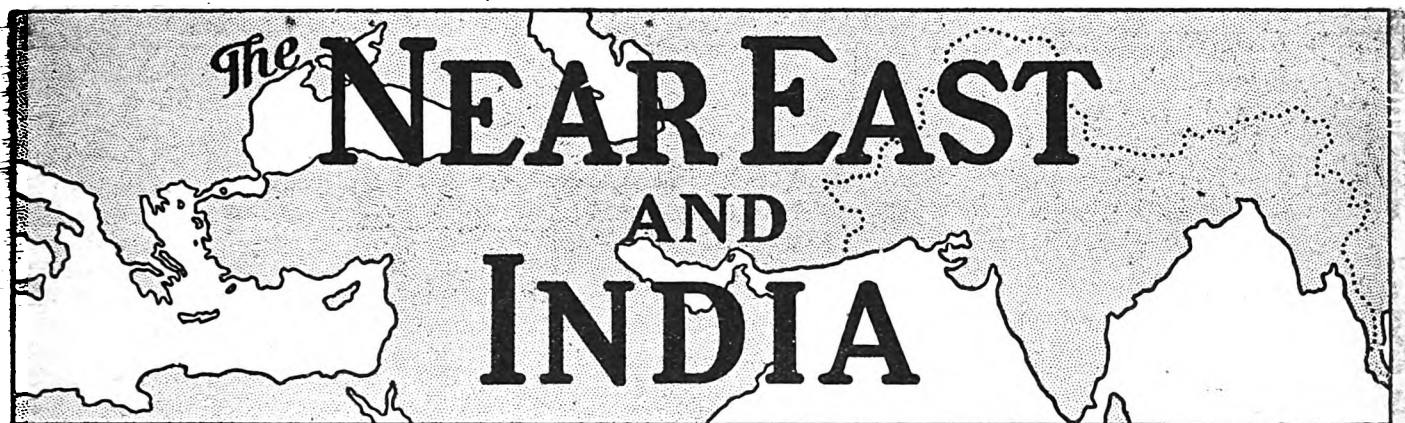
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Notes of the Week.

The Egyptian Contretemps.

If the urgency of the matter justified the dispatch of the British Note to the Egyptian Government, it is to be hoped that no attempt will be made to effect a settlement of a wide range of problems by means of Notes and answers. The temper of the Egyptian Parliament gave rise to the belief that Great Britain was on the point of being presented with a decision which would have made the diminution of the authority of the Sirdar a *fait accompli*; and, in order to forestall this, a communication was addressed to the Egyptian Government to remind it that the position of the Sirdar was linked up with the wider question of the Reserved Points, which could not be settled by any unilateral decision. Provided that Egypt agrees not to proceed any further with the contemplated changes in the command of the Army—it is not clear that they had actually been recommended in a plenary sitting of the parliamentary War Committee—it would seem to be in the interests of both countries that no attempt should be made to settle other matters until the whole question of the Reserved Points can be discussed by plenipotentiaries. By taking up one subject at a time, and, as might happen in this instance, by settling it on lines that may commend themselves to Great Britain but be resented in Egypt, a wholly false impression of the relations between the two countries would be created. The underlying idea of a treaty of Alliance between Egypt and Great Britain is that both parties accept the terms as being in their entirety a reasonable solution of a complex question. When carefully examined, such a treaty, no doubt, will be found to be favourable to Egypt in certain respects and to Great Britain in others. Only when the mutual concessions are weighed against each other can the value of the agreement be appreciated. It would be a mistake, therefore, to encourage the wrongheadedness of which the British Government has to complain in a section of the Egyptian people by allowing it to argue from one point alone that Egypt is being required to yield all along the line.

The Need for a Treaty.

Both Governments will be justified in pressing that there should be no further delay in the negotiating of a treaty of alliance. The Egyptian Government has had ample opportunity of gauging the unwisdom of allowing discussion in Parliament to range continually on the vexed question of Anglo-Egyptian relations. Under present conditions no speech in the Legislative Assembly is likely to help in a solution of the various questions outstanding between the two countries. On the other hand statements are being made every day which are apt to embitter those relations and render agreement more difficult. Embarrassed as it is by these proceedings, the Egyptian Government must be as anxious as the British Government to put an end to unedifying incidents. It has been made abundantly clear that, until it is confronted with a complete treaty of alliance which will enable the compromise between the two countries to be considered as a whole, the Legislative Assembly will never express acquiescence in the "reservation" of a single point bearing on the independence of Egypt. This particular Gordian knot can be cut only by ignoring Parliament until the negotiations have been terminated. With a treaty of alliance the Reserved Points disappear, as the questions to which they refer will have been settled and the Egyptian Parliament will be free to direct its attention to more profitable themes. With good will and common sense leading to a smooth settlement of the recent crisis, the prospects of the negotiation of a treaty improve.

The New Government in Roumania.

The change of Ministry in Roumania has brought about an interesting and significant situation. For the first time there is a real Coalition Government in power, with a non-Party Prime Minister, and for the first time also there is a chance that the elections on which the political groups are now concentrating all their attention, will be conducted with a reasonable amount of impartiality. In these circumstances it is almost inevitable that the National Liberal Party should reap the benefit of its

superior organisation. The National Peasant Party would stand a better chance of running it close in the final results, if it had been able to retain within its ranks Dr. Lupu and the three Ministers who joined General Averescu's Government. According to reports from Roumania the People's Party which held 286 out of 387 seats in the last Government is expected to disappear for all practical purposes from the parliamentary scene. General Averescu talks of withdrawing altogether from politics and it is still uncertain whether his followers will go to the elections as a separate party or will distribute themselves among other groups. The sudden rise and eclipse of this People's Party, if it is now disbanded, will be eloquent of the artificiality to which politics in Roumania have been exposed in the past. The mandate to form a Government was given to General Averescu in March 1926 without any reference to the strength of his following in the Legislature, and the elections, according to plan, returned him power with an overwhelming majority. With similar inconsequence he is called upon to resign and his large following melts away. In all the circumstances Roumania stands to gain by reverting to political bedrock, and it is to be hoped that Transylvania will now have an opportunity of pulling its full weight. The elections are to be held in the second week in July, so there is time, if the leaders wish, for the various groups to come together again and to go to the poll on a unified programme.

Greek Statuary in London.

M. Philadelphus, the distinguished Greek archaeologist, who some time ago raised in the Greek Press the question of the return to Greece of certain antiquities now in the British Museum—in particular the Caryatid of the Erechtheum and the Elgin Marbles—has now made a direct appeal to the British nation and Government through the medium of *The Times*. His first concern is for the Caryatid and the Column of the Erechtheum, on the ground that they are indispensable elements to the temple and that the absence of the column renders the superb monument subject to collapse. There is much to be said for the return of the Caryatid; its acquisition was in no way on all fours with that of the Parthenon marbles purchased from the Turks who then owned them. Unfortunately for the Greek appeal the request for the return of the Greek statuary has evoked the retort of prominent classical scholars that there should be no question of returning the Caryatid until the atmosphere of Athens, now polluted by corrosive industrial smoke, has been made fit to receive it. Other more aggressive con-

troversialists point out that if the principle is to be generally applied, all the museums in the world will be denuded to overstock Athens and Rome. Against this can be urged that the Caryatid stands in a different category from that of other pieces of Greek sculpture.

The Albanian Dispute.

Neither the lapse of time nor fuller details of the incident invest the action of the parties to the dispute over the Tirana dragoman with much credit. Both Governments convey the impression that they would like to recede from an embarrassing position, but are fearful of losing face. The Albanian Government is prepared to release the arrested dragoman, if the undiplomatic phraseology of the Note of the Yugoslav Chargé d'Affaires is repudiated—an indication that the crime for which he was arrested was not so very heinous after all; the Yugoslav Government is prepared to withdraw the expressions complained of, if the Albanians will release the dragoman, who is called Jurasko in the Serb Press and claimed as a Yugoslav official, and in Albania is called Juraskovitch and claimed as an Albanian. In a less Gilbertian world Tweedledum and Tweedledee could meet to shout simultaneously "Released" and "Withdrawn," and the incident would be at an end. As things are, both sides have submitted their versions of the episode to the League of Nations. As no gathering of polite persons can endorse the use of "brutal" and "violent" in diplomatic correspondence, the Albanian Government may consider itself on safe ground. On the other hand, the Yugoslav Government has scored a pretty point by stating that it does not think that the Juraskovitch case alone is sufficiently important to justify its discussion under Article 12 of the Covenant, and for that reason it does not ask for any discussion; but it holds itself at the disposal of the Council if the latter wishes to inquire into the whole Albanian problem. As the whole Albanian problem includes the Tirana Treaty, the mere suggestion will cause perturbation in certain quarters—a result no doubt foreseen by the Yugoslav Government. In the meantime the cause of peace in the Balkans has not been promoted by this regrettable disagreement, and Albania, it is to be feared, has been driven a few paces farther in the direction least desired by Yugoslavia and least desirable in Balkan interests.

Motors and the "Haji."

The Baghdad correspondent of the *Manchester Guardian* has given some illuminating figures to show the influence of the Pilgrimage to Mecca upon the motor-traffic in the Middle East. This year, of course, the Pilgrimage assumed unusual proportions—and, in addition to the hajjis already mentioned in THE NEAR EAST AND INDIA this correspondent reports that several thousand Persians passed through Baghdad in April and May on their way to Mecca—and the motor companies have consequently benefited. Thus the usual fare from Baghdad to Beyrout has arisen from £3 or £4 to £8 or £10, although with the conclusion of the ceremonies of this Pilgrimage and the eastward, homeward journey of the hajjis, the journey from Baghdad to Beyrout will be made for a nominal sum, £1 or so. Next year, when the new bridge at Falluja has been completed, even greater developments in motor transport would seem probable, not only for passenger, but also for freight traffic. British manufacturers of motor-cars have already lost a considerable market in failing to interest themselves in the Middle East, but it is to be hoped that the events of this year will finally convince them that the commercial development of lands which the force of British arms so largely made possible should not be left entirely to trade rivals.

Great Britain and Iraq.

It is probably inevitable that, in consideration of the unique circumstances which govern the relationship between Great Britain and Iraq, certain differences of

(Continued on page 719.)

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EGYPT AND GREAT BRITAIN.

The moral of the misunderstanding that has recently clouded the relations between Egypt and Great Britain is clear; it is that no time ought to be lost in placing those relations beyond the chance interpretation of any agitator or ignorant deputy who can achieve notoriety by no other way than by surpassing a rival in the intensity of his abuse of Great Britain. It is common ground that there should be a treaty of alliance between the two countries. The scope of that treaty has been indicated, but at no time has there been any round-table attempt either to discuss its provisions or even to clear the ground for formal negotiation. In the place of the usual method of procedure the relations between the two countries have been, as it were, a bone thrown among rival packs of dogs in the market place. No agreement in any part of the world is likely to be advanced, if every provision is to be made dependent on acceptance by popular clamour in one country or the other. Yet in Egypt this appears to be the method adopted. Contrary to all the rules of diplomacy, Great Britain has made public the precise questions which she has to bring up for settlement in the treaty. They are admittedly intricate and of international significance; yet instead of their being subjected to the critical consideration of experts on both sides, the Egyptian Government by an unfortunate chain of circumstances has been obliged to abrogate its functions and to allow the questions to be made the sport of mob oratory. It would be rash to resume that even in a country with the political experience of the British any satisfactory result could follow such tactics. In Egypt, where the great majority of the people are wholly lacking in the political sense, these tactics have proved highly dangerous. They held up Great Britain as a target for popular attack, until the belief gained ground among the British that the verbal excesses were about to be translated into deeds, and all that was wanted was an attack of nerves or the exhaustion of patience to convey the impression that Anglo-Egyptian relations had at least reached breaking point.

An Anglo-Egyptian treaty of alliance is essentially a matter for the dispassionate consideration of the two Governments. To this end both will have to retrace their steps. The British Government must realize that it is called upon to deal with the Egyptian Government alone and must ignore the vapourings of deputies and newspapers alike. Egypt, it has to be admitted, has set a standard of irresponsible mischief-making in Parliament and in Press that has probably never been attained in any other country. Its very extravagance should have saved it from being accorded serious notice. In discussing the military question, which has given rise to the recent crisis, the *Ahram*, the leading newspaper in Egypt, has informed its readers that for the Egyptian Govern-

ment to allow a British officer to continue to be Sirdar of the Egyptian Army would entail as a consequence that the British "might use the Egyptian nation as an instrument in their service anywhere in Asia and throughout Africa, under the pretext of defence." The paper adds: "To justify such defence it is not necessary for Egypt to be invaded; England could say that it is necessary for her to be strong and victorious everywhere, so that she may be able to fulfil her promise—to defend Egypt." If such a statement appears in a serious organ, it is not difficult to imagine with what arguments it is sought to inflame public opinion throughout the country. Even where the intention is not malicious, it is evident that ignorance and lack of intelligence combine, as in the case of the *Ahram*, to render attempt at argument useless. In these circumstances it is the duty of the Egyptian Government, which does command expert knowledge and the highest intellect, to see that a subject such as Anglo-Egyptian relations is reserved for its own consideration, unhampered by the amazing fatuity of press and parliamentary comment. The British Government on its part can afford to ignore the lucubrations of extremists in the Legislative Assembly, and should defer action, until it is evident that a wrong move has been made, or is on the point of being made, by the responsible Government in Egypt.

Events during the last five years have proved that the question of Anglo-Egyptian relations is not one that can be settled by the Egyptian "man in the street." He is too devoid of political instinct to understand the complex character of the Egyptian question or to realize the restrictions imposed on Egypt's capacity to stand alone. In its handling of the problem of the employment of foreigners in the Civil Service the Egyptian Government has shown a reasonable grasp of the situation; it is prepared in regard to public security, the maintenance of communication and the furthering of irrigation to retain for the present foreign help. In so far as these points have been settled by definite agreements, they may be regarded as now removed from controversy. It should be equally possible to substitute in regard to other matters—the so-called Reserved Points—clearly defined undertakings on the part of the two countries in the place of the vague responsibilities that are continually the subject of challenge in the Legislature. A treaty on these lines might well escape the adverse criticism so freely levelled on the subjects reserved for discussion. The question of the Sirdar, for instance, may possibly become of wholly secondary importance, if a scheme on comprehensive lines were agreed upon for the adequate protection, by land and sea, of Egypt's integrity and Great Britain's imperial communications. At the same time the childish and mischievous contentions, such as those with which the *Ahram* has sought to prejudice the British position, would be eliminated. The future of the Sudan might not be settled according to the claims of extremists, but a *modus operandi* can be evolved which will remove all genuine anxiety in Egypt regarding the country's water supply, and will satisfy the legitimate aspirations of those who want to retain the political connexion between Egypt and the Sudan. A treaty, moreover, would pave the way for the abolition of the Capitulations and might at once remove some of the anomalies which hinder the progress of judicial and financial reform. Finally, as it would carry with it a commercial agreement, it would strive to strengthen Egypt's economic position. Practically all the trouble that has arisen between Egypt and Great Britain in recent years is due to the failure to conclude the treaty foreshadowed in the Declaration of 1922. If the good will professed by both parties is sincere, the two Governments will lose no more time in drawing up that treaty.

The Near and Middle East*

From Our Own Correspondents.



Cairo, June 4.

The King's Birthday.

His Majesty's Birthday was celebrated by the usual garden-party at the Residency, which was exceedingly well attended. For the first time admission this year was not by invitation; but a notice was issued announcing that the High Commissioner would be glad to receive all members of the British community. This is a welcome innovation, advocated several times, by the way, in this correspondence, for the invitation system owing to omissions or miscarriage in the post often gave rise to friction and misunderstanding, which were as unnecessary as they were quite unintended.

The British Forces in Egypt.

Major General Sir Peter Strickland has arrived and taken over his new duties as General Officer Commanding the Troops in Egypt, and Lieut.-General Sir Richard Haking has left for England. His departure has aroused the liveliest regret in all communities. It is no reflection on the popularity of his various predecessors to say that General Haking had gained a position in this country unique in the annals of the British Army, and by none will his departure be more regretted than by the men who have served under his command. General Strickland is no stranger to Egypt, having served in the Egyptian Army which he left in 1903. There are, of course, exceedingly few Englishmen left in the country who remember him; but he has received a warm welcome from those of his former Egyptian colleagues and subordinates who are still alive.

The Honours List.

For the first time for many years Egypt and the Sudan have secured their proper quota in the Honours List, and the announcements made seem to have afforded genuine pleasure. Major-General Spinks Pasha, who receives the K.B.E., is, of course, the Inspector General of the Egyptian Army to whom, on his becoming Commander of the Sudan Defence Force, Huddleston Pasha delegated his authority as Sirdar, which he assumed on the murder of Sir Lee Stack. The other K.B.E., Mr. John Percival, is the Judicial Adviser to the Egyptian Government, who for a long time rendered eminent services as Vice-President of the Native Court of Appeal. Mr. Harry Barker, well merits the knighthood conferred on him, for he has of late years played a very conspicuous part in the affairs of the British community in Alexandria, of which he is the Chairman. Mr. George Hughes, who has the C.M.G., receives long delayed recognition of the valuable work he has done as Chief Inspector of the Parquet of the Native Court of Appeal, particularly in regard to the recent political murder cases, which owed their working up and presentation in great part to his industry and personality. The other recipients of the C.M.G. are Mr. Harold MacMichael, Civil Secretary to the Sudan Government, who is regarded as one of the most brilliant members of that administration, and Mr. Arthur Wiggins, Senior First Secretary at the Residency, whose work during the past few eventful years affords promise that he will go far in his future career.

A Diplomatic Solecism.

Consternation and exasperation are the only two terms which in any way can describe the feelings of the European communities in general and of the Diplomatic Corps in particular at the latest escapade of the American Minister, Dr. Morton Howell. Having, quite contrary to usage, circulated in the local Press a copy of his letter of resignation addressed to President Coolidge, he proceeded to accord an interview to one of the Arabic papers, in which, after paying somewhat fulsome compliments to the Egyptians, he gave expression to statements in regard to the political situation and the position of foreigners in Egypt, which constitutes a glaring breach of diplomatic etiquette, rendered all the more deplorable by the inopportune moment which he chose for his declaration. At a tea-party given to him by his Egyptian friends, from which it may be noted the doyen and principal members of the Diplomatic Corps, as also the Prime Minister, absented themselves, he made further references to the political situation which can but be regarded by the Egyptians as a direct incitement to continue, and to look to the United States for support in, the tactics of which all the European communities bitterly complain. I would add that the American community seems just as perturbed and annoyed, as the other colonies, at the tactlessness, to call it by no other name, of their Minister.

You will, I know, not expect me to deal in any detail with or comment on the serious crisis which is now raging. The situation is in such a fluid state and the development is so uncertain that any remarks I may have to offer would, even before they reach the printer's hand, be rendered out of date by the cables to the daily press. All that I can say is that so far what has happened has not led to any excitement or disturbance and that all the indications point to a satisfactory settlement as a result of good will on both sides.

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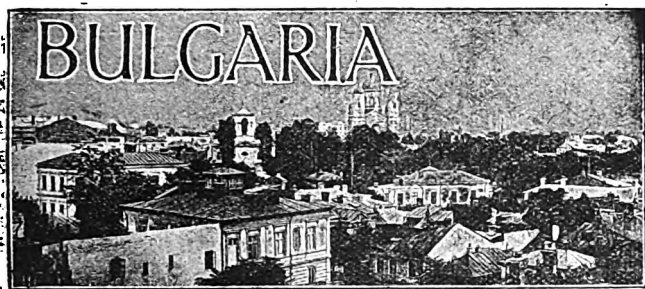
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Sofia, June 1.

The Elections.

There are two things above all which call for examination in connexion with the parliamentary election which took place on May 29—on the one hand the manner in which the elections were conducted, and on the other the political orientation which they showed.

With regard to the first point, mention must be made of the numerous complaints formulated by the Opposition parties against all manner of violence, for which they throw the responsibility on the Government. Acts of violence certainly were committed, and it is possible that these were more pronounced than usual, since administrative pressure, more or less active at election times, is traditional in this, as in every other Balkan, country. But, if there were cases, and they do not seem to have been small in number, where brute force was openly resorted to against over-recalcitrant electors, the Government should not be too hastily accused. The special atmosphere surrounding these parliamentary elections, which is characterised by general over-excitement, must not be forgotten. It tends to make everybody, both on the side of the Government and on that of the Opposition, anxious to play an active rôle in public affairs instead of merely offering the contribution of a passive spectator. This fact explains, quite apart from the attraction of parliamentary emoluments, the extraordinary number of candidates for Parliament. In these circumstances, electoral violence, which has everywhere been much exaggerated, was inevitable in certain districts, where candidates who considered it to be their duty to be elected at all costs thought that they were at liberty to use every kind of pressure to attain their aim. It remains to be seen whether this political excitement, which is at the bottom of the deplorable excesses, will not counteract, at least for some time, the work of pacification so resolutely undertaken by the Liaptcheff Cabinet.

The question assumes more interest when one considers the election results. Although the Government has obtained a very considerable majority, and has a strong position in the new Chamber, it is also a fact that the Agrarians have doubled their representation and these Agrarians, for the most part extremists, are not all inspired by the Gospel spirit, and what has happened before may become once again the order of the day.

According to published reports, of the 273 Deputies elected 170 belong to the Government, or at least to the Government party, and 92 to the different Opposition groups. Between the Government and the Opposition there is the neutral political group composed of 11 Macedonian Deputies, elected, or rather nominated, by the Macedonian Union in the Department of Petritsch, where no other list of candidates was allowed to be submitted to the electorate. The total number of Government mandates are divided between the following sub-groups, which form the Democratic Entente: 70 Democrats, 55 Unionists, 15 Radicals and 30 Tsankoffists, adherents of the former National Entente which, after the Army, played the principal rôle in the organisation and execution

of the *coup d'état* of June 9, 1923. It is assumed that after these recent elections this division of the Democratic Entente into sub-groups or tribes, as they are dubbed here, will disappear, to make way for a compact union of the party, whose existence dates only from August, 1923. It is to be hoped that such will be the case and that the Democratic Entente will become at last a united and homogeneous party, for its eventual disintegration would introduce grave dangers for the peaceful evolution of the political situation.

In the face of this great Government majority the Sobranye will include an Opposition of 92 members, divided up as follows: 25 mandates for the Agrarian-Democratic coalition of MM. Malinoff, Thomoff and Kiortcheff, comprising 12 Democrats, 8 Liberals, 3 Thomoffist Agrarians and 2 Dissident Radicals (elected with the support of the Democrats, to whom they will probably finally adhere), 1 Liberal Independent, who is the ex-Minister M. Smiloff, 5 Communists, who officially call themselves Labour ("Workers"), the Communist party having been dissolved by parliamentary decree, 63 mandates for the Agrarian-Socialist coalition, comprising 4 Artisans, 9 Socialists and 50 Agrarians, among whom it is claimed that there are also distinguished Communists.

A study of the preceding figures shows, in the first place, that the electorate has awarded its preference to big groups, namely, the Democratic Entente and the Agrarian Union. The centre, formed by the Malinoff coalition, has perceptibly weakened, which does not augur well; while all the small parties, such as the Radical (Kostourkoff) party, the Right wing of the Agrarians (Draghieff) and the moderate Socialist group (Djidroff) have been literally swept away and have not obtained a single seat in the Sobranye. If the two other small groups, the Stamboulovists and the left-wing Socialists, have not equally disappeared from the new Chamber, they owe it in the first place to the complacency of the Government and in particular of M. Liaptcheff, and secondly to the kindness of the Agrarians, who placed them on their lists and had them elected at their own expense. Here we have an indication of a re-grouping of the political forces in the country, which will tend to force the insignificant fractions to adhere to the stronger currents and to establish themselves there in order to help in the formation of a small number of powerful parties capable of effective action. No less significant is the bearing of the Communists who, having changed their name, keep all their former fanatics, in spite of the official prohibition of their party. Further, most noticeable is the increase of strength acquired by the Agrarians and more particularly by the Left-Wing, with whom must be associated the Left-Wing Socialists and the Artisans, that is to say, the whole Agraro-Socialist coalition. This Agrarian ascendancy, which has not failed to give rise to serious misgivings in certain Government circles, constitutes the visible sign of a salutary and definite orientation towards a lawful struggle, for it is most unlikely that a political force which counts 50 to 60 representatives in Parliament should be led astray into treasonable activities. The presence of all these elements of the Left in the new Sobranye must, therefore, be considered as a firm pledge that the country has definitely taken the road leading to national reconciliation and complete pacification.

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Tabriz, May 24.

Military Movements.

For the last two months Tabriz has been living in the midst of rumours, which have tended to cause some alarm to the hapless folk of Suj Bulak and Mianduab who live near the Kurdish-Persian boundary and have in recent years had to leave home, lands and belongings at least ten times. As the Persian proverb has it: He who has been bitten of a serpent will get scared by a black rope. Only last August during the Pitchdari troubles these people had to flee to Maragha for safety. For over a month now troops have been sent to Suj Bulak from Tabriz, from Kermanshah, and from Hamadan. All the State *galla* (grain) in the frontier towns and villages of Mianduab has been transported—as much as fifteen *kharvar* (15,000 pounds) of barley a day, it is said—to the same destination. This is not for the immediate use of the troops, but is being stored for future requisition. The troops now in Suj Bulak are estimated at 7,000 Persian Cossacks, and it is believed that they are to be increased to 12,000—a more than adequate force to deal with any Kurds or Pitchdaris. The Amir Loshjiar (Commander-in-Chief) went to Suj Bulak ten days ago, and is now at Serdesht. He left Tabriz with three armoured cars, carrying officers and ammunition.

As might be expected, speculation is rife as to the purpose of all these preparations. In some quarters it is supposed that the intention is to disarm Persia's Kurds, once and for all, in order to put an end to their insurrections and the consequent drain on the Treasury. Another version is that the Pitchdaris, who this year are being led by Simko (Ismail Agha), Sayid Taha and old Shaikh Mahmud, are to be dealt with again. The Cossacks themselves were convinced that they were going to fight the English, who, they declared, wanted to create a Kurdistan at the expense of Persian territory. All talk to this effect was sternly forbidden by the officers, and a proclamation was issued threatening penalties to anyone discussing military matters with the Cossacks.

The idea that the Kurds are to be disarmed is at variance with the fact that Kurdish chieftains have been summoned to Suj Bulak and have been ordered to have their forces ready. To this end the rank and file have been told to procure rifles and horses. As a result a clandestine traffic in arms is taking place between Persians and Kurds, which the authorities are trying to stop.

Russo-Persian Relations.

The tension between Persia and Russia, which has continued since February 1926, shows signs of becoming still more marked. The embargo on Persian imports into Russia has caused many Persian commercial firms to go bankrupt; while others are holding their heads above water with the greatest difficulty. Merchants of Kazvin,

Resht and Pahlavi (Enzeli) have done all they could to help the situation by refusing to buy Russian sugar, oil, etc., and in one instance have even compelled the Russians to reload their goods on to ships; but to no purpose, as Russia has stood to her guns. She went further. A number of *Litsenzias* (permits) had been issued to Persian merchants to import sobza for the Baku fair during April and May. These permits were given in March to a few chosen firms, the price of the sobza being fixed by the Russians at 7.50 roubles per pood. After the decision to boycott Russian goods was taken, the Russian authorities found that a clerical error had been made in fixing the price of the sobza, which would be 4.20 roubles per pood instead of 7.50. To add to the troubles of the Persian merchants, the *Litsenzias* had been given on no fixed principle. Some firms with special influence might have several, others would get one or none; again many who were not merchants secured them, and a lively traffic ensued in permits, the price of which rose to between two thousand and three thousand krans. A certain well-known Mollah is reported to have done very well for himself in this way.

The vagaries that have marked the negotiations between Russia and Persia for a commercial treaty are connected here with the progress of events in China. It is argued that when things did not promise well in that country for Russia there was a sudden anxiety for a treaty with Persia; as soon as the China situation eases off in Russia's favour, the negotiations in Moscow are prolonged indefinitely.

In this connexion it may be noted that the Soviet Consul-General here has been showing considerable interest in the happenings at Suj Bulak. His visit to the town not long ago was explained variously as a pleasure trip; as a tour of investigation of the road which is being built by Persia from Haydarabad, on Lake Urmi, to the Iraqi frontier, near Rowanduz; and as prompted by the necessity of inquiring into the affairs of the Russian State Commercial firm which has branches in Maragha, Mianduab and Suj Bulak and is reported to have made a loss of 600,000 krans. The Tabriz manager of the firm was sent under escort to Moscow for trial, the managers at Maragha and Suj Bulak have been dismissed, and the Mianduab branch has been closed. The Consul-General's critics, however, are inclined to connect his visit with a tendency among the Mollahs and others "Bolshevistically" disposed to stir up dissatisfaction against the existing régime in Persia. The fear is expressed here that the Soviet Government is only waiting for some insurrectionary movement to start to introduce its Red Army into this province. Recently the police raided a house where a Bolshevik meeting was being held. A number of arrests were made. The Russians who were arrested were liberated on condition that they returned to Russia; the fate of the Persians taken is not known here.

CYPRUS.

Nicosia, May 23.

The Colonial Conference.

The Press warmly praises the decision arrived at on May 10 that high officials should be sent periodically to colonies, and dependencies, to inquire into and report on the state of things generally. Hitherto, it is said, the Colonial Office has practically relied entirely on the reports of High Commissioners and Governors for their opinion and decisions on all questions and problems. It is through these officials that petitions and complaints are forwarded to Downing Street, and these are almost invariably returned for report to these same officials whose views are then adopted. Cyprus, they submit, is a place where it is very desirable that such investigation should from time to time take place.

The Greek Flag.

The question of the Greek flag is again being taken up.

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This is chiefly due to the fact that on the occasion of visits by Sir Ronald Storrs to certain villages, the people were notified through the police that the Governor did not wish for displays of flags. This was resented and the Greek flag was largely conspicuous. The truth, of course, is that the people, not being Hellenic subjects, have no right to use this flag. While the Island remained Turkish—i.e., up to 1915—they were Ottoman subjects and since that date British. But by degrees they have come to regard the use of the Greek flag as a right; often to the exclusion of the Union Jack.

Drought and Locusts.

When Britain took over Cyprus, the chief plagues of the Island were said to be drought and locusts. The former may be almost regarded as a thing of the past, so great has been the improvement in the rainfall. The question of fresh water supplies for irrigation, however, continues to be the most important problem, and it is very satisfactory to note that at two places where borings are being carried out, viz., near the villages of Morphou and Ayios Sergios, some very encouraging results have been obtained. It is too early to say much, but there are good hopes that operations will be to a great extent successful, in spite of the fact that some of the water, when first obtained, is brackish.

As regards locusts, full credit is given to the Government for the system now in force of purchasing locusts and eggs. But some dissatisfaction is expressed that, with a view to economy, expenses are too much curtailed, prices not fairly fixed, and centres for collection too distant; and that in consequence complete extermination is not achieved. The history of the locust war in Cyprus forms a very interesting chapter of her annals. Though not exterminated, they have been reduced to comparatively insignificant numbers, and, should fresh invasions of foreign swarms not occur, the situation may be regarded as satisfactory.

Local Committees of Inquiry.

The Committees and Commissions appointed by the Governor to inquire into and report on the system of taxation, forest policy, agricultural matters, etc., have been diligently carrying out their duties, which involve visits to various village centres. Some impatience, however, is being manifested in the Press, and the committees appear to be the subject of some scepticism, as regards their utility; ironical comments being made as to the advantages likely to be derived. It is questioned whether there will be any serious outcome, or whether they are merely a sop, and a means of relegating any reforms to the "Greek Kalends."

The Recent Athletic Contests.

Telegrams and letters have been received from the Mayor of Athens by the Governor, the Mayor of Nicosia and others, expressing the warm thanks of the athletes and others who participated in the hospitality and cordial receptions of their hosts in Cyprus. The Athenian papers

express great satisfaction over the treatment accorded to the Greek representatives. Some criticisms, however, have appeared regarding defects which were observed in the organisation and carrying out of the athletic meetings, and these, no doubt, will receive careful consideration from the Cypriot Committees, who have shown very commendable zeal, with a view to future contests.

THE HIJAZ.

Jidda, May 28.

The Pilgrimage.

The long silence of your Jidda Correspondent has been due to his absence from his headquarters for several weeks—a period which overlapped three important occurrences, the advent of the hot weather in all its wonted viciousness, the arrival of Sir Gilbert Clayton at Jidda to resume negotiations with Ibn Saoud, and the return of the Wahhabi King of the Hijaz and Najd and its dependencies from Central Arabia to Mecca. These events were followed by a hectic fortnight, which ended as suddenly as it began, leaving Jidda hot enough in all conscience, but tranquil and depopulated except for the last batches of pilgrims hurrying through by all manner of transport—motor-cars, camels, donkeys, and flat feet—to be in time for the pilgrimage ceremonies. Nearly a score of ships of all sizes ride at anchor in the roadstead waiting to take away the first batches of homeward-bound pilgrims, who will begin to arrive here from Mecca about June 15. The long-awaited climax of the pilgrimage is almost upon us and not less than 120,000 overseas pilgrims will take part in the culminating ceremonies. The final lists are not yet ready for publication, but it would seem that among the great congregation will be 30,000 souls from India and about 15,000 from Egypt, which is this year not sending the *Mahmal*.

It would almost seem that the *Mahmal* controversy is settled for all time, and that famous litter, commemorating the empty carriage which was destined to bring but never brought a long-forgotten queen to the holy land of Islam, will never again figure in the ceremonial of the great pilgrimage. Justice compels the admission that, however one may regret the passing of a picturesque pageant, the Hijaz Government has been within its rights in declining the assistance of an Egyptian military force in maintaining law and order within its own territories for the benefit of its pilgrim-visitors. Everyone knows that no one is more capable of assuring the safety of Egyptian and other pilgrims in the Hijaz than its present King, and the flutter in the dovecots of Egypt over the imaginary dangers attending the visit of Egyptian nationals to the Hijaz this year will within a few weeks have spent itself on the empty air. The *Mahmal* procession is in no way essential to the Hajj ceremonies and, if the Egyptian Government has decided not to send it again, it is but a controversy less to agitate the counsels of Islam hereafter. "Out of evil cometh good" and it is to be hoped that the Egyptian Government will now

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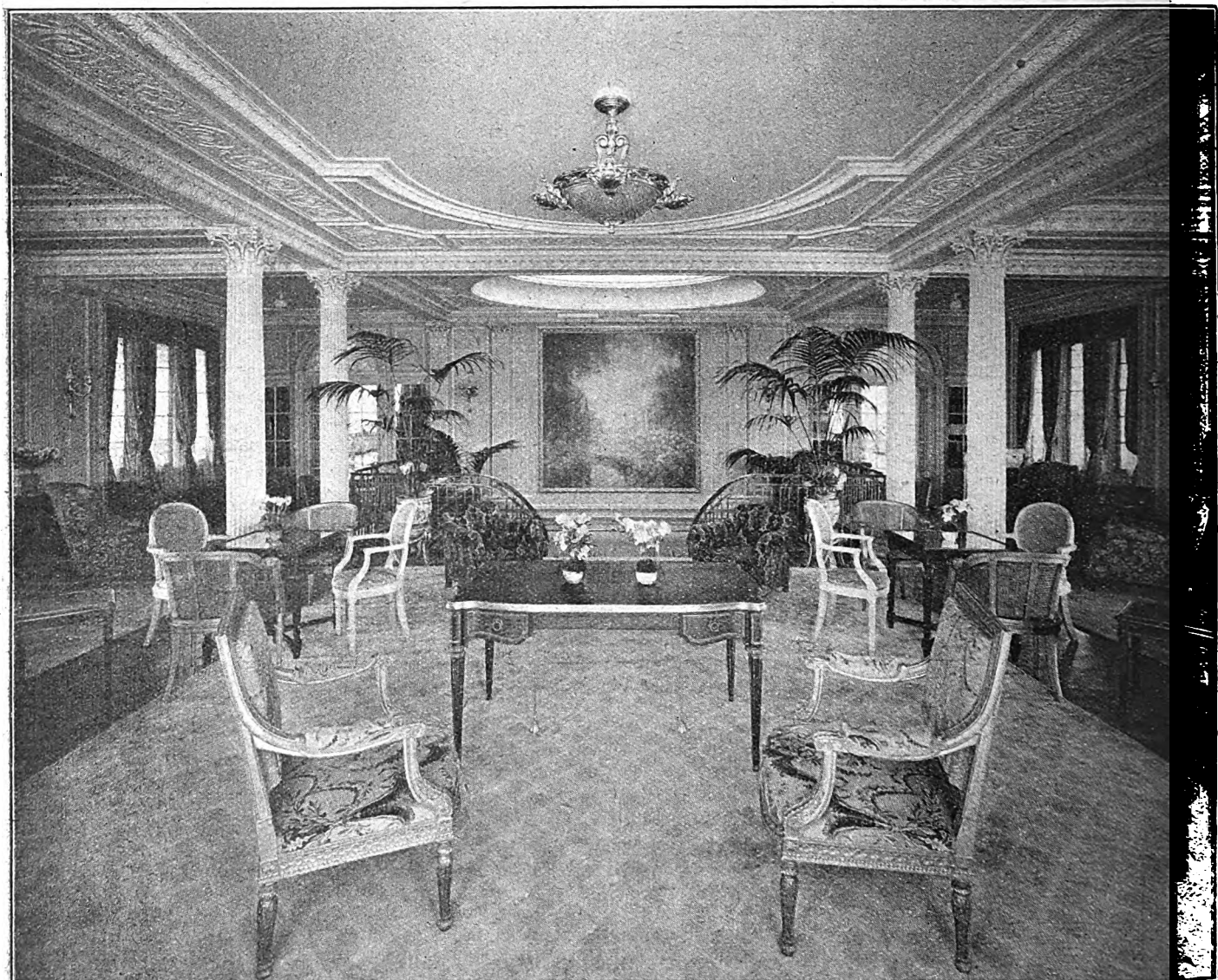
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take the lead in establishing between itself and Ibn Saoud the harmonious relations which should exist between all Islamic States and the cradle of Islam.

Fancies, Facts and Fahrenheit.

As for the painful subject of the climate, it is execrable and no words can describe it better than those of Lawrence: "The atmosphere was oppressive, deadly. There seemed no life in it. It was not burning hot, but held a moisture and sense of great age and exhaustion such as seemed to belong to no other place. . . ." That is what we are all feeling like but, as if that were not enough, a libellous rumour has gone the round of the European community to the effect that the thermometer has touch 138 deg. Fahrenheit. Some say 132, some 120, and others 112, but my own instrument, duly vouched for by a respectable British firm, has refused to record anything higher than 94 deg., which is a good deal worse than it sounds.

In the circumstances Reuter's Agency is to be thanked for a noble attempt to amuse us—the local Reuter's correspondent is in no way responsible for it—by a daring leg-pull, which appears in a recent issue of the world's leading newspaper in the following terms: "Wireless communication has been effected through Central Arabia from Riyadh, the capital of Nejd, to Mecca, and from Hayil, the old Shammar capital, to Medina.—*Reuter.*" There is of course no foundation for this statement, unless it be the hope that some day it will represent the truth. Arabia is taking to the amenities of modern civilisation with encouraging rapidity.

Missionary Enterprise.

Two American missionaries who recently entered Wahhabi territory from the north and succeeded in reaching Taima, were duly held up by the local governor pending the receipt of orders from the King. The latter, in reply to a wireless message from Al Ula, directed that they should be treated with every consideration and sent back to whence they came.

The Anglo-Hijaz Negotiations.

The centre of the stage has during the past month been occupied by the negotiations between Ibn Saoud and Sir Gilbert Clayton, which were brought to a satisfactory conclusion by the signing of a treaty of friendship on May 20. This treaty, which will not, of course, be published until it has been ratified by both parties, supersedes that of Uqair, made in December, 1915, and places the relations of the two countries on a satisfactory basis, the recently announced status of the Wahhabi monarch as King of the Hijaz and Najd and its dependencies being presumably recognised. For the rest, it is understood that owing to the shortness of time available no attempt was made to arrive at a settlement in respect of various problems which have been mentioned in connexion with the negotiations. The British Government is to be congratulated on the selection of Sir Gilbert Clayton for so delicate a task and it is perhaps not premature to suggest that, when that task is completed, the time will be ripe for the raising of the status of His Britannic Majesty's Agency and Consulate at Jidda in recognition of the important diplomatic duties now and hereafter falling on its incumbent. The old Persian Gulf arrangements afford a reasonable precedent for the appointment of a Resident and Consul-General at Jidda, but it is important to realise that an officer of that standing should be relieved of the vast mass of petty pilgrim work by the addition to his staff of a British Vice-Consul. And it is equally important to remember that so important a post—a disagreeable one from the point of view of the amenities of life—should at the same time be made financially attractive to the best brains of the Levant Consular Service and be reserved as a prize for such members of that service as have taken the trouble to make themselves proficient in the Arabic language—an absolutely vital consideration.

Miscellaneous News.

The official return published in the local paper of May 27 gives the number of overseas pilgrims up to May 23 inclusive as 110,800.

On May 13 Shaikh Hafidh Wakba and Dr. Abdullah al Damluji returned to Jidda to resume their former functions as Chief Adviser and Director of Foreign Affairs respectively. They travelled by air from Basra to Cairo and after by sea, the whole journey being accomplished inside a week. Dr. Abdullah al Damluji has received from the French Court the insignia of an Officer of the Legion of Honour, to which rank he has been admitted by the French Government.

NOTES OF THE WEEK

(Continued from page 712.)

opinion upon the extent of the advice which British representatives may justifiably offer and upon the acceptance of which they may justifiably insist shall occasionally arise as between the High Commissioner and the Iraq Cabinet. Adequate and striking proof, in fact, is found in the infrequency of such differences of the excellent terms of friendship which prevail in Iraq as between Arabs and British, and the prominence given to the recent Cabinet crisis in Baghdad and to its apparent cause is of itself manifestation of the rarity of conflict. In view of the fact, however, that rumours of such a conflict had extended beyond the borders of the desert, it may be well to record that this "incident" between the British High Commissioner and the Cabinet of Jaafar Pasha to all intents and purposes has been amicably smoothed out. At the close of the session of the Majlis a banquet was held at the Palace. The opportunity was taken by King Faisal to refer to this recent difference of opinion, which, he said, "has merely given the opportunity for material consideration and for renewed co-operation." And, as if to underline the very correct observation, Sir Henry Dobbs explained that the sole purpose of his mission, as of any other British representative in Iraq, was to co-operate with the Iraqis in the progressive establishment of an independent government in Iraq, friendly to and bound by gratitude and obligation to his Britannic Majesty's Government." With such a reference to the ties of gratitude and of obligation none but the extremist Iraqi would, we imagine, be provoked to disagree. The aim of Iraq and of Great Britain is identical: it is upon the ways and means to that end that differences of opinion may quite properly arise. As far as we know there has been no disposition at all on the part of Jaafar Pasha's Cabinet to overstep the boundaries imposed by "gratitude and obligation," and it is an encouraging sign that the crisis has been stifled as it ought to have been. In the East it so often happens that the services of good men are lost through petty inability to take an elastic view of things. It may be said in fact that such elasticity, where it does not imply manifest surrender of principle, is a sure sign of friendliness.

According to messages received in Constantinople the Druse rebels have broken out again and launched a violent offensive against the French in the Gouta region. The French forces are reported to have had many killed and wounded. Three villages were burnt down and sixty loyal villagers massacred.

The Amnesty Commission in Athens has recommended the release from prison of Colonels Dertilis and Zervas and Captain Papadopoulos, former officers of the Greek Republican Guard. The two colonels were sentenced on October 3, 1926, to imprisonment for life and Captain Papadopoulos to three years' imprisonment for mutiny.

According to a Constantinople message the British archaeological expedition has discovered parts of what may be the Byzantine baths of Zeuxippos. It is connected with the Hippodrome by a columned archway. New excavations have been begun by the Turkish museum authorities at the Emperor's triumphal gate in the Byzantine walls at Yedi Koule, known as the Golden Gate.

Book Reviews

FLOWERS OF MEMORY.

LAMURIAC AND OTHER SKETCHES. By Ruby Cromer. (London: Methuen & Co. 7s. 6d.)

The proceeds of this book by Lady Cromer are to be devoted to three organisations, including the Order of St John in Jerusalem—a fact which makes adverse criticism undesirable.

With Lady Cromer's motives in writing of the days of the Great War, so that future generations might know something of the intimate agony of those times, one may have every sympathy; but the unfortunate truth is that neither the impressions then set down nor the impressions subsequently gained by travel in East Africa and in Palestine are likely to be particularly illuminating to those who come after.

The author, who has hit upon a very happy title—for "Lamuriac" means "the Everlasting Flower," and, as she tells us, is "the name given by that ancient and valiant tribe the Masai to one of their choicest gifts from Nature's garden in East Africa"—is at her best when at her simplest. Her instincts, perhaps her unshaped thoughts, are beautiful; but words are apt to trip her up, lead her down blind alleys, make vague and blunt the fineness of her feelings. A diary becomes irritable if it ceases to be intimate and unaffected; but in the English, and especially in the African section, there are considerable "poeticising" and a proneness to fall back on the versified thoughts of someone else.

The Indian section starts with this, upon Rajputana: "The pitiless sun had well-nigh outspent its fury; the western goal of its warlike path was all but reached." That is the sort of tautological unoriginality which jars, and unhappily it recurs more than once. For instance, under "Palestine, Monday, March 15," we read: "Soft fell the shadows on Moab's massive ridge. The Judean Hills beckoned from the threshold of the Promised Land, and there above, peeping over a pointed peak, arose in the heavens the crescent of a moon just born, that smiled welcome from the skies." However, we finished the book—which in itself speaks volumes for the rightness of Lady Cromer's spirit.

POMP AND CIRCUMSTANCE.

"A PAGEANT OF INDIA." By Adolf Waley. (London: Constable. 11s.)

Frankly we have been disappointed in Mr. Waley's book. It has clearly been a labour, and not a little one, of love, and it is greatly to be regretted that it has not been more successful. For this disappointment we feel that the author's method is largely to blame. For one thing the book is wanting in balance. More than half of it is devoted to the Moghal Emperors. The much shorter portion is devoted to Indian history from the arrival of the Aryans, which is placed quite 1000 years before the generally accepted date. Even within this section the space given to various periods is quite disproportionate. Much space is also wasted and the reader's attention distracted by the introduction of much unnecessarily complicated matter which has no real bearing on the general narrative and merely succeeds in introducing an endless procession of names and consequent confusion. This is largely due to Mr. Waley's effort to make history out of the historical romances, Court poems and "tendencious" narratives which have come down to us. It is a little like an attempt to tell mediaeval European history from documents like the "Chanson de Roland." This method may have something to say for it in the hands of a very accomplished scholar, but Mr. Waley makes no pretensions to any such position. The general result is a confused and largely undigested account of the doings, mythical, legendary, or at least highly coloured, of very numerous rulers, large and small. The narrative leaves one with the idea that the Indian people consisted entirely of blood-

thirsty monsters, religious saints and chivalrous heroes. Now, we all know that India has not, and never has had, a people of this nature. No doubt, like other countries, it has had, and has, bloodthirsty monsters. It has always possessed a very deep religious sense. The chivalry of the Rajputs has ever been remarkable from the early days to those of the late Maharaja Pertab Singh. But the great mass of the Indian peoples have, throughout the centuries, been cultivating their fields and doing their business without too much attention to the alarms and excursions of their rulers and little moved by any of the events recorded in this book. The author pays the Indians no attention whatever. In other words his book is, in no sense, a "Pageant of India" but merely a picturesque and largely uncritical "Pageant" of its rulers.

These remarks apply with somewhat less force to the Moghal part of the book, which is indeed quite the most successful portion. Here the method has more chance of success and comes off better, though here too the real history of the Indian people is neglected. The author takes us to the death of Aurangzeb, when European influences were beginning to throw the shadows of a forthcoming entire change in the rule of India.

It is a pity that Mr. Waley should have been so dazzled by the pomp and glitter of his "Pageant" that he has apparently allowed himself no time to read and study the works of Mr. Moreland and his fellow students. It is to them that we owe most of the knowledge we have of real Indian history. And it is on their lines and not on the lines of this book that we trust to seeing progress made.

While we have not been able to give unreserved praise to this picturesque book, it would be unfair to leave its consideration without pointing out one very outstanding merit. We are all only too familiar with the so-called communal dissensions which have recently been so prominent throughout India. They are the despair of all who desire to see India advancing towards self-government and we hear much of their superficial nature and of hopes that they will soon die out. The fact is that Hindu-Muslim hatred in India is always smouldering and is liable to break out into violent conflagrations on the smallest provocation. We know of no book which, half so well as this, makes the origins of this deep-seated hatred clear. We fear too that it effectually disperses any hope of its rapid disappearance.

C. S-W.

THE AMERICAN ADVISERS TO PERSIA.

We have received the Seventeenth Quarterly Report of the Administrator-General of the Finances of Persia (September-December 1926: or Mehr, Aban, and Azar 1305). This report is notable in that it deals with the question of the Civil Service in Persia, which, it will be recalled, constitutes a problem of some urgency. One of the difficulties lies in the existence of the number of "disponibles." Dr. Millspaugh lays it down that "in making provision for payment of disponibility salary to unemployed Cabinet officers and other high functionaries, it therefore seems necessary to adopt the principle that civil servants cannot be created by service in extra-administrative positions except during the years when civil servants were created by length of service in administrative positions. Unless this principle is adopted there is grave danger of totally demolishing the structure which is being laboriously built up on the basis of the Civil Service Law."

Dr. Millspaugh states that in the last five years in Persia the deficit has been eliminated and a surplus created. Moreover, the increase in revenue has been devoted to useful purposes. He states that the decrease, in the first half of the year 1305 as compared with 1304, in imports, was due to the existence within the country of merchandise which, owing to the reduced purchasing

power of the country had not been sold; and the decrease in exports (other than petroleum) occurred on the northern frontier, and was, of course, owing to the Russian embargo.

For the rest, one notes that the Sugar and Tea Monopoly revenues amounted to krans 45,080,025 for the first nine months—this was equal to the estimate for the whole year—and that at the close of the quarter under report the situation of the Treasury-General was highly satisfactory. In almost all bank accounts there were substantial balances, "the public debt has been further reduced, and cash resources are much in excess of the total of the public debt."

CORRESPONDENCE.

The columns of THE NEAR EAST AND INDIA are open for the discussion of subjects of general interest to its readers. The publication of such letters must not be taken, however, as indicating that the views expressed by the writers are those of THE NEAR EAST AND INDIA.

JACOB'S RIFLES.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—With reference to the report of the Sind Dinner in your issue of June 9, I would point out that the officer who raised and commanded Jacob's Rifles under General John Jacob was my stepfather, the late General W. G. Mainwaring, C.I.E., who was in no way related to, or connected with, Sir Claud Jacob, whose great-uncle your report states him to have been.—I am, etc.,

CHARLES MULES.

Hon. Sec. Sind Dinner Club.

[In the report to which Sir Charles Mules refers we regret that the name of Major-General F. H. Kelly was given incorrectly, owing to a printer's error.—Ed.]

ISLAM AND THE BRITISH EMPIRE.

The Eid-ul-Azha, the Moslem festival which marks the close of the Mecca Pilgrimage, was celebrated on June 11 at the London Mosque, Southfields. Prayers were recited by the Imam, Mr. A. R. Dard, in the morning. In the afternoon a garden party was held, among those present being Sir Michael O'Dwyer, Sir William Simpson, Sir Edward Maclagan, Sir Thomas Arnold, Sir Patrick Fagan, Lieut.-Colonel Douglas, Sirdar Ikbāl Ali Shah, Mr. Said-Ruete, Dr. Chorley, Dr. A. M. Shah and Kazi Nazir Ahmed.

Speaking of the importance of Islam to the British Empire, Sirdar Ikbāl Ali Shah pointed out that the change that had come upon the East within the last ten years demanded immediate attention. If a world-wide catastrophe was to be avoided, England had in some way or other to act as mediator. The Sirdar gave a lucid survey of Islam's relations with Great Britain, who had always been looked upon as a friend of Islam until the time of Mr. Lloyd George's Government. The foreign policy of this country had become a party question, and there was a complete absence of a national policy towards Islam. He thought that despite the fact that earnest efforts are now being made to bring about a closer friendship between England and Islam (of which the Treaty with the Sultan Ibn Saoud was an example) there was still room for a closer approach, a heart to heart talk. Just as word had gone round the Muslim East that England was actuated by anti-Muslim feelings, in the same way there was the idea in the minds of many in this country that Islam was not so loyal to Great Britain as it had been. The real facts, however, did not bear out the contention. The misgivings that had arisen in many British minds regarding the disloyalty of Islam were chiefly due to certain actions and pronouncements of the nationals of those Islamic countries over which the wave of nationalism had surged, and the first flush of nationhood had been manifested with such unprecedented force and such suddenness as to strike the West as too vigorously self-asserting.

That was always the case with young nations; and need not be taken as embodying any spirit of antagonism towards Great Britain. Again there was always a chance that they had been misinformed by the enemies of England; the wrong impression could be removed only by a more intimate association of this country with the new-born Islamic nations of the East, and need not startle any critical observer of world politics. Those who believed in the theory of a Khilafat-cum-Non-co-operation movement were ignorant of the real facts of the case. The Khilafat agitation in India was but a passing phase which arose chiefly on account of three years' delay in making a treaty with Turkey, and when all causes of that friction were removed, its promoters kept up the organisation, because it paid them to do so. It was a business which had been very lucrative for many of its officers. No Muslim worthy of his name in India would own that his alliance with any party hostile to the British in India could either benefit him personally or provide a safeguard for his community. The Sirdar concluded his speech by once again emphasizing the need of a closer union between Great Britain and Islam.

After a speech by Sir Michael O'Dwyer, who presided, warmly commending the lecture of the Sirdar, the company partook of tea in the beautiful gardens of the Mosque.

M. Stoentcheff, a Bulgarian Deputy, formerly Minister for Public Works in Professor Tsankoff's Cabinet, has died suddenly of heart trouble.

The Chargé d'Affaires and staff of the Yugoslav Legation in Albania arrived Belgrade on June 7 from Tirana. The Minister, M. Yeffitch, has been on leave in Belgrade since Easter. M. Marinkovitch, Minister for Foreign Affairs, immediately received the personal report of M. Sakovitch.

The Greek Government has asked that its case against the British Government with regard to the concessions obtained before the War by M. Mavromatis, a Greek national, for the supply of water and electricity to the City of Jerusalem should be put down for hearing on the list for the next session of the Permanent Court of International Justice, which opens at The Hague on June 15.

The Egyptian Mixed Court of Appeal in Cairo on June 9 condemned the Wafd to pay 62,000 dollars (£12,400) to the widow of the United States politician, Mr. Falk, who entered into a contract with Mohamed Pasha Mahmud, representing Zaghloul Pasha, to assist the cause of Egyptian independence by propaganda influencing American political circles. In return, if Egyptian independence should be secured, Mr. Falk was promised a big money reward. Mr. Falk died and the Wafd declined to pay on the ground that Egyptian independence is unreal.



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PERSONAL AND GENERAL

TO-DAY

June 16, 1927 (New Style).
 June 3, 1927 (Old Style).
 Julhigga 15, 1345, A.H. of the Muslim Calendar.
 Sivan 16, 5687, of the Jewish Calendar.

Sir Alexander and Lady Kay Muir arrived last week at the Ritz Hotel from Scotland.

Mme. Izzet, wife of the Egyptian Minister in London, left Claridge's Hotel last week for Bournemouth.

The Aga Khan has been visiting the Hon. Dame Margaret Greville this week at Polesden Lacy for Ascot.

Field-Marshal Lord Plumer and Sir Francis Aglen will be the principal guests at the Central Asian Society's annual dinner, which will be held at the Hotel Cecil on July 6.

The Maharajahdiraja of Burdwan, who had been staying at Prince of Wales Terrace since his arrival in London, has now moved into the flat that he has taken for the season at 20, Kensington Gore, S.W.7.

Lieut.-General the Hon. Sir Richard Montagu-Stuart-Wortley (upon relinquishing his appointment as Quarter-master-General, India), had the honour of being received by the King at Buckingham Palace on June 10.

We are pleased to be able to state that Lord Oranmore and Browne, who was in the motoring mishap in which Lady Oranmore and Browne met her death, is making steady progress. He is suffering chiefly from shock.

On the occasion of the Qurban Bairam a reception for the Egyptian Colony was held on June 10 at the Legation by Aziz Izzet Pasha, Egyptian Minister in London. A large number of Egyptians were present.

Djemal Bey Frasheri, Albanian Chargé d'Affaires, left London on June 13 for Tirana, to take up a post at the Ministry for Foreign Affairs. The Albanian Minister to Paris and London, Elias Bey Vrioni, is at present in Tirana, but he is expected to arrive in Paris shortly.

Sir John Marshall, who has been elected a Fellow of King's College, Cambridge, was a scholar of the college, and after work at the British School at Athens he was appointed in 1902 Director-General of Archaeology in India. Last year his excavations in the valley of the Indus disclosed a civilisation which goes back to the Third Millennium, B.C. He became C.I.E. in 1910 and was knighted in 1914.

Mr. J. S. Haskell entertained Muzahim Beg Amin al Pachachi, Diplomatic Agent in London of the Government of Iraq, at dinner at Claridge's Hotel on June 9. The following were also present: Sir John Shuckburgh, Atta Beg Amin, Sir Montagu Turner, Sir James Leigh-Wood, Sir Percy Newson, General Grey, Mr. Samuel Samuel, Mr. J. H. Batty, Mr. Bromley Martin, and Mr. F. H. Sutton.

The Earl of Lytton, late Governor of Bengal, will be the guest of the Royal Colonial Institute at luncheon to-morrow (Friday) at the Hotel Victoria. Lord Stanley of Alderley will preside, supported by the Earl of Birken-

head, Secretary of State for India. Among those who have also accepted invitations to be present are the Countess of Lytton, the Marquis of Reading, Lady Stanley of Alderley, Earl Winterton, M.P., Sir Arthur and Lady Hirtzel, the Maharaja of Burdwan, Sir Charles and Lady McLeod, Sir Godfrey Lagden, Sir Archibald Weigall, Sir Muhammad Rafique, and Mr. J. Sandeman Allen, M.P.

BALKAN UNITY.

A deputation comprising a number of those interested in Near Eastern affairs recently waited upon the Minister of the S.H.S. State and upon the Bulgarian Minister at their respective Legations. The deputation expressed to each Minister its congratulation that recent official utterances in Belgrade and in Sofia gave ground for hope that a new chapter was about to be opened in the political and economic relations between the two countries, and pointed out that the friends of all the Balkan States in Great Britain were convinced that closer understanding between the S.H.S. State and Bulgaria was in the best interest of all the countries of South-Eastern Europe. The speakers were: Mr. Wickham Steed, Sir Henry Penson, K.B.E., Lord Henry Cavendish Bentinck, M.P., Sir Edward Boyle, Bt., The Rt. Hon. Noel Buxton, M.P., Mr. H. W. Nevinston, and Sir Harry Lamb, K.C.M.G. The Minister in each case made a suitable reply. Among those present were:

Lord Henry Cavendish Bentinck, Sara, Lady Bloomfield, G. H. Boffin, The Dowager Lady Boyle, Lady Boyle, Sir Edward Boyle, H. Bruce-Dick, The Rt. Hon. Noel Buxton, M.P., Mrs. A. M. Henryson-Caird, W. C. Clark, Mrs. James Conchie, Constance, Lady Cozens-Hardy, W. M. Crook, K. O. Crowbury, Lady Dickinson-Berry, W. M. Dougherty, J. M. Dreshful, Mrs. E. Elles, The Hon. Mrs. Fulcher, Mrs. E. Garrett, Mrs. E. Gibson-Smith, Major-General Lord Edward Gleichen, Major G. M. Goldsmith, Mrs. Goldsmith, Lady Graham, Sir Frederick Graham, Charles H. Gray, Mrs. Halford Hewitt, Mrs. Halahan, Mrs. Charles Hancock, Mrs. C. P. Hawkes, Mrs. Hibben, Dr. S. A. Kapadia, Sir Harry Lamb, Mrs. Geoffrey Mander, C. P. Melville, Roland L. Mitchell, H. W. Nevinston, Captain E. C. O'Connor, Mrs. Monteith Ogilvie, Mrs. Paget, Mrs. Parnell, Sir Henry Penson, Captain H. V. Phillips, Lady Polson, Archdeacon Beresford Potter, Mrs. C. Pritchard, S. G. Roberts (I.C.S. retd.), Mrs. Brice Robinson, Miss E. Samuel, Mrs. A. Serge, Miss E. Sharp, Mrs. Henry Shaw, Wickham Steed, Mrs. E. Storey, Lady K. Tighe, Miss I. Toovey, Mrs. B. O. Tufnell, Dr. Vaughan Morgan, E. S. Williams. Regrets at being unable to attend the Deputation were received from: Sir Robert Kindersley, Sir John Hewitt, W. E. Allen, J. S. Haskell, The Rt. Hon. Ameer Ali, Lady Grogan, Brigadier-General Sir George Macaulay, The Rt. Hon. W. Graham, M.P., J. A. Spender, Lt.-Col. Cuthbert James, M.P., The Rt. Hon. Sir Willoughby Dickinson.

ANGLO-EGYPTIAN ASSOCIATION.

The Annual General Meeting of the Anglo-Egyptian Association will be held at 3 p.m. on July 7 at the Royal Colonial Institute, Northumberland Avenue, W.C.2. A Reception at the Hotel Victoria, immediately opposite the Institute, will follow the meeting, from 4 to 6 p.m. The Annual Dinner of the Association takes place the same evening at the Hotel Victoria at 8 p.m.

We regret to have to record the death on June 7 of Lady Oranmore and Browne as the result of a motor accident at Southborough, near Tunbridge Wells. Lord and Lady Oranmore and Browne were travelling in a Daimler saloon car in the direction of Tonbridge, accompanied by Miss Morrison, a companion, with a gardener seated beside the chauffeur, when the car skidded on the greasy road and came into violent collision with an omnibus. The rear of the car was smashed, and Lady Oranmore and Browne received such severe injuries that she died almost immediately. Lord Oranmore and Browne was injured about the legs. Miss Morrison's face was cut and she was conveyed to Tunbridge Wells General Hospital, while the chauffeur, with injuries to the scalp, was taken to Tonbridge Cottage Hospital. The gardener was thrown out of the car, but he was uninjured.

Lady Olwen Verena Ponsonby, who married Lord Oranmore and Browne in January, 1901, was the eldest daughter of the late Lord Bessborough. She was a Lady of Grace of the Order of St. John.

The death is reported from Baghdad of the Naqib of Baghdad, His Highness the Seyyid Sir Abdur Rahman al Gallani. With the death of the Naqib passes a very venerable figure and a leader of the Sunni sect in Iraq. He was a loyal supporter of the British connexion, and his co-operation could always be relied upon by Great Britain. The Naqib was President of the first Council of State and became Prime Minister in August, 1921, holding the post until November, 1922.

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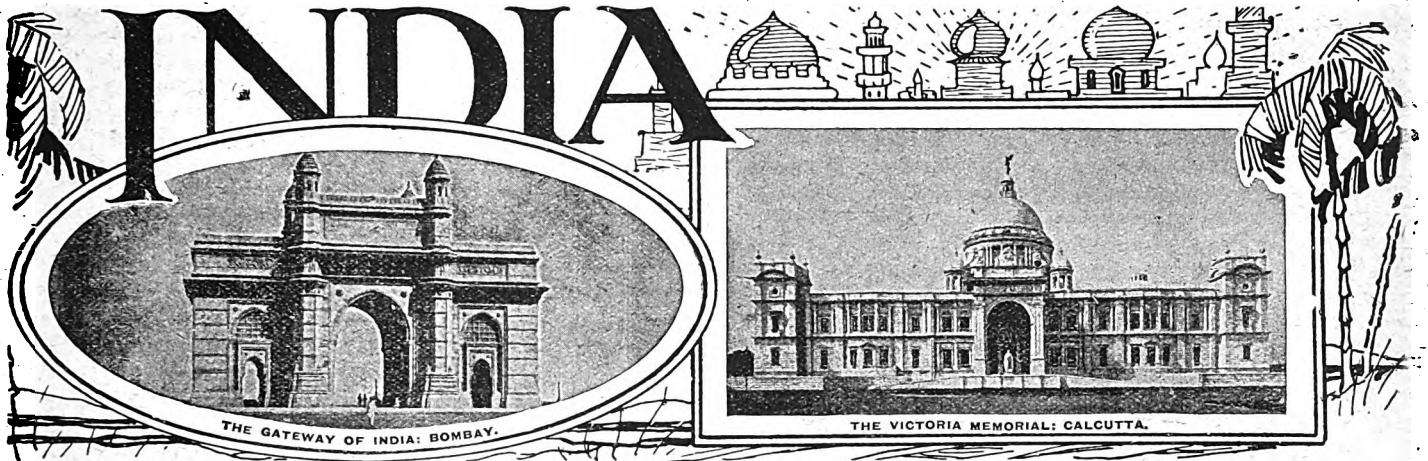
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BOMBAY'S COTTON TROUBLES.

The decisions of the Government of India on the recommendations of the Indian Tariff Board have created consternation in Bombay. Whatever the root causes of the trouble may be, the cotton industry in the Western city is unquestionably in a parlous condition. The Excise duty, which was declared to be exercising so prejudicial an effect on the interests of the Bombay manufacturer, has been swept away, but the relief thus provided failed to satisfy the claims of the industry, which put forward a strenuous demand for protection against the growing competition of the Japanese mills. In its report, however, the Tariff Board point out that the depression in the cotton industry is largely due to causes which are world-wide, and that in India itself it has been much more acutely felt in Bombay than elsewhere for a number of reasons. These include causes for which the millowners are themselves responsible, notably undue conservatism and insufficient diversification of production; competition of mills in other parts of India which are in a more favourable position in regard to wages, proximity to markets or to areas from which their raw materials are available; and finally, competition from Japan, which is facilitated by the inferior condition of Japanese labour. The Board indeed was convinced that the increasing competition from other Indian mills is as serious a menace to Bombay as the competition from Japan, the only foreign competition from which Bombay is suffering. The advantage which the Japanese mills enjoy will continue until July 1, 1929, when the amended Japanese factory law comes into full operation. The Government of India accept the finding of the Tariff Board that the present advantage to Japan in cost of manufacture, resulting from labour conditions, is about 4 per cent. both for yarn and cloth, but they maintain that, if a reasonable return on capital be included, the advantage should be 10 per cent. on cloth and not 12½ per cent. as is stated by a majority of the Board. The advantage to Japan in respect of cloth, they add, is already covered by the existing import duty of 11 per cent., and while in regard to yarn the advantage may not be offset by the 5 per cent. revenue duty, an additional duty on this product would affect prejudicially the handloom industry and should not therefore be imposed.

The main recommendation of the Board, designed to provide protection against Japan, has therefore been rejected by the Government of India. This comprised a bounty of one anna per pound on yarn of 32 and higher counts, to be paid for a period of four years at an estimated annual cost of Rs.39 lakhs, the necessary funds to be provided by enhancing the import duty on cotton piece-goods from 11 to 15 per cent. for a period of three years. The President, Mr. F. Noyce, an Indian Civilian of exceptional experience in regard to the cotton industry, dissented from this proposal, but recommended the imposition for three years of an additional duty of 4 per cent. on all cotton manufactures imported from Japan. In rejecting these recommendations, the Government of

India express agreement with Mr. Noyce that a long-established industry, such as the cotton textile industry of Bombay, should need no stimulus at the cost of the taxpayer. This view has been consistently urged in India. During the boom period of a few years back the Bombay mills distributed colossal dividends. A wild gamble in the shares led to dangerous inflation. The leading journal in that city asserted during the agitation for the repeal of the Excise duty, in 1925, that without an exposure of abuses and a guarantee of internal reform, all concessions to the industry in the shape of the abolition of the duty or the granting of protection would "do little more than widen the scope for those exercises in sharp finance and sectional profiteering which have characterised the management of very many mills in Bombay for years." The Simla correspondent of *The Times*, moreover, states that the main value of the Tariff Board's report lies in its elaborate and shrewd dissection of the failings on the business side of the Bombay industry which the depression caused by world factors has made worse, but which by energetic organised efforts might have been largely overcome. The report further states that of the 175 directors of mills in Bombay only 11 have received a practical training, and of these four are directors of only one mill and that one of the most successful. The report appears to have created resentment in Bombay. Sir Victor Sassoon, in an interview in London, has declared that while he does not contend that nothing further could be done to increase the efficiency of the management, the margin for improvement, even on the Board's own showing, must be very small. In point of fact the overhead charges in Bombay—that is to say, the charges under the control of the management—were very much lower than in other centres. Bombay's greatest disadvantage was in regard to wages. The Tariff Board, as we have seen, admit this disadvantage. But an attempt to reduce wages, which have been substantially advanced since the War, might lead to grave industrial troubles in Bombay. The Government of India's contribution to the relief of the cotton industry is comprised in its proposal to remove the import duties on machinery and on certain materials used in cotton manufacture, at a cost in Customs revenue of Rs.45 lakhs in 1927-8 and Rs.85 lakhs in a full year. This is a step in the right direction, though it will fail to satisfy those primarily concerned. Incidentally, it will be of advantage to British manufacturers of textile machinery, though in all these matters, as Lancashire is wisely recognising, decisions must be taken in the interests of India alone. The Tariff Board unanimously recommend the establishment, with financial assistance from Government, of a combined bleaching, dyeing and printing works at Bombay; but the Government of India intimate that they are unable to express an opinion on this proposal until they have ascertained the views of the local Government and of the cotton mill industry in Bombay and elsewhere.

Whatever sins of omission or of commission may be laid at the doors of the millowners, it is impossible not to

sympathise with Bombay in the position in which she finds herself to-day. Her prosperity must obviously be a matter of concern to India as a whole. Meanwhile, it is of interest that a few weeks ago the Bombay representative of the Japanese Spinners' Association asserted that if the import duties on cotton were enhanced the Japanese manufacturer would build mills "all over Upper India and in close proximity to areas growing cotton." There is already a Japanese mill in Bombay, but it is clear that any such step as the wholesale erection of mills by Japan in order to evade the consequences of a tariff would lead to undesirable complications.

CURRENT TOPICS.

The Indian Princes.

There is abundant evidence that the Ruling Princes are concerned as to their position in the changed conditions that obtain in India. A deputation consisting of Colonel Haksar, President of the Council of Regency, Gwalior, and Dr. Rushbrook Williams, Foreign Minister of Patiala, is now in London for the purpose, it is said, of obtaining the opinion of eminent lawyers in regard to certain legal questions affecting the interests of the States. This deputation is the outcome of the recent conference held by the Princes with the Viceroy, at which ninety per cent. of the rulers qualified for membership of the Chamber of Princes were represented. According to a special correspondent at Simla, one of the reasons for the privacy which attended the proceedings was reluctance on the part of the Princes to have their conversations with His Excellency "hammered into all kinds of shapes on political anvils throughout British India." Some of the most active politicians in India have, indeed, shown a hostility towards the Indian Rulers which is deplorable. This was notably in evidence in the Legislative Assembly when the Bill to protect the Princes against seditious and calumnious attacks by the Press was brought forward. A number of the more enlightened and powerful of the Princes have, within the past few months, shown that they regard the outlook with anxiety. His Highness the Maharaja of Benares, speaking at the State banquet in honour of the Viceroy, pointedly affirmed that the British Government's attempt to build a twentieth century Constitution with materials of the Middle Ages had not been successful, and proceeded to point out that the situation was complicated by the presence of 600 more or less independent Native States, whose position in the future Indian Commonwealth and their relationship with the Paramount Power demanded a definite and unambiguous declaration. Their Highnesses the Maharaja of Kashmir and the Maharaja of Bikanir have raised the same issue. Lord Irwin, in reply, has enunciated the sentiment that in the India of the future the States will have to strive with British India as joint workers in the building of the new edifice, and that there must be mutual agreement and confidence between the parties concerned. The whole question is discussed at length by Sir Michael O'Dwyer in the current *Fortnightly Review*, and, in view of the manner in which the States have accorded their loyal support to the Government in the past, they have a strong claim to generous consideration.

Indian Railway Films.

The efforts now being made by the Indian railways by means of advertisements to induce larger numbers of tourists to visit India in the cold weather season ought to be productive of good results. The Indian Railway Board, it seems, has been producing cinematograph films with the same end in view. One series of films shows the beauties of India, old and new, including, of course, the famous Taj, and other picturesque monuments. Nor is sport forgotten, for a film has been produced illustrating *shikar* in the jungles of the Central Provinces, and this, no doubt, will appeal to many who might remain cold to

other inducements. It is a sign of the times that the Indian railway authorities should resort to such modern methods of enterprise. So little is known of India and its attractions by people in the West that the departure is one to be welcomed on broader grounds than are involved in the increase of railway revenue.

CALCUTTA LETTER.

(From Our Own Correspondent.)

Calcutta, May 26.

Sir Stanley Jackson.

The new Governor's anxiety to know the popular feeling regarding the detention of the political prisoners without trial has, as the *Statesman* remarks, produced results. In one of his speeches, His Excellency declared that detention for an indefinite period without trial was most repugnant to the feelings of Englishmen. Since his arrival Sir Stanley has been carefully studying the case of the political prisoners and in order to ascertain the actual condition of Mr. Subhas Bose he sent his personal physician in the launch that brought the latter to Calcutta. The result of the consultation was the immediate release of Mr. Bose. All shades of opinion agree that His Excellency has acted wisely. The general impression is that the matter will be put before the Viceroy very soon, when Sir Stanley Jackson goes to Simla. Mr. Sen Gupta, the mayor, has in offering the olive branch to the new Governor said that if His Excellency and his Government really show a desire to follow up the course of action taken in the case of Mr. Bose, the Corporation will gladly extend one hand to him and co-operate. A contemporary, commenting on this particular part of Mr. Sen Gupta's speech, asks what the Mayor is to do with the other hand.

The Other Detenus.

While the papers were still full of praise of the Governor for the release of the Executive Officer, they published a list of proposals regarding reforms in the jails. A point sought to be made is that the political *détenus* are treated too leniently, the staff themselves showing them sympathy and abetting them in many breaches of jail discipline. "Political convicts," the Committee of Inquiry say, "should be entitled to no special consideration by reason of their offence, their superior education or their social standing." The presence of favoured *détenus* in the jails creates discontent among the ordinary convicts, who are treated with great severity, whilst great latitude of treatment is accorded to the political prisoners. There is a proposal to make a special camp for them.

The Bengal National Bank.

Many schemes have been put forward for the reconstruction of this ill-fated concern. But there has not been so far a proposal that can stand the scrutiny of a practical banker, or any one well versed in the intricacies of banking. Perhaps the money that a handful of rich and patriotic Bengalis are going to lock up in the resuscitation of the Bank would be more wisely invested in furthering national industries. It has been suggested that, if the Bank is floated again, the Bank Manager and the Managing Director should have no connexion with any other concern, and none of their relations should hold responsible posts in the bank. The revival of the Bengal National Bank appears to be the unanimous wish of Bengalis. Letters are pouring into the Press, suggesting or praying for reconstruction.

Anglo-Indians and Education.

In regard to the controversy on the relative importance of the Matriculation and Senior Cambridge Examinations to the Anglo-Indian community, Colonel Gidney said he thought the Senior Cambridge Examinations should be abandoned, and suggested that it was advisable to fall into line with the Indian Universities, or to introduce the examination for the London University degree. Ex-

aminations for the London University degrees are held in Colombo. Colonel Gidney wonders why they are no longer held in Calcutta. Some years ago it was said that the Indians were side-tracking the Anglo-Indians by their educational activities. Formerly the Senior Cambridge was sufficient to secure entry into the Medical College: now one must pass in physics and chemistry. After a few years Col. Gidney predicts that candidates for the Medical Service will have to pass the I.Sc., and a Cambridge certificate will become useless. Col. Gidney deplores that the Anglo-Indian community have no say in the shaping of an educational policy, whilst the matters in the hands of the Indians, whose leaders are determined to advance. Father Roeland of the St. Xavier's College supports the Cambridge system on all grounds, emphasizing the fact that commercial firms invariably demand the Senior Cambridge qualification.

Broadcasting in India.

The Philips Radio achieved great success the other day, in its experimental broadcasting of a London programme which was perfectly picked up by Calcutta. There are many drawbacks to making the relaying a regular feature. The hours at which the really good programmes are given make it an impossibility for the people of Calcutta to listen-in, and if the hours were altered in London for the purpose, then there would be a difficulty in transmitting over a long distance during the day. This explains why the I. B. Co. are trying to use material available in India and the Philips Radio, whilst showing the possibilities of broadcasting over long distances, are merely making interesting experiments, and are not in any way thinking of competing with the Indian Broadcasting Co., a new and steadily progressing enterprise.

Here and There.

In spite of Swami Shradanad son's appeal for mercy, the murderer of the Swami has been sentenced to death, the court dismissing the appeal, the alleged defective mental condition of the murderer not being considered as amounting to an extenuating circumstance. The plea of religious mania was also set aside.

The travellers who come a few years hence will find the suburbs of Calcutta lit up by electricity. Several schemes have already been approved or at least considered. Hoogly and Chinsura already get electric current from the Gourepore Jute Mills power-house, by means of cables laid over the Jubilee Bridge, which spans the river between Hoogly and Gorifa. Chandernagore gets its supply from cables overhead from the same source, but it is alleged that the system of overhead cables is a danger and it is intended to lay the cables underground whenever possible.

The strike in the Burmah Oil Company and the Asiatic Petroleum Co., has ended. The workmen have resumed work. Extra hands are being engaged for the arrears of work that have accumulated during the strike.

There was plethora of small motor-buses last year in Calcutta, and this sudden avalanche of new enterprises threatened for a time the tramway organisation. But the owners of these small vehicles failed to renew their licences or neglected to pay their dues, or to make the necessary repairs to their cars to make them acceptable on the road. The result of the procrastination and neglect so often seen in India is the sudden disappearance of a great number of the tramway company's competitors. The Walford Transport Ltd., were the pioneers of motor buses in Calcutta, and experience has shown the best types of bus chassis for Calcutta and suburban services. A co-ordinated service of buses is what the public want, and the buses run by private owners are not sufficiently reliable or regular to meet with a permanent success.

It is reported that a girl who had been bitten by a mad jackal and had thus received 93 wounds, was treated at the Pasteur Institute of India and perfectly cured. During the year 8,623 cases were attended to, the average cost of the treatment being about Rs.10. The patients fail to send the cards stating the state of their health after

they leave the institute. Those who are opposed to the anti-rabic vaccination say that probably the patients do not write because they are dead or because they were not bitten by mad animals. There has been heated controversy on the subject.

With a view to improving agriculture and the allied industries, an organization has just been formed. It is styled the Bengal Agricultural Association. It will be run on non-party and non-political lines, and all persons are eligible for membership. The objects are to increase agricultural production, to improve the cattle and to extend the co-operative system. Improved seeds and scientific methods will be used; agricultural farms will be established and markets opened.

BOMBAY LETTER.

(From Our Own Correspondent.)

Bombay, May 27.

Empire Day.

Bombay, like all the other cities and towns of India, celebrated Empire Day on May 24. But, whereas other places mainly looked upon the day as the occasion for military and semi-military displays, Bombay's chief celebration was in a gaily decorated hall and the chief celebrants were a large number of Hindus. During the course of the proceedings Rao Bahadur P. B. Joshi was the principal speaker, and he made a very interesting appeal for the working of the Reforms which were the outcome of Queen Victoria's Proclamation in 1858. Unfortunately, the appeal is not likely to have very much effect on the Extremist section, the principal offenders. But continual repetition of this fact may bring them to their senses, and so we welcome it.

Mr. Gandhi's Pronouncement.

Mr. Gandhi, who is reported to be making good progress towards a complete recovery as a result of his change to Nandi Hills, has celebrated the occasion by having a dig at the Government of Bengal in *Young India* on the release of Mr. Subhas Chandra Bose. Incidentally, he indicates that he is afraid the agitation for the release of political *détenus* may be relaxed as a result of this action on the part of the Government of Bengal, which he suggests was due to the fact that the authorities were anxious lest Mr. Bose's health should grow worse and serious results ensue. What Mr. Gandhi says may be of little consequence, but what his words portend is that he will soon be endeavouring to stage a "come-back" and is now carefully preparing the way. What with the comic opera efforts of Mr. Avari and his "Republican Army" at Nagpur, where drawn swords are carried by both men and women volunteers as a measure of "non-violent" agitation against the non-release of the *détenus*, he could not have chosen a more inauspicious or inappropriate occasion for his effort.

"All is Well."

"All is well" is the comment of Mr. Joe Addyman, M.L.C., on the progress of the Sukkur Barrage scheme, the biggest irrigation scheme in the world. Mr. Addyman's authority is the evidence of his own eyes during a complete tour of the work, which he undertook in the company of some of his fellow Councillors recently at the invitation of Government. That we are glad to hear it goes without saying—but will it definitely and finally settle the uneasiness that prevails outside Sind or lay to rest the many rumours that are continually disseminated from some untraceable source? It seems unlikely. Nevertheless, this has been Government's first step towards inviting public examination of what is going on at Sukkur, and probably the more we have of it the happier we will be.

Aviation in India.

That the Air League of India gives promise of being a live organisation was demonstrated at its first public meeting, held a few days ago at Karachi. It has taken some time for this to materialise, but meanwhile the League has very sensibly been enrolling members with considerable success and preparing the way for the inauguration of a light aeroplane club in Karachi. When this club materialises it ought to be named the Leete Club in recognition of the very valuable assistance this British pilot has been giving, with the help of his "Moth" plane "Gold Flake," both at Karachi and further north. It does seem time, however, that the League extended its activities further afield, for it has a very long way to go before it can secure universal support for aviation in this country. Clubs will have to be formed at every town of importance, and the sight of an aeroplane buzzing along overhead will have to be so common as not to evoke comment, before it can be taken for granted that aviation has "arrived."

Broadcasting "Experiments."

The Indian Broadcasting Company has adopted a superior air in dealing with the recent successful relaying of 2LO programmes to India and Australia by a Dutch wireless station. Admitting that Calcutta's being able to listen-in so well was more luck than anything else, the fact that the B.B.C. is seriously considering relaying programmes to the Dominions with the aid of the beam stations surely indicates that it is not to be regarded quite so much as an "experiment" as they suggest. Then again, they appear to be keener on broadcasting their own programmes in preference to relaying 2LO's. We are not overburdened with good musical or other talent out here, and one feels certain that, with all the undoubted imperfections that relaying would introduce, the wireless enthusiasts would much rather hear, say, Jack Hylton and his orchestra or the Savoy Orpheans than the best of local dance or symphony orchestras.

Versova Goes "Dry."

The residents of Versova, just out of Bombay, have decided to go "dry." Considerable excitement has been caused in the locality and the police are likely to have a busy time—not searching for bootleggers, however, but finding out what price each person has paid for his liquor. For the intention is not Prohibition, but merely to point out to the local liquor seller that he cannot charge Rs. 1-6 for a bottle of country spirit when it ought only to be Rs. 1-4!

Stockbroking.

Apparently we have a surplus of stockbrokers in the city. We were not aware of this, though it certainly seemed as though every second man one met followed that calling. But the Atlay report on the Native Share and Stockbrokers' Association points out this significant fact in no uncertain manner, and the Indian Merchants' Chamber has fastened on it as the main plank in its protest to the Bombay Government against permitting the institution of yet another Stock Exchange in the city. As a second telling fact, it also points out that such a thing as two Stock Exchanges in the same city is unknown, only that it actually mentions "civilised city" for some equally unknown reason! Whether Government will grant the new body recognition remains to be seen.

Commercial Outlook.

Business circles are concentrating their attention on the discussions to be held here next week regarding the Gold Standard and Reserve Bank Bill, but opinion at present has hardly unified. Indian opinion generally favours a State Bank in preference to a private undertaking, and holds that no privileges should be given to the Imperial Bank. Others think that the Bill ought to be postponed and a committee of bankers sent round to study similar conditions in other countries and report on

the system that should be adopted here. Meanwhile, the Money Market remains steady, as also exchange. Government securities have been very unstable, the final movement being a downward one; and shares are weak to steady with only a little business passing. Gold has been dull, but silver as a result, it is said, of a Calcutta "corner," and sustained demand from Shanghai, has improved. Cotton moves with the Home market, with some Japanese and local demand, while piece-goods continue to be in fair demand with slight reduction in stocks.

BOMBAY AND PROTECTION.

The Bombay Millowners' Association, resenting the criticisms of certain Calcutta papers regarding the supposed recommendations of the Tariff Board in favour of Protection for the cotton industry, recently issued a statement in reply. The actual recommendations, together with the decisions of the Government of India, have since been published, but the statement is of special interest in view of the present position. In the course of their statement the Association say:—

There are about 300 mills working to-day in India in direct competition with each other. At the same time, the products of these mills are competing directly and indirectly with a large proportion of imported piece-goods which, apart from all other adventitious aids, can be placed on the Indian market at prices 12½ per cent. lower than they could have been if exchange had remained at 1s. 4d.

In addition, consideration has to be given to the fact that owing to the unavoidable loss of India's yarn export trade with China, Indian mills have to sell 2,000,000,000 yards of cloth per annum to-day as against about 1,000,000,000 yards per annum in pre-war years. After assimilating the above facts and the new factors which come into existence, namely, the grave menace of dumping by Japan owing to the recent depreciation of the yen exchange and the dislocation of her trade with China by the civil war in that country, no fair-minded critic can maintain that owing to the imposition of an additional import duty of 4 per cent. on piece-goods, the Indian mills would be in a position, in the face of such competition, to charge any inequitable prices for the products of their looms.

The statement made in one paper that "as regards up-country mills, a higher tariff is neither required nor demanded and higher duties upon imported manufactures are sought by, and solely to the interest of, the cotton-mills located at Bombay," is a wilful perversion of facts, for, not only does the Millowners' Association, Bombay, represent the interests of cotton mills located in every presidency in British India, but demand for protection was and is an All-India demand.

In regard to the unwarranted insinuations of inefficient management of the mills in Bombay City and Island, the Association has submitted to the Tariff Board a case which in the opinion of the Association, conclusively establishes the fact that the management and efficiency of Bombay mills compare favourably with that of mills in any other part of India.

One paper stated "that Indian cotton cultivators would suffer by any action which would curtail the external demand for their products." It is obvious that any reduction of the external demand for Indian cotton owing to foreign cotton goods being shut out of the Indian market would increase in like proportion the demand for Indian cotton by Indian mills, and the country would reap the additional advantage which the manufacture of large quantities of piece-goods in Indian connotes in regard to employment and production of economic wealth.

THE CHARM OF ASSAM.—IV.*

Continuing his description of the temple at Kamakhya, a noted place of pilgrimage, Mr. Allen said it was erected to exalt and magnify impulses which, though essential to the perpetuation of the race, have enough natural vitality to need no stimulation or encouragement from religion. And for personified desire blood is considered to be the most appropriate offering. The finest sacrifice of all was man, and in the 16th century, when the temple was rebuilt, the heads of 140 men were offered to the goddess.

"But repulsive though the temple is with its obscene carvings and its dripping victims, this is not the characteristic form of Hinduism in Assam. In the 16th century, the milder doctrines of Vaishnavism were preached by Sankar Deb and were adopted by most of the Assamese. The great centre of Vaishnavism is to be found in the Majuli, a huge island formed by a change in the course of the Brahmaputra in the Sibsagar district. Here there are a number of sattras or monasteries, presided over by men who still are held in the greatest reverence by the villagers. Situated in a tract which recalls the simplicities of 50 years ago, some of these sattras, with their quadrangles and fish ponds, suggest the peace and conservatism of Matthew Arnold's Oxford. When Lord Chelmsford visited Assam in 1920, the principal abbots, men of the greatest dignity and charm of manner, asked to be allowed to present him with an address. The nationalist lawyers did all that they could to get the meeting boycotted, but the authority of the abbots and the desire to see the Viceroy made opposition futile. The villagers assembled in thousands round the great pandal in which the leading abbots, dressed in their robes of state, awaited the arrival of their distinguished guest. The wall opposite the dais was formed by a row of elephants standing side by side, and so great was the concourse that it was with difficulty that the Viceroy could make himself heard above the murmurs of the multitudes who had come to see him. The whole scene was so unusual, so spontaneous, so old-world, that Lord Chelmsford told the Secretary of State that it was one of the most impressive things that he had seen in India.

"The Assam hills afford a most excellent field for missionary zeal, and the Welsh Presbyterian Mission has done sterling work especially amongst the Khasis and the Lushais. Of the former one-sixth and of the latter one-fourth are now Christians. A short time ago there was some discussion on the effect of missionary work in China. I have no desire to tread on dangerous ground. But even convinced evangelists would, I suppose, admit that there was risk in invading countries in which an old-established religion held the field. We, for instance, should hardly welcome an active and successful Hindu or Muhammadan mission in England. In the Assam hills there is no such obstacle. The rather vague and conflicting animistic beliefs have none of the solidarity or binding force of the old religions, and no one who has been brought into contact with them has anything but the highest praise for the Welsh missionaries. The Christian hillmen are the cleanest, the most prosperous, the best educated, the most reliable of their tribe. Amongst the Khasis, a very democratic people, there is no racial bar within the church, and Khasis have, I believe, presided over synods. It is, perhaps, a matter for regret that there are so many who wish to labour in this fertile vineyard. The Welsh Mission were the pioneers and are by far the strongest organization. But the Roman Catholics, prior to the War, were pursuing a very active policy. The capable and cultivated head of the mission and all his assistants were Germans, and were in due course interned. Their place was taken by Belgian priests, but the work of the mission received a certain check. There are also the Church of England, the Unitarians, and a curious

American body known as the "trumpet." One cannot but feel that it is rather hard on the Khasi, to ask them to choose between so many types of doctrine, and to the detached onlooker a competition for converts seems scarcely in accord with the principles that all the sects profess. The American Baptists have also worked amongst the Nagas, the Garos, and in certain parts of the Assam Valley, but, on the whole, with less success."

INDIAN MAIL.

An Indian Commissioner.

Kunwar Maharaj Singh who has just taken over the officiating charge of the Allahabad Division of the United Provinces is the first Indian in that Province to reach the rank of Commissioner. The second son of Sir Harnam Singh of Kapurthala, the Kunwar was educated at Harrow and Balliol College, Oxford, and was called to the Bar at the Middle Temple in 1902. He entered the Provincial Service of the United Provinces in 1904, writes the *Pioneer*, and after officiating as Registrar of Co-operative Societies he was appointed Assistant Secretary to the Government of India in the Department of Education in 1911. He later returned to his province for service in the District and in the Secretariat and in 1902 was again appointed to the Education Department at Delhi where he became Deputy Secretary. He was sent on an important mission to Mauritius and also to British Guiana where he reported on the conditions under which Indian immigration could be satisfactorily worked in those Colonies. His recommendations were in the main accepted both by the Indian Legislature and by the Governments of the colonies concerned. The Kunwar, like other members of his family, is a keen lawn tennis player. While at Oxford he represented the Varsity in the featherweights in 1899 against Cambridge.

The Statutory Commission.

The suggestion of the European Association to the Secretary of State that the Royal Commission which is to inquire into the working of the Reforms should include no past or present resident in India, official or non-official, has aroused widespread comment in that country. The *Statesman* after declaring that the suggestion is not likely to be adopted goes on to say:—Yet an impartial tribunal from Home might not be a bad solution, and since every kind of evidence from all sections of the public in India is sure to be heard there would be no question of any interest not being considered. But whatever form the Commission takes it will be advisable that its recommendations should be considered by an authoritative body in India, such as a joint committee of the Houses of the Legislature, before Parliament goes to the trouble of giving them statutory effect. There is no point in a Constitution unless political parties accept it and agree to work it. The important thing is to get the constitutional question out of the way, so that the field may be clear for constructive work. If a fresh constitutional fight is to begin as soon as the new Act is passed Parliament will merely have wasted its time.

The Simla Exodus.

The question as to whether the Government of India shall prolong its annual stay in New Delhi is again being discussed, and the matter is apparently to be thoroughly considered by an inter-departmental Committee. According to the special correspondent of the *Englishman* at Simla, the view is held in some quarters that the period spent in Simla might well be curtailed. Departmental opinion he says has been collected and the view of the Delhi administration on health conditions during April, May and October has also been invited. It seems that the Delhi authorities are quite favourably inclined to the view that April and a part of May will not be disagreeable from the health point of view and that, like the Punjab Govern-

* Further extracts from a paper on Assam read by Mr. B. C. Allen, C.S.I., late Commissioner, Assam Valley Division, before the Indian Section of the Royal Society of Arts on May 6. Sir Edward A. Gait, K.C.S.I., C.I.E., presided.

ment, the Central Government can prolong its stay in the plains till the first week or the middle of May. October presents some difficulty in view of the fact that, closely following on the rainy months, it is malaria-ridden, and it may not be quite wise to migrate to Delhi early in October.

NEWS IN BRIEF.

The Indian Civil Service reception was held at the Hyde Park Hotel on June 10. Those who accepted invitations to be present included the Countess of Castlestewart, Lord Meston, Sir Patrick Fagan, Sir Michael O'Dwyer, Sir Arthur Knapp, Lady Campbell, Sir Charles Bayley, Sir Reginald Craddock, Sir Louis Dane, Sir Richard Dane, Sir Selwyn Fremantle, Sir Robert Holland, Sir Henry Lawrence, Sir Verney Lovett, Sir Edward Maclagan, Sir William Sheppard, Sir Charles Spencer, and Sir James Walker.

Officers past and present of the Madras Pioneers held their annual dinner on June 8 at the Trocadero Restaurant. Major-General Sir Charles Mackenzie-Kennedy presided, and among those present was Major-General Sir Harry Brooking.

According to a Reuter message from Peshawar, the hostile Lashkars which recently made a night attack on blockhouses held by friendly tribesmen in the vicinity of the Shabkadar and Michai posts in the Mohmand country have been dispersed.

The Royal Commission on Agriculture in India began its public sittings at the Office of Works, King Charles Street, on June 13, when evidence in regard to technical and educational questions, and also in regard to the reputation of Indian agricultural products in the British market, was taken.

In consequence of the stabilisation of the exchange, the Government of India has decided to reduce the charges for telegrams to places outside India. The charge per word to Great Britain is reduced to 1 rupee 2 annas (1s. 8½d.).

The Hon. James Crerar, C.S.I., C.I.E., Secretary to the Government of India, Home Department, has been appointed Home Member of the Executive Council, vice Sir Alexander Muddiman, appointed Governor of the United Provinces. Mr. Crerar has been Home Secretary to the Government of India for the past five years.

The United Provinces Government have sanctioned the introduction during the current financial year of compulsory primary education for boys in the Allahabad, Benares, Firozabad and Kasganj Municipalities.

It has been notified by the Jamnagar State that no export duty of any kind will be levied on merchandise other than jute, rice, tea, hides and cotton exported to Europe and other foreign countries by direct steamer sailing from Bedi Bandar. This is expected to give a fillip to the export trade through this port.

The following telegram relating to the monsoon rains has been received by the Secretary of State for India:—"Rainfall, week ending June 8. Excess: Assam, Bengal, Bihar, Malabar and Madras Deccan. Normal: Lower Burma, Punjab (South-West), Baluchistan, Sind and Madras (South-East). Fair: Upper Burma, Orissa, Bombay Deccan, Hyderabad, and Mysore. Scanty elsewhere. Monsoon extended South Konkan and Bengal.

The first interim report of the Royal Commission on Agriculture in India, April, 1927 (Cmd. 2878) published last week, contains the evidence taken up to October 18, 1926, from officers serving under the Government of India. The Commission hope to issue similar reports every fortnight or three weeks covering the remainder of the Indian evidence.

Flight-Lieutenants Carr and Gillman, who returned to London on June 7, after their long-distance flight which ended in the Persian Gulf, called at the Air Ministry the following day and were received by Air Chief Marshal Sir H. M. Trenchard.

At the annual meeting of shareholders of the Burmah Oil Company, which was held on June 10 in Glasgow, Sir John Cargill, presiding, said the directors had offered £100,000 to establish a college of mining and engineering in the new Burma University.

The route of the French air line which is shortly to link up Beyrout with Baghdad will be *via* Aleppo, and the total time of the journey will be seven hours. It is claimed that by taking the overland route *via* Marseilles, boat to Beyrout and then the new air line, Baghdad will be only a week's distance from London.

OBITUARY.

Lieutenant-Colonel Barton Edward Anderson, D.S.O., died at the British Military Hospital, Delhi, on May 23, at the age of 45. Commissioned in 1901, he was transferred to the Indian Army in the following year and served in the Bazaar Valley and Mohmand expeditions on the North-West Frontier in 1908. His subsequent service with the 59th Royal Sind Rifles (now the 13th F.F. Rifles) and on the Staff, was in France, from the autumn of 1914, in Iraq and Palestine, and in the Third Afghan War of 1919. Colonel Anderson also took part in the operations connected with the Mesopotamian Rebellion and the Waziristan Campaign, 1921-23.

Colonel Reginald Beavan, whose death, at the advanced age of 83, is reported, rendered notable survey service in connexion with the second Afghan War. Commissioned in the Indian Army in 1861, he was transferred to the Topographical Survey Department seven years later, and on the outbreak of the second Afghan War carried out, among other responsible duties, a survey of the Baluchistan country between Quetta and Sibi under conditions of exceptional difficulty. In 1881-82 he accompanied General Wilkinson's expedition and became Deputy Superintendent of the Survey of India in 1884, retiring from the service in 1892.

Colonel Algernon Currie, I.A., retired, died at Worthing on May 28 at the age of 86. He was gazetted to the 3rd Bombay Cavalry in 1857, though he served chiefly with the 1st Bombay Lancers, and later with the 34th Poona Horse, which regiment he subsequently commanded. From 1872 to 1882 he was commandant of the Governor's Body Guard under four successive Governors of Bombay, and also held at different times Staff appointments as Brigade Major and Assistant Adjutant-General, Bombay. He retired in 1897.

The death occurred at Lee-on-Solent on May 30 of Surgeon-General Henry Cook, M.D., F.R.C.S., F.R.G.S., J.P., formerly Principal of the Grant Medical College, Bombay, in his ninety-sixth year. He joined the Indian Medical Service in 1855, and served in the Persian War. He was formerly Chairman of the Bombay Municipal Corporation, and, returning to England in 1886, he became a J.P. for Gloucestershire.

Mr. John Kelsall, late Indian Civil Service, died at his residence, the Cottage, East Sheen, on June 6, at the age of 83. He entered the Indian Civil Service in 1863, and served in the Madras Presidency for 26 years.

Mr. William Rucker Stikeman, C.I.E., of 61, Onslow Gardens, died last week at St. Leonard-on-Sea, at the age of 73. He went out in early life to a mercantile career in Calcutta. Subsequently he went to Rangoon, where his large business interests were supplemented by various forms of public service. He was an additional member of the Burma Legislative Council soon after its constitution, and for some time he was Chairman of the Burma Chamber of Commerce and vice-chairman of the Rangoon Port Trust. He was created C.I.E. in 1911.

Lieutenant-Colonel Edward Temple Harris, D.S.O., Indian Medical Service, who died at Maymyo, Burma, where he was serving as Civil Surgeon, on May 24, from the after-effects of enteric fever contracted on duty 18 months ago, entered the Indian Medical Service in 1904. After six years of regimental duty he was gazetted to civil employment in Burma. In the Great War he served with the East African Expeditionary Force and was present at the battle of Tanga, being mentioned in dispatches and awarded the D.S.O.

News has been received from Dharmasala, in the Punjab, that Major H. D. Minchinton, 1st King George's Own Gurkha Rifles, was killed in a mountain accident on June 3. Major Henry Darrell Minchinton entered the Indian Army in 1908. He served in France, Mesopotamia, and Palestine, and in Waziristan in 1920, when he was awarded the Military Cross. He was an experienced mountaineer who had climbed famous peaks in the Alps, Norway, and the Himalayas. He was a member of the Alpine Club and was employed last year on a special survey with the Shaksagan survey expedition in the Karakoram Range, Kashmir.

WILLS.

Mr. Hugh Hamlyn O'Connell, of Southsea Terrace, Southsea, late superintendent engineer, P.W.D., Madras (net personality £6,869), has left £7,156.

The will of Mr. Arthur Hill, C.I.E. (69), of Babbacombe Cliff, Babbacombe, Torquay, late Chief Engineer for Irrigation in the Bombay Presidency (net personality £8,261) has been proved at £13,439.

Mr. Charles Butterworth Bayley, C.V.O., of Cantonments, Barrackpore, Bengal, India, secretary to the Victoria Memorial and late of the Public Works Department, Bengal, left £1,675 unsettled property in this country.

Mr. Lancelot Hugh Corbett Palmer, of Moor House, East Hanningfield, Essex, civil engineer, late Great Indian Peninsula Railway, who died on February 24, left estate of the gross value of £7,668, with net personality £7,623.

Commercial and Financial Section.

NOTES AND NEWS.

170, Strand, London, W.C.2,
Tuesday Morning.

National Mortgage Bank of Greece.

In accordance with expectations the offer yesterday at 93½ per cent. of £2,000,000 Seven per Cent. Sterling Mortgage bonds of the National Mortgage Bank of Greece met with a heavy over-subscription and the lists were closed at 9.45 a.m. The bank has been founded to take over from the National Bank of Greece its long-term mortgage business and to provide additional sums for the important expansion in this business which has become necessary owing to the general development of the country and the enormous increase in the population of cities such as Athens, the Piræus and Salonika. The proceeds of the issue and of any further issue forming part of the total authorised amount of £3,000,000 are to be utilised by the Mortgage Bank for the purpose of making advances in sterling on first mortgages of freehold property of individuals and companies, or on first charges on the freehold property or on the revenues, rates and taxes of public bodies. The bonds, which are to bearer in denominations of £500, £100, and £20, are guaranteed as to principal and interest by the National Bank of Greece, and are to be redeemed by means of an accumulative sinking fund sufficient to repay the whole of the loan by December 1, 1957, this sinking fund being applied by half-yearly drawings at par exclusive of accrued interest. The first repayment of bonds is to take place on June 1, 1928.

Roumanian Oil Position.

The news that the Roumanian Council of Ministers has approved the recommendations of the Special Commission for the reduction of the export and transport rates for petroleum is satisfactory as an indication of a further advance on the road to freeing Roumania's trade from restrictions. The new rates are still very high, but they represent a very appreciable decrease on the existing rates, and the change will in all probability be followed by a further move in the same direction at no distant date owing to the present situation in the oil industry. Petroleum is, of course, Roumania's great standby, and the production has been rapidly increasing, but falling world prices and the gradual accumulation of stocks have tended to produce a crisis, and the curtailment of production has even been considered as a way out of the difficulty. Obviously if Roumanian oil is to find the increasing market abroad that it requires it is necessary that it should be handicapped as little as possible by heavy rates.

Increasing Suez Canal Traffic.

The increase in the Suez Canal traffic during the first quarter of this year, to which I referred recently, was continued in April when 495 ships of a net tonnage of 2,582,236 transited the Canal as compared with 427 of 2,210,520 tons in April, 1926. For the first four months of this year the ships transiting the Canal numbered 1,878, the net tonnage being 9,866,906 as compared with 1,722

ships of 8,966,116 tons for the same period of 1926. The figures for the movement of merchandise through the Canal in April are very significant. The amount was 2,786,000 tons which exceeds the previous highest total for a month in March, 1925, of 2,723,000 tons. The outward traffic totalled 1,034,000 tons, showing an increase on the figures for April, 1926, of 183,000 tons, while the homeward traffic at 1,752,000 tons was higher by 348,000 tons. This development of the traffic goes to show that, provided nothing unforeseen happens to disturb the development of world commerce, we can now look forward to the gradual expansion of trade.

The Burmah Oil Meeting.

The annual meeting of the Burmah Oil Company is always an event in the oil year on account of the interesting review of the situation that is always given by the Chairman, Sir John T. Cargill, Bart. He commenced by referring to the postponement of stability in the oil position, and pointed out that owing to the overproduction in America once again the not entirely unexpected has happened. The forward swing of the pendulum of the United States production has brought about a "spate of overproduction unprecedented even in the record-breaking history of that wonderful country, and the prolific sands of Seminole, coming on the top of the enormous expansion in the volume of light petroleum distillates secured in recent years from cracking and casing head sources, returned the whole industry to still another phase of price conditions which, if not definitely unprofitable for a great deal of the world's production, cannot be sufficiently profitable to be in the best ultimate interests of consumers and the industry alike." Sir John Cargill went on to express the view that the process of readjustment is likely to be a painful one for many producers, but he has no anxiety with regard to the future prospects of the Burmah Oil Company. In the circumstances, however, he very naturally abstained from any forecast as to the outlook, though the wonderful progress made by the company since 1886 leaves no doubt that it is in a position to face any difficulty with which it may be confronted.

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It was started then with a capital of £60,000 which now stands at £10,868,256 with a market valuation of over £53,000,000, and may be said without any exaggeration to have made a very great contribution to the economic progress of Burma and India. An interesting feature of Sir John Cargill's speech was his statement that the directors have decided to offer to the authorities of the University of Rangoon £100,000 for the establishment of a college of mining and engineering, an offer which further illustrates the solicitude that the company has always displayed for the welfare of the population in its particular sphere.

The Rubber Position.

The past week has seen very interesting developments in regard to rubber. The price has been as low as 1s. 5½d., has reacted to 1s. 6¼d., and has again declined to 1s. 6d. at which it stands at the time of writing. A variety of reasons has been advanced for these fluctuations, but while the immediate cause is undoubtedly the selling that has taken place in America it is necessary to look no further than the London stocks to realise that there can be no rise in the price of the commodity until these stocks have considerably decreased. At the moment the outlook is more uncertain than it has been for some time, and though, as I have previously indicated, I doubt the possibility of such a development, the prospect of a further reduction in the quota is being discussed.

COMMENTATOR.

The Sudan Government Railway have given a contract for 10 locomotives, of the 4-6-2 type, and for tenders to the North British Locomotive Company, Glasgow.

William Boby and Co. have received an order for India for gravity filtration. The plant will have an initial capacity of 3½ million gallons of water a day.

The Yugoslav Government have given a contract for two submarines to the Ateliers et Chantiers de la Loire, Nantes.

A Cairo telegram states that the condition of the cotton crop in Egypt is as follows:—Percentage of normal—Lower Egypt, 101; Mid-Egypt, 101; Upper Egypt, 101.

The final dividend recommended by the directors of the Burma Corporation in respect of the year to June 30, 1927, is six annas per share, free of Indian and British income-taxes, payable August 15 to shareholders registered July 15.

A legislative decree was drawn up in Athens on June 10 providing for a reduction of the pay of Greek Army officers by 7 per cent. and the application of a system of alternate service and retirement to about 150 officers and petty officers of the Navy. These economies are the outcome of the authority vested in the Minister of Finance by the Greek Chamber after the introduction of the Budget.

A Reuter message from Constantinople states that the Anglo-Turkish Panel of the Mixed Arbitral Tribunal, constituted under Article 78 of the Treaty of Lausanne, has declared itself competent to try the questions that have arisen in connexion with the Constantinople Five per Cent. Municipal Loan of £1,000,000 which was floated in London in 1910.

TENDERS INVITED.

Tenders are invited for the following contracts, and must be made by the dates mentioned.

(Particulars of tenders marked D.O.T. are to be obtained from the Department of Overseas Trade, 55, Old Queen Street, S.W.)

EGYPT.

Supplies for War Department.—The War Department of the Egyptian Government invites tenders for the undermentioned supplies:—Boots, ankle, with laces—Infantry, 15,690 pairs; Cavalry, 860 pairs; spare laces, 8,300 pairs. June 23. Hides, collar, 6,430 lb.; hides, bridle, 3,640 lb.; basils, unstrained, European, each, 140; leather buff bridle, weight 100 lb.; pig skins, each, 7; chamois leather, each, 146. June 21. Tenders to be delivered to the Chief Inspecting Engineer, Egyptian Government, 41, Tothill Street, London, S.W.1.

Cement.—The General Manager, Egyptian State Railways, Telegraphs, and Telephones, Cairo Station, invites tenders for the supply of 7,000 metrical tons artificial Portland cement. July 16.

Bedsteads, Etc.—The Director of Supplies, Department of Public Health, Cairo, invites tenders for the supply of iron bedsteads, clothing, draw sheets, woollen shawls, canvas hoses for fire pumps and blankets required for the year 1927-1928. July 25.

School Furniture, Etc.—The Director of Stores, Ministry of Education, Sharia Qasr el Aini, Cairo, invites tenders for the supply of school furniture and miscellaneous articles (such as tables, cupboards, iron bedsteads, cotton, ticking and unbleached calico for making mattresses and pillows, kitchen copper utensils, cane chairs, table service, etc.) required for the schools during the school year 1927-1928, July 7; and for the supply of different kinds of timber required for Trades Schools and Model Workshops in 1927-1928. July 16.

Copper Discs, Etc.—The Financial Secretary, Egyptian Army, War Office, Cairo, invites tenders for the supply of metal copper discs and metal copper sheets (July 4); articles of saddlery and harness such as chains iron, hooks, rings brass, rivets tubular copper (July 4); and wool hair and hair horse for pads, cotton raw, creta vegetable, cotton waste, matting cocoa nut fibre, Jute, sacks jute, etc., to the Department of Ordnance Services, Egyptian Army, Citadel, Cairo. July 6.

Iron Pipes.—The Director-General, State Domains Administration (Commercial Service), Savoy House, Sharia Qasr el Nil, Cairo, invites tenders for the supply of iron pipes for irrigation or drainage. July 10.

Erection of Water Supply Works at Edkou.—Tenders are invited by the Egyptian Ministry of Public Works for the supply and erection of machinery, filters, and piping, for the water supply works at Edkou. July 25. (D.O.T.)

Uniforms.—The Chief Inspector, Direction General, Customs-Administration, Alexandria, invites tenders for the supply of winter uniforms for guards and employees during 1927-1928. August 9.

Boots and Laces.—The Financial Secretary, Egyptian Army, War Office, Cairo, invites tenders for the supply of 16,550 pairs of boots and 8,300 pairs of laces to the Department of Ordnance Services, Egyptian Army, Citadel, Cairo. June 28.

Rails, Etc.—The Surveyor-General of Egypt, Giza (Mudiriya), invites tenders for the supply of 5,000 tons rails. August 10.

Engineers' Instruments, Etc.—The Director of Stores, Ministry of Education, Sharia Qasr el Aini, Cairo, invites tenders for the supply of engineers' instruments, drawing materials, etc., required for the schools during the school year 1927-28. June 30.

General Stores.—The Director of Equipment and Finance Department, Ministry of the Interior, Cairo, invites tenders for the supply of general stores required by the Police Stores, Bulaq, in 1927-1928. July 2.

BULGARIA.

Coasting Steamer.—Tenders are invited by the Bulgarian Mercantile Navigation Company for a coasting steamer. September 6.

The Banca Commerciale Italiana and Bulgara, Sofia, has opened a branch at Plovdiv (Philippopolis).

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THE WEEK'S FINANCE.

(By Our Financial Expert.)

London, June 14.

While there are many factors in the financial and economic outlook which might be expected to make for optimism in City markets the keynote of business remains one of caution and hesitancy, and the Stock markets have not shown the anticipated revival of business after the Whitsuntide holidays. This, of course, may be partly ascribed to the various international political factors, which include, in addition to the continuance of the troubles in China, the Albanian controversy and the Warsaw assassination. The fundamental cause, however for the hesitancy in investment markets would appear to be the uncertainty as to the future course of the money market. The purchases of gold in London and New York by the French Treasury during the past three weeks, which are being made, presumably, with a view to diverting speculation from the franc exchange, has had an unsettling effect upon the money market, which is also disturbed by the fear that the drain of gold to France may continue and thus raise money rates in London. This would, of course, produce a decline in the prices of investment securities, and a large part of the business on the Stock Exchange has been diverted to semi-speculative markets. Less than a month ago the City was looking for an early reduction in Bank Rate to 4 per cent. As a result of the French Treasury's operations it has now completely changed its views to the opposite extreme and is pessimistic as to any change being made in Bank Rate before the usual autumnal pressure on the exchanges may necessitate an increase. The gilt-edged market is thus marking time, while other sections remain rather quiet pending the close of the three week's account, which ends on Monday.

Argentine Railway Dividend Prospects.

One of the most active sections of the Stock markets during the past month or two has been the Argentine railway market. The companies close their financial year on June 30 and as the dividend season approaches, interest in the ordinary stocks of the four principal companies increases, especially since the traffic returns to date show a substantial increase in comparison with the corresponding period of the previous year. From the speculative point of view perhaps the most popular ordinary stock is that of the Buenos Ayres and Pacific. A year ago this stock received a dividend of 7 per cent., but the market looks for an increase to $7\frac{1}{2}$ per cent., which at the present price would give a yield of about 8 per cent. Central Argentines, whose gross traffic receipts already show an increase of over £1½ millions, a year ago received a dividend of 6 per cent., but an increase to 7 per cent. is spoken of, which would also give a yield of about 8 per cent. at the present price. Last year's distribution of 8 per cent. on Buenos Ayres Great Southern ordinary stock is expected to be repeated. If this anticipation proves to be correct the yield at the current price would be about $7\frac{1}{2}$ per cent. The Buenos Ayres Western received 7 per cent. a year ago, which gives a yield of $7\frac{3}{4}$ per cent. An increase to $7\frac{1}{2}$ per cent, which is regarded as possible, would make the return about 8 per cent.

Lyons' Profits.

Although the accounts just published cover the strike period the profits disclosed in the annual report of J. Lyons and Co., the well-known caterers, have been more than maintained, amounting to £757,200, as compared with £756,000 for the preceding year and £718,600 for 1924-25. The reserve fund is again credited with £100,000, and while the dividend on the ordinary shares is unchanged at $21\frac{1}{4}$ per cent. the total dividends cost a little more, but the carry forward is nevertheless increased from £49,000 to £53,000. This is an excellent showing and emphasises the prosperity of this well-managed concern. The report

mentions that twelve new establishments have been opened during the past year and that additional premises have been acquired. In order to provide further capital to meet the expansion of business the 7 per cent. preference capital is to be doubled by the creation of 2,000,000 7 per cent. preference shares, of which one million are to be offered shortly to shareholders. At the current quotation the ordinary shares yield just over 5 per cent.

New Era for Westralian Mining?

For years past mining in Westralia—and especially gold mining in the Western State—has been but a shadow of its former self. In the main this is the outcome of the exhaustion of the richer deposits; but increased wages and taxation have played their part. Redirection in the prosperity of a mining industry anywhere speedily has a repercussion in trade and business circles. Endeavours have been made—without success—to bring relief to Australian gold mining in the shape of a Government subsidy on production; a thoroughly unsound policy. The weakness of the present position has been pointed out in the report of the committee appointed to investigate by the Development and Migration Commission. There are too many different, and to some extent rival, undertakings; existing treatment plants are in the main inefficient; waste occurs under various headings. The remedies suggested by the Committee include consolidation, co-operation, and the introduction of improved treatment methods. More radical methods are scarcely warranted by the development position. But even the measures recommended will involve some outlay; how the money is to be provided remains to be seen.

A final dividend of 3 per cent. is proposed by the directors of the Bank of British West Africa, making 5 per cent., less tax.

The production of crude by the British Burmah Petroleum Company and the Rangoon Oil Company for May amounted to 44,226 barrels.

The traffic receipts of the Egyptian Delta Light Railways for the ten days ended May 20 amounted to £E7,997, making the total from April 1 £E37,067. The figures for the corresponding periods of 1926 were £E7,987 and £E39,668.

The Bengal Coal Company, Calcutta, announces a profit of Rs.1,145,000 for the half-year ended April 30, 1927, including Rs.135,000 brought forward. The dividend is at the rate of 40 per cent. for the year.

The production of Hamilton's Oil Concessions for the week ended June 3 was 52 tons. Well No. 8 restarted flowing; production for 12 hours about 36 tons; flow continues. New well No. 9 successfully passed water test and drilling resumed. New well No. 10, 746 metres.

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NEAR EAST MARKET REPORTS.

The current issue of the Monthly Review of Barclay's Bank, Ltd., contains the following reports:—

Egypt.

Alexandria, May 28.—Cotton—The local market has shown strength, owing to continued unfavourable crop advices from America, but the movement has been largely speculative, legitimate trade being conspicuous by its absence. Spot cotton, therefore, has been neglected and premiums have fallen in consequence. Sakellarides is completely out of favour and is obviously suffering from the competition of Sudan Sakel, which is underselling Egyptian by 3d. per lb. There is more demand for Uppers, but the stock is large and owing to the liberal supply, premiums have suffered. Ginning in the interior has been stopped by the Government, but cotton still continues to arrive. New crop reports are excellent.

Cotton Seed.—After a fair demand and a consequent spurt in prices at the beginning of the month, the market became stagnant, and aroused little interest. Stocks are ample for existing demands, and though local consumption continues to be on the heavy side, premiums have fallen, owing to the large supply of good seed arriving from the interior, not required for planting.

Cotton Goods.—The statistical position has improved, and prices are steady in sympathy. The stock is 8,700 packages, weighing 2,600 tons, of which 3,200 packages weighing 1,600 tons are Manchester goods.

Miscellaneous.—The flour market is active and prices are steady in sympathy with American markets, but the tendency is uncertain, owing to the large quantity afloat. Quotations are Australian Spot £15½; May shipment £15½. Stocks of wheat are decreasing, but of other cereals are increasing. Prices remain unchanged, except for wheat, which dropped by 10-12 per cent. owing to heavy arrivals of Australian flour and approaching arrivals of the new crop. The market for Indian rice is quiet, in consequence of the keen competition of Egyptian rice. Stocks amount to 147,000 bags.

The Sudan.

Khartoum, May 27.—The market in cotton piece goods is fairly good and prices are steady. Other imports show regular sales, but the quantities are not large. Coffee prices dropped from 400 piastres per kantar to 385 piastres, in anticipation of the arrival early in July of the new crop at slightly slower prices and the probable carry over of 4,000 kantars. Arrivals of gum are steady, but demand is weak. Prices are Kordofan natural 38s., cleaned 40s. per cwt. c.i.f. United Kingdom. The cotton picked to the end of April amounts to Sakel 135,000 bales and American 14,400 bales (one bale—400 lbs.), the total crop being estimated at Sakel 144,000 bales and American 15,000 bales.

The general situation is improving, good rains in the

South and early rains in the Blue Nile Province making the position more hopeful.

Palestine.

Jerusalem, May 30.—The failure of the orange season is reflected in the markets and trade conditions have consequently been depressed. The sugar market, after showing a good deal of strength, is again quiet, and prices tend to fall. Quotations are Java £17½, Cuba £17½, Czecho Slovakia £17½, Russian £17½ c.i.f.

Alexandria coffee prices are declining, quotations being Minasse 73s. and Santos 89s. The rice market has been very restricted, but prices remain nominally steady, while in flour, although the market maintains its activity, business is difficult.

FORTHCOMING SAILINGS.

The following are the sailings for the Near East and India, the ports of departure and closing dates for cargo being given in parentheses:—

Anchor Line.—S.s. Massilia for Bombay (Birkenhead, June 25). (For passenger sailings and dates see advertisement.)

Anchor Brocklebank Line.—S.s. Anchoria for Calcutta (Birkenhead, June 23); s.s. Mangalore for Calcutta (Birkenhead, June 30).

Bibby Line.—S.s. Gloucestershire for Port Said, Colombo, and Rangoon (Birkenhead, June 29).

British India Line.—S.s. Domala for Bombay and Karachi (London, July 2); s.s. Margha for Colombo, Madras, and Calcutta (London, July 2).

Cunard Line.—S.s. Cypria for Gibraltar, Malta, Patras, Piræus, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza, also Algiers and Volo if inducement offers (Liverpool, Glasgow and Swansea, June 22); s.s. Pavia for Gibraltar, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Venice, Trieste, and Fiume, also at Corfu, Gruz, and Ancona if inducement (Liverpool June 25, Swansea June 28).

Johnston Line.—S.s. Kenmore for Piræus, Volo, Salonika, Smyrna, Constantinople, Bourgas, Varna, Constantza, Sulina, Galatz, and Braila (Liverpool, June 25).

P. and O. Line.—S.s. Malwa for Bombay (London, June 17); s.s. Delta for Colombo, Madras, and Calcutta (London, July 9).

Prince Line.—S.s. Scottish Prince for Tunis, Malta, Alexandria, Jaffa, Haifa, Beyrout, and Cyprus (Manchester, June 22); s.s. Lancastrian Prince for Tunis, Malta, Alexandria, Jaffa, Haifa, Beyrout, and Cyprus (London, July 6).

Ellerman and Papayanni Lines.—S.s. Fabian for Gibraltar, Malta, Alexandria, Jaffa*, and Haifa* (Liverpool, June 29); s.s. Roumelian for Patras, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza (Liverpool, July 2); s.s. Gerano for Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Gravosa, Ancona*, Venice, Trieste, and Fiume (Liverpool July 9, Swansea, July 14); s.s. Lesbian for Algiers*, Malta, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza (Liverpool, July 16). * Subject to sufficient inducement. Cargo taken on through Bill of Lading to:—Algerian ports via Algiers; Moroccan ports via Gibraltar; Tripoli (Barbary) via Malta; Syria and Cyprus via Alexandria; Greek outports via Piræus or other convenient port; Fiume via Trieste.

The Egyptian State Railways have received six offers for the construction of fifteen bridges on the Cherbin-Kallin line (says a Reuter message). The tender of Dorman, Long and Co., Ltd., was the lowest at £E6,752. The Baume-Marpent concern quoted £E6,942, and a German company £E11,690.

The directors of Harrisons and Crosfield have declared a dividend on the cumulative preference shares at the rate of 6 per cent. per annum for the three months ending June 30, 1927; and on the preferred ordinary shares at 10 per cent. per annum for the six months ending June 30, 1927. Warrants will be posted on June 30 to shareholders registered at that date, including approved transferees in respect of transfers lodged at the company's office not later than June 15.

During the season which has just concluded, Great Britain purchased 1,803,368 boxes of oranges from Palestine, or 446,000 more than last year (says a Reuter message from Jerusalem). The principal towns of entry were Liverpool (620,447 boxes); Glasgow (423,804); Hull (301,432); and Manchester (306,186). In view of the favourable prospects for the exports of grapes, particularly to England and Egypt, ways and means are being considered to secure appropriate packing and transport conditions for the fruit, which has been widely and successfully planted in late years.

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NOTES FROM ALBANIA.

(From Our Own Correspondent.)

Scutari, May 25.

The National Bank Report.

The report of the National Bank,* signed by M. Mario Alberti, does not refer only to the bank itself; it deals also with another institution, in form independent but actually a powerful auxiliary of the bank, and one which Albania has had to accept and put up with at the same time. That is the Svea, Company for the Economic Development of Albania, a purely Italian concern.

The Svea is the company which advanced to Albania a loan for forty years of 50,000,000 gold francs. This debt Albania will not be able to redeem, even if she finds the money necessary to free herself; the interest on these fifty millions is five millions, at the rate of ten per cent., for the payment of which and of the capital the Customs of Albania and the State Monopolies are allocated. Further, Albania is pledged not to carry out any public works without the consent of the Svea, which, in equal conditions, has to receive the preference over any other concern taking part in adjudications.

The report mentioned, among the works carried out or in the course of execution, roads, the bridge of reinforced concrete on the Mati between Durazzo and Scutari, the jetty at the port of Durazzo, and the project for a railway between that port and Tirana.

The report refers also to the "Société pour les magasins et entrepôts généraux" of Albania, whose warehouses are already constructed at Durazzo and are designed to facilitate the trade of the country; this company is in close relations with the bank and the Svea.

Finally, the report gives the text of an agreement of fifteen articles according to which the National Bank of Albania is called upon to carry out the service of the Treasury.

I propose to take advantage of the opportunity that my analysis of the report gives me to refer to two other matters:

(1) The communications by sea between Albania and Italy are being intensified by the establishment of three

* Details of the report are given in the first part of this letter in THE NEAR EAST AND INDIA of June 9.

sailings weekly between Bari and Durazzo instead of one up to the present time.

(2) The advance made by the Svea, the 50 million francs, has been deposited in the Italian banks, in Italian liras at a rate of 4 liras 85½ centimes for a gold franc, which represents 242,734,000 liras.

The senator, M. Eshref Frasheri, the week before last asked that these liras should be retransferred into gold francs, taking advantage of the present exchange, which would mean to the Albanian State a profit of 16 million gold francs. The Finance Minister has been invited to carry out this project.

Besides the National Bank there are also in Albania two other banking institutions, the branches of the Bank of Athens at Durazzo and Koritza, and the branch of the Banque Serbe at Scutari.

ROAD CONSTRUCTION IN NORTHERN PERSIA.

The construction of the caravan road from Mosul, via Rowandiz, to Tabriz, Persia, was to be resumed early in the spring. The road expert of the American financial mission has visited Tabriz in connexion with this and with the Government's plans to improve the Trebizond highway (says the American Consul at Tabriz, Mr. A. W. Ferrin, in a recent report).

The Trebizond road was the principal link between Azerbaijan, in northern Persia, and the outer world; it was also one of the most important routes into and through central Persia until the building of the Russian railway extension from Julfa to Tabriz. The Russian railway diverted so much outbound traffic from the road that caravans, having sometimes to go to Trebizond half-loaded, were compelled to increase their charges for bringing goods into Persia. This threw imports also to the Batum-Julfa rail line. The road was demoralised by the World War, many battles of which were fought on its route, and later by the Kurdish disturbances, until now it is used only for the slowest freight and is practically impassable for any vehicles but two-wheeled carts. It is proposed to make it a motor road, thus reducing travel between Tabriz and Trebizond to five days instead of the weeks now required.

The Rowandiz-Mosul road will bring Tabriz much closer to Baghdad than it is now, and the two roads together will greatly diminish Azerbaijan's commercial dependence on Russia.

Improvement of the Teheran-Tabriz road also is included in the programme. This improvement is of more political than commercial consequence, in comparison with that of the other two roads named, but will probably result in larger trade between the parts of the Persian Empire.

The National Bank of Greece has reduced its rate of discount from 11 to 10 per cent. It has stood at 11 per cent. since July 7, 1926.

The gross production of crude oil by the Phoenix Oil and Transport group of companies for May was 44,280 tons. This is a record output. The production for April was 31,565 tons.

Yugoslavia's exports in 1926 amounted to 4,884,178 tons as against 3,398,466 tons in 1925 and 3,915,700 tons in 1924. The weight of the imports in 1926 was 1,241,054 tons as against 1,513,862 tons in 1925.

W. T. Henley's Telegraph Works Company, London, have received a contract for the supply and erection of 269 miles of overhead line on lattice steel towers, in connexion with the electrification of the main line of the Great Indian Peninsula Railway. The conductors will be of steel-cored aluminium for a working pressure of 110,000 volts. Two parallel double circuit lines will run from Kalyan Power Station to Kalyan, a distance of 2½ miles and from there two parallel single circuit lines, one on each side of the railway track, will run north to Igatpuri, 50 miles away; and two parallel single circuit lines will run south to Kirkee, 82 miles away. These lines will supply current to the railway from Igatpuri to Poona.

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CALCUTTA—Andrew Weir & Co.	CAPE TOWN—Thomson.
COLOMBO—Skrine & Co.	HONG KONG—The Bank Line, Ltd.
BEIRA—Beira Shipping Agency.	BANGKOK—Siam Forest Co., Ltd.
DELAGOA BAY—John T. Rennie & Sons.	SINGAPORE—Hattenbach Bros. & Co.
DURBAN—Andrew Weir & Co.	MAURITIUS—Adam & Co.
EAST LONDON—Messrs. Dunn & Co.	
PT. ELIZABETH—Mackie, Dunn & Co.	

LONDON—ANDREW WEIR & CO., 21, Bury Street, E.C.3.

BULGARIAN MARKET FOR AGRICULTURAL EQUIPMENT.

Bulgaria, under favourable circumstances, offers a good market for agricultural equipment. However, the value of the lev, the unit of Bulgarian currency, has been maintained at the low level of approximately 0.0074 dollar for considerably more than two years and this has had a very unfavourable effect upon the importation of agricultural implements from countries having a higher exchange rate (says an American Consular report).

The Government is endeavouring to educate the peasant to the advantages of scientific farming through several agricultural experiment stations, but the farmers are conservative and are generally averse to the use of new or modern methods of agriculture. Advancement in farming, therefore, is necessarily slow, and in many cases primitive methods are still in use. A small percentage of the agricultural population, which represents about 85 per cent. of the inhabitants of the country, is beginning to appreciate the advantages derived from the use of modern implement and machinery. There is a trend towards the more extensive use of modern agricultural implements, although labour is abundant and the wages are low. Most of the farm hands are fairly intelligent, but have had little or no training in modern methods of agriculture.

Agricultural implements are one of the most competitive lines on the Bulgarian market, and owing largely to favourable credit terms and proximity to the market, European implement manufacturers secure the bulk of the business. There was an increase in purchases of American implements in 1926. The principal suppliers of implements to Bulgaria were Germany, Austria, Great Britain, Hungary, and Czechoslovakia. All are anxious to share in the trade and the European manufacturers frequently offer extremely favourable credit terms, since the Bulgarian farmers have a limited amount of working capital and in order to purchase farm implements at all must have credit. Long-term credit is necessary to meet their requirements and there are European manufacturers who are willing to provide it. Some German and Austrian firms offer as much as two and a half years, and in some instances even three years. The granting of credit, therefore, is an important factor in the Bulgarian market, one that has a substantial effect on importations from the United States.

The small size of the farms in Bulgaria, as well as the rocky nature of the soil in parts of the country, call for special types of implements. European manufacturers are generally familiar with conditions in Bulgaria and cater for the special requirements of the market. American standard sizes, however, in some lines, like tractors, farm engines, and binders, are adaptable to Bulgarian conditions and have good sales. Most of the ploughs

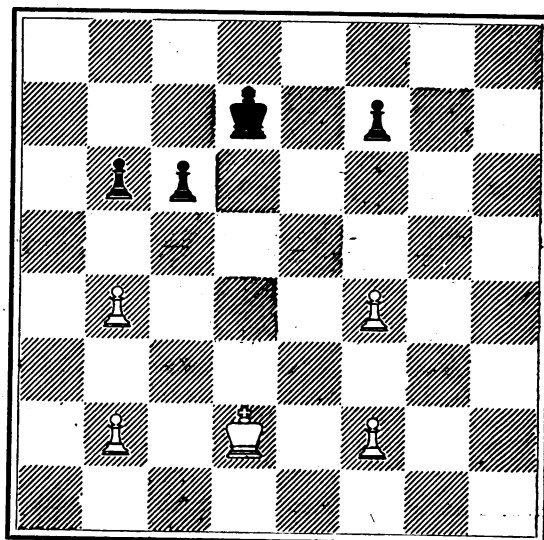
used are furnished by European manufacturers, and threshers are also purchased principally from European producers, most of those in use coming from Hungary and other countries of Central Europe. American firms had most of the trade in threshers before the War, but the market has now turned largely to European makes as a result, no doubt of the favourable credit terms granted by European manufacturers. There is a fair market for spraying and dusting machines for use in vineyard work, and much interest is being shown in spraying generally because of the heavy losses to other crops from plant diseases and insect pests. Knapsack sprayers are largely used, most of them being French and German makes. In one line, however, American implements dominate the market, and that is in tractors.

CHESS.

By "CARO-KANN."

The solution to last week's pawn study is as follows:—1, K—Kt2, K—Kt3; 2, K—R2, K—B3; 3, K—Kt3, K—K3; 4, K—Kt2, K—K4; 5, K—B3 and the game is drawn, for while Black can exchange pawns he cannot force the remaining pawn through.

I give this week another similar study.



The production of the Dacia Romano Petroleum Syndicate for May was 3,338 tons. Fourteen wells were in production, seven wells are in drilling and one is being fitted up.

In connexion with the Yugoslav-Albanian dispute Albania is stated to have forwarded a request to the League of Nations that the League should circularise the Member States acquainting them with the situation from the Albanian point of view.

The Mizpah expedition of the Pacific School of Religion, under the direction of Professor William Bade, which is investigating the city of Tel-el-Nisbh, seven miles north of Jerusalem, recently discovered an exceptionally fine, well-preserved Israelite house of the seventh century B.C., including the street entrance, several rooms, a large stone basin, the bread trough, and a private cistern behind the house. A large four-handled earthenware pot, containing the remains of food, was found still embedded in the ashes of the fireplace, left there when the inhabitants departed 2,500 years ago.

FOREIGN EXCHANGES.

Country.	Method of Quoting.	Parity of Exchange.	Latest Quotations.
Alexandria.....	Piastre to £	97½	97½
Athens	Drachmae to £ ...	25.22½	358½
Belgrade.....	Dinars to £	25.22½	276½
Berlin	Marks to £	20.43	20.49½
Berne	Francs to £	25.22½	25.25½
Bombay	Sterling to Rupee	18d.	17 57/64—59/64
Brussels	Belga to £	35	34.97
Bucharest	Lei to £	25.22½	822½
Budapest	Pen to £	27.82	27.84½
Calcutta	Sterling to Rupee	18d.	17 57/64—59/64
Constantinople	Piastres to £	110	920—935
New York	Dollars to £	4.86 2-3	4.85½—11/16
Paris	Francs to £	25.22½	124
Prague	Kronen to £	24.02	163 15/16
Rome	Lire to £	25.22½	88.05
Sofia	Leva to £	25.22½	670—680
Tehran	Krans to £	50½	50½
Vienna	Sch to £	34.56½	34.52½
Warsaw	Zloty to £	25.22½	43—44

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Company Meeting.

BURMAH OIL COMPANY.

A Prosperous Year.

Uncertain Market Outlook.

Sir John Cargill's Speech.

The annual general meeting of the Burmah Oil Company, Limited, was held on June 10 in the Merchants' Hall, Glasgow.

Sir John T. Cargill, Bt. (chairman of the company), presided over a large attendance of shareholders.

The Chairman said:—My lord, ladies, and gentlemen,—I presume that, as usual, you will allow us to hold the notice calling the meeting, and also the reports and accounts which have been in your hands for some days, as read, and I would merely ask the secretary to read the auditor's report.

Mr. F. G. Holdsworth (the secretary) read the auditor's report.

The Chairman, continuing, said:—My lord, ladies, and gentlemen,—My reference at our last annual meeting to the conditions and characteristics of the petroleum market as a whole, and to our own prospects for the year, which had then run almost half its course, has been fully justified by the events. The industry then appeared once more to be achieving the equilibrium between production and consumption necessary to those sound and stable price levels which are as vital in the case of petroleum to trade generally as in the case of other commodities, but, warned by past experience of the rapid changes to which the petroleum industry is peculiarly prone, I hesitated to embark on the uncertain seas of prophecy and confined myself to an expression of confidence in the continued prosperity of your company.

State of the Industry.

And once again the not entirely unexpected happened. Arrested on its forward swing to the more stable situation so much to be desired in the best interests of the industry and of all dependent on it, the pendulum of United States production only shortly after I had spoken swung round to a spate of over-production unprecedented even in the record-breaking history of that wonderful country, and the prolific sands of Seminole coming on the top of the enormous expansion in the volume of light petroleum distillates secured in recent years from cracking and casing head sources, returned the whole industry to still another phase of price conditions which, if not definitely unprofitable for a great deal of the world's production, cannot be sufficiently profitable to be in the best ultimate interests of consumers and the industry alike. That very fact will, as usual, provide the remedy in due course, but the process is likely to be a somewhat painful one for many producers.

Even with such a possibility as this before me, however, I felt justified in the confidence I expressed in our own immediate prospects, and I think you will all agree with me that the accounts you have before you provide ample confirmation for that confidence.

I characterised your 1925 balance-sheet as the finest and strongest I had had the pleasure of submitting to you during the 22 years of my chairmanship, but I have no hesitation in saying that that for 1926, which I am now submitting to you, marks a still further improvement and puts your company in a position from which you can regard with reasonable composure those periodical cycles of depression through world over-production so characteristic of the industry as a whole.

Increased Profit.

Despite the lower values ruling for the company's products during a considerable portion of the period, the improvements and economies referred to in the report have secured an increased balance of profit in the profit and loss account of £235,024 2s. 6d. at £2,478,075 4s. 9d., and the balance to the balance-sheet is higher by £284,004 os. 1d. at £2,526,721 17s. 6d.

Depreciations, it will be observed, are slightly up. The allocations to general reserve, insurance reserve, and field expenditure equalisation reserve aggregate £370,000 as in recent normal years and increase these reserves to £600,000, £480,000, and £450,000 respectively, while the fire and marine insurance account has been increased to £851,608 18s. 7d. by £89,736 5s. 11d. of net premium revenue earned in the period.

Refinery block, again liberally depreciated, shows a net increase of some £72,000 consequent on the further advance made with concentration and reconstruction.

The oilfields block has been kept down to the same very low and conservative figure we have shown in recent balance-sheets, and field electrification account shows a net decrease of some £80,000, while tankers and tank installations account has been reduced by some £63,000.

Sundry creditors are some £300,000 up, while sundry debtors stand at about last year's figure and loans, deposits, cash, etc., are up by fully £180,000.

Investments at £6,834,578 13s. 6d. are up by over £1,000,000, but have yielded some £77,000 less income mainly for the reason mentioned in the report, and, finally, the carry forward at £453,469 7s. is greater by some £57,000.

The Dividend.

The interim dividend of 10 per cent. paid in November was 2½ per cent. less than for 1925, but, paid as it was on a capital greater than that of 1925 to the extent of the bonus shares distributed in 1926, it actually represented an increased distribution of £37,739 12s. 9d. on the 1925 figures. In all the uncertain circumstances of the petroleum market at the moment your board does not feel justified in recommending a larger final dividend than 20 per cent. This at £1,207,668 7s. will require £188,698 3s. 8d. more than in 1925, and with the interim dividend of 10 per cent., the distribution for the year of 30 per cent. subject to tax, or the equivalent of 40 per cent. subject to tax on the issued ordinary share capital before the above share bonus distribution, will, I feel confident, be regarded by shareholders as a whole as a most liberal and gratifying one.

The company's employees' provident and profit-sharing fund capital, removed last year from the balance-sheet, now stands at £1,575,545 19s. 2d. The difference between that amount and the £998,940 14s. 8d. of War Loan taken out of the company's investments and invested in the names of trustees for the fund at the end of 1925 will be taken and treated similarly in respect of 1926.

So much for the year's financial results and your board's proposals with regard to them which I will formally put to you on the conclusion of my remarks. As regards the actual operations behind and responsible for these results, there is really little I can usefully add to the report itself which would justify my keeping you for the extra time I would require to detain you. In recent years particularly, I, and your managing director also, have given you intimate and detailed insight into every aspect of your business. In its broad essentials it has not changed during the year, and, as I have said, the report with the accounts gives you a concise but completely comprehensive survey.

Position on the Oilfields.

The oilfields in India held on prospecting licence and/or lease from the Secretary of State are, of course, the keystone of the arch of the whole of the operations and interest of the company there. Apart from its outside investments, your company's present and future depend entirely on its enjoyment to economic exhaustion of these concessions and on their degree of productivity in the period and the relation of the cost to the value of production. My annual speeches have kept you completely *au fait* with the untiring and unstinted efforts your company has consistently put forth both to discover new fields in India and to develop to the economic hilt those which already exist mainly as a result of your own earlier enterprise. Such a policy must have the firm foundation of security—security of tenure and of the enjoyment of the rewards of our own expenditure and enterprise. Without that it would be impossible, and the heavy return of surplus profits to the industry would not be justified. So far as these surplus profits have been returned for the testing of the possibilities of new fields, they have up to date unfortunately met with no reward, but, "hope triumphing over experience," we continue our efforts in that direction wherever there seems any prospect of success. For the rest, the situation is the unchanged one that proved fields are yielding our requirements only at the expense of greatly intensified drilling operations involving annually increasing expenditure. In the small freehold producing area under operation at Bodarpur in Lower Assam a deep test is now in progress, but unless this reveals more prolific or valuable oil the field there cannot have a much longer life. As it is, it is being carried on the back of our general position. It could not exist independently as an economic proposition, and failing satisfactory results from the deep test to which I have referred, or royalty terms more in relation to the value of its oil, its continued operation much longer by your company may be impossible.

The Assam Oil Company.

On the other hand, our friends the Assam Oil Company, Limited, continue, under our management and with the assistance of our resources, to improve their position, and, while it is unlikely that their territories can add very materially to the indigenous petroleum resources of India, they and we are hopeful that they will be a useful factor in steadying the curve of the decline in these resources.

Electrification of the Singu Field of Burma is being pushed forward as rapidly as possible and current should be available there before the end of the year.

Refinery reconstruction and concentration, interrupted by the recent United Kingdom labour troubles, is now being rapidly pushed forward to completion and should be consummated by the end of this or early in next year.

I have already referred to market conditions affecting last year's results. Petroleum commodity values have since suffered further serious declines which must react to some extent on the results of our trading operations, and with the outlook at the moment so uncertain I would be extremely foolish if I to-day attempted to give you a forecast of what the results of the current year's trading are likely to be. You have in any case the satisfaction that, thanks to the conservative policy which your board has consistently followed and you have confirmed in the past, your company is as well placed as the best—and much better placed than most—to regard with reasonable equanimity the vacillations in values which are so characteristic of the petroleum industry.

Phenomenal Progress.

You will all, I am sure, have read with much interest the outline of the history of your company received with the annual report. This reprint of one of a series of articles appearing in the *Daily Telegraph* on some of the principal commercial and other enterprises of India and Burma was written by your managing director, Mr. R. I. Watson, to whose untiring energies and great ability so much of the success of the company in recent years has been due. It gives a vivid picture of the phenomenal progress and wonderful developments of the company since my late father started it in 1886 with the very modest issued capital of £60,000—now increased to £10,868,256, with a market valuation of over £53,000,000—and will have brought home to you and to a wider public what it has directly contributed to the prosperity and general progress of Burma and India in so many directions through its widespread and varied operations and activities there, and indirectly the millions of pounds it has saved the native population of our great Indian Empire through its broad-minded and self-denying kerosene maximum price policy carried on without a break from 1905 to the present day.

Burma University.

Some of you may be aware of the movement which, after years of incubation, has at long last succeeded in securing for Burma its own University. Under the relative Act the nucleus of this is the old Rangoon College, and the Judson College, the former a State educational institution and the latter a foundation of the American Baptist Missionary Society, which has done so much for the education of the Province. Government has made itself responsible for the cost of part of the scheme, but the State aid available is not sufficient, and cannot be anything like sufficient, to finance the creation and regular running of a University on the scale and to the effect essential if the University is to fill adequately and efficiently the functions which are generally recognised to be those of such institutions. While opinions may differ as to methods of education, there can at this time of day be no two opinions as to the value of it to the individual and through him to the State, and to the appeal which the new University authorities have issued in Burma for private financial support I feel confident that there will be still further generous response to that which has been already given. While one might almost think from what one hears and reads on occasions that the association of your company with Burma and India has been entirely one-sided in its advantages—and that side the shareholders of the company—Mr. Watson's brochure will, I hope, do something to correct loose thinking of that sort. Your board is and I am sure you all are also fully conscious and appreciative of the benefits which the company has secured from that association and will feel, like your board, that an opportunity presents itself here of marking that appreciation by helping to advance the higher education of our friends in Burma.

Offer of £100,000.

At the same time your board has felt that a more directly practical turn should be given in the assistance which we contemplate to this scheme than might be secured by a donation to the general purposes of the University. To assist applied and not merely, or at least solely, higher general education will we feel convinced be the line best calculated in such a country as Burma to give the young Burman the opportunity to advance both his own position and the development of his country. Your directors have therefore decided in that direction to offer the University authorities a sum of £100,000 to establish a College of Mining and Engineering in the new University to be associated in some way with the name of your company. In the light of all that I have said I am satisfied that this decision will have your unanimous and cordial approval, and I am hopeful, if our offer is accepted, that the College of Mining and Engineering will in due course further our own efforts to find among our Burmese friends keen young men to take and fill efficiently technical positions of greater responsibility in our organisation in their country than has been possible in the past.

Tribute to Employees.

I referred last year to the labour troubles in the early part of that year in the Burma fields. Since then labour there, and elsewhere,

with the exception of recent and isolated trouble in our installation at Madras, has been working steadily and well, and I can only repeat here once again that we make it our constant and especial business to see to it that our labour everywhere has no economic or other cause for complaint at the conditions under which it serves your company and that these conditions are second to none in the Indian Empire.

Here I would like to ask you to confirm the expressions, which have already been conveyed to all your employees in the East and on this side, of the board's appreciation of their untiring and whole-hearted efforts in the company's interests during the past year. We have a loyal, capable, and energetic body of men—in the East working under difficult conditions—all pulling together and giving of their best not only to advance your business but, through it, to give the best possible service to the consumer with a commodity which plays such an important part in the whole life of India.

Visit to Anglo-Persian Company's Properties.

Last winter—in company with two of my colleagues on the Anglo-Persian Company's Board, Mr. W. Fraser and the late Mr. H. E. Nichols—I paid a most interesting visit to Persia and inspected the properties and operations of that great company in which your company holds such a large stake. The pleasure of the trip was marred by the sad death in Persia of Mr. Nichols, and here in a word I would like to pay my personal and public tribute to the memory of one with whom I was closely associated in connexion with the Persian oil concession and the Anglo-Persian Oil Company for over 20 years—who gave up almost his entire life and energies to its affairs and laid down his life in its service—and for whom I had the greatest admiration and the sincerest regard.

Having from this side closely followed every move and development of this great enterprise since 1905, when the Burmah Oil Company formed the concessions syndicate to test—and in the end successfully prove—the Persian oil concession held by the late Mr. D'Arcy, you will understand with what deep interest I visited the scene of its activities and wonderful developments in Persia. I will not attempt to describe what I saw, or venture to comment on the company's present position or prophesy as to its probable future. These are the prerogatives of the company's chairman, who always deals with them very fully and in a masterly manner at the annual meeting, and I will merely say that I was deeply impressed by the extent and richness of this wonderful oilfield the company has already proved; by the completeness and efficiency of the company's works and whole organisation, and by the keenness, loyalty, and enthusiasm of the whole staff, and I feel that I can again congratulate the shareholders of the Burmah Oil Company on their large interest in an enterprise which apparently possesses every element and prospect of a great and prosperous future.

"In the Interest of Historical Accuracy."

Like your own company, the history of the Anglo-Persian is sufficiently romantic in itself to be able to dispense with anything in the shape of adornment of the plain tale, and, since Mr. Watson's brochure incidentally disposes of some of the adornments which have gathered round the history of the Burmah, perhaps I might here be permitted once and for all to "lay" the apocryphal cable to Persia to the late Mr. Reynolds to which, metaphorically, he is alleged to have done as Nelson did at Copenhagen—turned a blind eye—or rather a deaf ear! While it is true that the directors of the concessions syndicate—of whom I am unfortunately the only survivor—had under serious consideration the abandonment of the syndicate's operations in Persia and had made all preparations for that eventuality in the event of oil not being struck in the Musjid-i-Suliman test at or above 1,500 feet—the depth their geological advisers had recommended drilling to—no instructions finally to abandon operations were ever sent to Mr. Reynolds either by letter or by wire, and oil was eventually struck at 1,180 feet. In the interest of historical accuracy it is perhaps as well that such frills as these should be removed from the story while there are those still alive who can, with real and documented knowledge of the facts, remove them.

I now beg to propose: "That the report of the directors and audited statement of accounts, including the balance-sheet and profit and loss account to December 31, 1926, presented at this meeting, be

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received, approved, and adopted," and I shall call on Mr. R. I. Watson, our managing director, to second this motion. After the motion has been seconded an opportunity will be given to the shareholders to ask questions or make any remarks.

The Discussion.

Sir Frederick C. Gardiner, K.B.E.: Mr. Chairman, ladies, and gentlemen,—You, Sir, have invited any shareholder to make any observations or to ask questions, and I avail myself of that invitation, in the first place, to congratulate you, Mr. Watson, and all who are associated with you in the direction of this company, the staff at home and abroad, and, indeed, all who are in its employment, on the very splendid report you are again able to submit to us. There is one announcement you have made in your speech which appeals to me very specially, and it is really in order to further that that I venture to say a few words. It is your proposal to contribute the sum of £100,000 to the University of Rangoon for the purpose of setting up a college of mining and engineering. I think that is a peculiarly fitting direction in which you should give further testimony of your deep interest and sympathy with our great Eastern Dependencies. The history which you circulated to your shareholders, drawn up, as I gather, by Mr. Watson, showed that the Burmah Oil Company, while it had been developing this great field, had not been forgetful of the interests of the millions and millions of our fellow-subjects in India and in Burma. You are not there to exploit the resources of Burma and of the workers, and to take the last penny out of them, if I may say so, but you have shown your sympathy with the very great mass of the poor people of India by supplying them over a course of years with their oil, their kerosene, at a price substantially below the world's price, and now, in another direction, out of your affluence, you decide to contribute £100,000 to this university, which has my own very cordial support, and, I cannot doubt, will have the support of every shareholder present.

Suggested College of Chemistry.

But one suggestion I venture to make for your consideration. For many a year we had much talking, one might almost say babbling, about German chemists, and nothing was done, or very little done, to challenge their undoubted supremacy; but at long last, if my memory serves me right, the oil companies banded together and contributed to Cambridge University something like a quarter of a million sterling in order to provide that something worthy of the industry might be done in that direction, and it occurs to me that chemistry must have some very intimate connexion with the Burmah Oil Company, and that it would be appropriate that this company should do something for chemistry as well as for those two other subjects. It may be that some of the large companies in Burma, such as the Burma Corporation, may have already contributed, or may have it in their minds to contribute adequately for a chair or college of chemistry, but, if they have not, might I in a word respectfully suggest to the consideration of the board, and to you, ladies and gentlemen present, whether it would not be a very fitting thing to do something for that great subject? Let me, in conclusion, say that the setting up of this chair will be a lasting monument, which will test the fact that the Burmah Oil Company has been something more than a mere money-making concern, extracting the last penny out of Burma and of India, and it will be a monument to our sympathy with all our fellow-subjects in our Great Eastern Dependencies. (Cheers.)

The Chairman: Are there any other remarks any shareholder may care to make, or question to ask?

No questions being asked, the Chairman said:—I would merely thank Sir Frederick for the very kind way, and generous way, in which he has referred to the directors' decision. While we have in our deliberations decided that the establishment of a college of mining and engineering is the direction in which our donation would be best spent—and we have had in our minds that the university will make ample provision for chemistry—we certainly will take into consideration what Sir Frederick has said. I will now formally put to the meeting the resolution which has been moved and seconded.

The resolution was declared carried unanimously.

The Chairman: I have now pleasure in moving "That the dividend on the ordinary shares recommended by the directors, at the rate of 20 per cent. per annum, 4s. per share, less tax, for the year, be adopted, and that the same be hereby authorised to be paid on June 17, and that the balance of £453,469 7s. be carried forward.

Mr. David Young: I have very much pleasure in seconding the motion so nicely put before the meeting by Sir John Cargill.

The motion was carried.

The Chairman: I now beg to move, "That Sir Campbell K. Finlay be re-elected a director of the company." In that connexion I would just say that Sir Campbell Finlay has been laid up in a nursing home in London for a week and has been unable to come North. I am glad to say he is getting on all right.

Mr. W. J. Hill: I beg to second the motion.

The motion was approved.

The Chairman: I beg to move, "That Mr. G. C. Whigham be re-elected a director of the company."

Mr. James A. MacArthur seconded, and the motion was approved.

The Chairman: Lastly, I have pleasure in moving "That Mr. David McCowan be re-elected a director of the company."

Lieutenant-Colonel D. S. Morton seconded, and the motion was approved.

Mr. Alfred Macdonald: I beg to propose the reappointment of Mr. James Herbert Wilson, C.A., as auditor for the current year.

Mr. Thomas H. Gollan seconded, and the motion was approved.

The Chairman: That is all the business, ladies and gentlemen, and I thank you for your attendance.

Vote of Thanks.

Mr. J. A. Ralston Mitchell: Ladies and Gentlemen,—Before we leave the hall I am sure it is your pleasure, as it is mine, that we should accord to Sir John Cargill a very hearty vote of thanks for presiding over this meeting to-day. I understand this is the 23rd consecutive year in which Sir John has been present at the annual meeting of the Burmah Oil Company. We welcome him all the more to-day when we realise that he has just risen from a bed of sickness in order to maintain the continuity of his chairmanship. We hope, Sir John, that your noble effort to be with us to-day will cause no bad results. We again congratulate you and the directors on the progress and development of this great organisation during the last year, and we would also thank you for the carefully considered indication as to the prospects for the current year. I should also, on behalf of the shareholders, like to thank you, the board, and more especially Mr. Watson, for the most interesting and attractive brochure which we shareholders received along with the annual report. (Cheers.) It was, I think, a very happy thought to send it to us, and I can assure you it is very much appreciated by your shareholders. Last year I visited Burma, and through the great kindness of your officials I had an opportunity of going all over that great and prolific field of yours at Yenangyoung. I was greatly struck by the power station there, which is second to none in the world. I have also had the opportunity of being taken over the new refining plant at Syrian. It is most up to date, and was, while I was there, approaching completion. I am sure it will prove a great benefit to the company. With regard to the finances of this company, we shareholders would like to refer to the conservatism with which it has been managed in the past, for we realise that it is owing to that conservatism that we are in the proud position of being such a powerful company to-day (Hear, hear.) Ladies and gentlemen, I will not detain you longer, but would merely ask you to accord Sir John Cargill a most hearty vote of thanks for his presence in the chair to-day and to give him our assurance that he has our entire and continued confidence. (Cheers.)

The Chairman's Reply.

The Chairman: Mr. Mitchell, ladies, and gentlemen,—For so long now, the 23 years that Mr. Mitchell has mentioned, that I have presided at the company's annual meeting I have had each year to try to convey to you my thanks for the vote of thanks which has always been proposed in a similar kindly way to which Mr. Mitchell has proposed it, and also has been accorded in the same hearty way you have kindly done, and I feel it is very difficult for me to say anything new; but when I look round this meeting and see so many bright and happy faces—(laughter)—I feel that really, in a way, I have earned a vote of thanks for sending so many of you away from this meeting in such a happy and contented—I won't go the length of saying optimistic—frame of mind—(laughter)—that my speeches somehow or other seem to engender. There is something quite new in having a shareholder proposing a vote of thanks who has recently visited your properties in the East, and I think, from what Mr. Mitchell has said, that you will all feel that anything I have ever said in praise of our people and what they do to carry on your business has been fully justified. (Cheers.) I have said it before, and I say it to-day with the greatest confidence, that under the able command of Mr. Watson, your managing director, and Mr. Whigham, your assistant managing director—who, I may mention, is going to pay a visit of inspection to India and Burma this coming cold weather—we have a staff which for loyalty to the company, for enthusiasm in their duties, and for ability to carry out those duties, is second to none, not only in the oil world, but in the whole world of commerce. (Cheers.) It is to the efforts of your staff and those gentlemen that the continued progress and prosperity of the great company are so largely due; and while to-day the oil world is undoubtedly passing through trying times, due to the passing phase of over-production, which will come to an end one of these days, I personally to-day look forward with greater confidence than ever to the future of this company with which I have been so closely associated from its infancy. (Cheers.) I would only thank Mr. Mitchell again most cordially, on my own behalf and on behalf of my colleagues, for the extremely kind remarks he has made, which, I can assure him, are most cordially appreciated. (Cheers.)

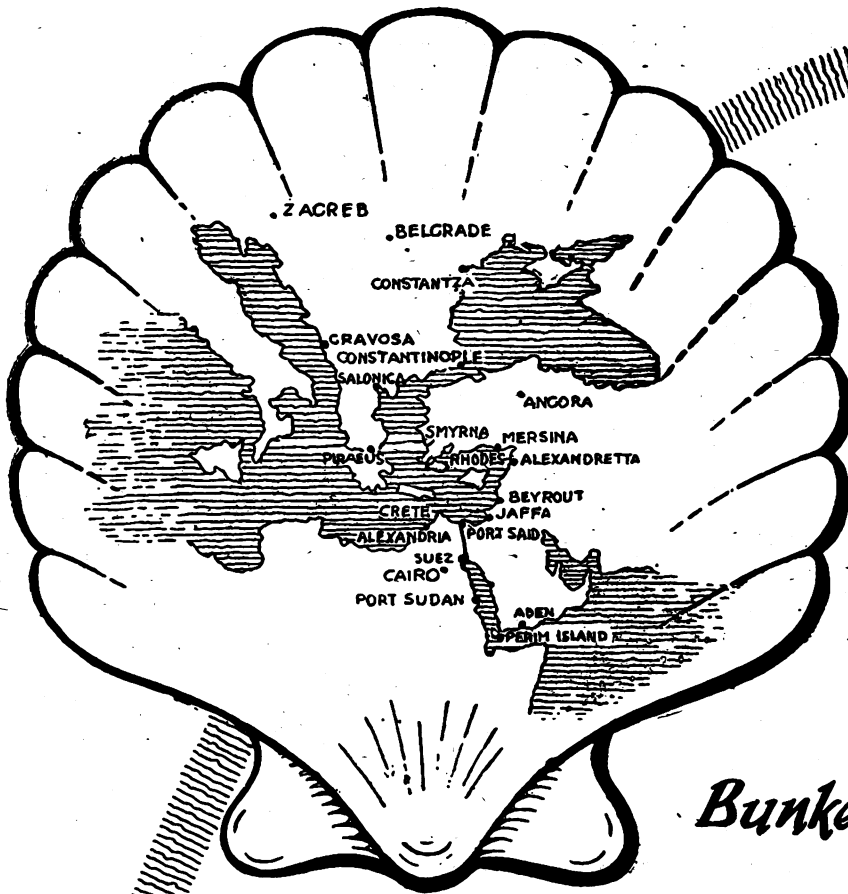
The fifteenth Zionist Congress will be opened in Basle (Switzerland) on August 30.

Mr. S. A. Tippets, Governor, Red Sea Province, retired from the Sudan Government service last week.

The Amir of Afghanistan is expected to return to Kabul about the middle of June from a tour in Turkestan.

The subject for the Le Bas Prize, 1928 (Cambridge University), is: "The Remains of Indian Religious Art in Central Asia."

A service of commemoration of the opening of the Greek Cathedral of Aghia Sophia (London) on May 20, 1879, was held in the Cathedral on June 12 (being the Festival of Aghia Sophia).



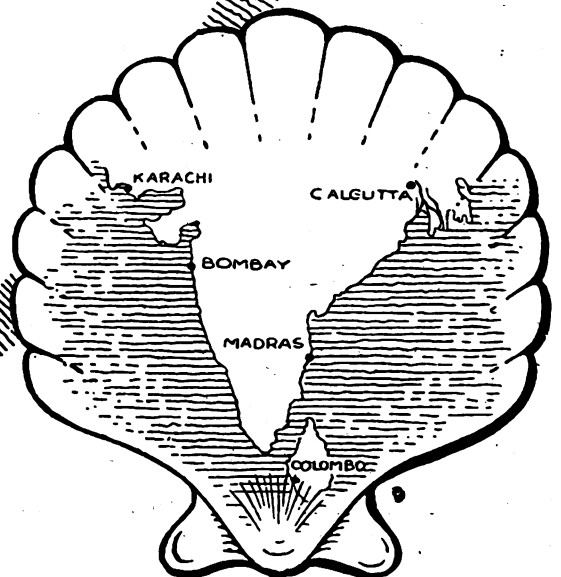
*Fuel Oil, Gas Oil
Diesel Oil, Kerosene
Aviation Spirit
Motor Spirit
Lubricating Oil
Paraffin Wax
• Candles •*

*Bunkering Stations
at all
Principal Ports*

ENQUIRIES SHOULD BE ADDRESSED TO

The Anglo - Jugoslavensko Petrolejsko
D.D., ZAGREB
The P.G. Macris Trading & Industrial
Co., Ltd., ATHENS.
Messrs. Zannas & Mavrogordato,
SALONICA.
The Asiatic Petroleum Co. (Turkey),
Ltd., CONSTANTINOPLE.
Messrs. Fratelli Aliotti SMYRNA.
The Asiatic Petroleum Co. (Palestine),
Ltd. Head Office : CAIRO.
The Asiatic Petroleum Co. (Egypt), Ltd.
CAIRO.
Messrs. A. Besse ADEN.
The Asiatic Petroleum Co. (India), Ltd.,
CALCUTTA.
The Asiatic Petroleum Co. (India), Ltd.,
MADRAS.
The Asiatic Petroleum Co. (India), Ltd.
BOMBAY.
The Asiatic Petroleum Co. (India), Ltd.,
KARACHI.
The Asiatic Petroleum Co. (Ceylon),
Ltd., COLOMBO.
(Agents: *Delmege Forayth & Co., Ltd.*)

SHELL



Cotton and Cotton Goods.

THE EGYPTIAN MARKET.

The Alexandria Commercial Company in their report dated June 2 state:—

Since our last report the futures market has been somewhat less active and fluctuations have not been so wide. The week's summary of price movements is as follows:—
Sakellaridis: July, 32.17 dollars; 0.13 dollars down; November, 32.90 dollars, 0.17 dollars down; January, 32.70 dollars, 0.12 dollars down. Ashmouni: June, 23.88 dollars, 0.33 dollars up; August, 24.35 dollars, 0.30 dollars up; October, 24.97 dollars, 0.40 dollars up; December, 25.07 dollars, 0.40 dollars up; February, 25.37 dollars, 0.40 dollars up.

Sakel.—This market has been quieter than recently but the tone, on the whole, is rather firm. Although latest advices received from Lancashire report some improvement in textile conditions, the demand has again fallen off but this may be put down to the fact that the English mills, our best customers for Sakel, at the moment find it advantageous to take Sudan cotton for their requirements. Most of the business continues to be concentrated on the November option. There has been some selling out of long holdings of November during the week. The selling was not at any time heavy; it was induced by the uneasy feeling prevalent as a result of a Note by the British Government to the Egyptian Government regarding certain changes which the latter wish to make in the Egyptian Army and which, apparently, do not meet with the approval of the British authorities; it is, however, generally expected that the matter will be settled in an amicable manner. Arrivals from up-country, contrary to expectations, are still heavy and the Alexandria stock shows an increase on the week.

Uppers.—We have had a series of firm markets and straddlers have continued buying October against sales in New York. There has also been some straddle buying of October against sales of November Sakel. The demand from abroad has been only moderate, and it appears that spinners consider that the recent advance has been extravagant and that present levels are too high; it seems that competing growths are now relatively cheaper than Ashmouni.

At the first June tender, 27,250 kantars were issued, the biggest tenderer being one of the local banks. The dockets were quickly stopped, the premium of the distant months being sufficient to cover the cost of carrying the cotton.

The week's receipts amount to 153,112 kantars against exports 116,369 kantars; the stock in Alexandria stands at 3,123,018 kantars.

The official figures of arrivals and exports for the period September 1, 1926, to May 26, 1927, are as follows:—
Arrivals: Lower Egypt, 4,992,000 kantars; Upper Egypt, 3,038,000 kantars; total, 8,030,000 kantars. Exports: Sakel, 2,627,316 kantars; Ashmouni, 3,213,004 kantars; Various, 416,565 kantars; total, 6,256,885 kantars.

Spot: Sales this week amount to about 12,000 bales, of which we estimate 4,000 bales Sakellaridis, 7,150 bales Ashmouni and Zagora, 700 bales Pilon, and 150 bales other varieties.

Sakellaridis: All grades are covered in this week's sales. The turnover has perhaps been a little restricted by some of the owners of the better style cotton abstaining from offering. There is plenty of cotton on the market, but good staple and character require a good deal of searching for. Spot differences remain unchanged.

Ashmouni and Zagora: There still continues to be a fair demand for these varieties and the turnover shows a slight increase over last week. Spot differences are about the same with the exception of the Good grades, which have somewhat hardened.

Pilon: A small business has been done at about last week's prices.

Various: A few bales of White and Fouadi have changed hands.

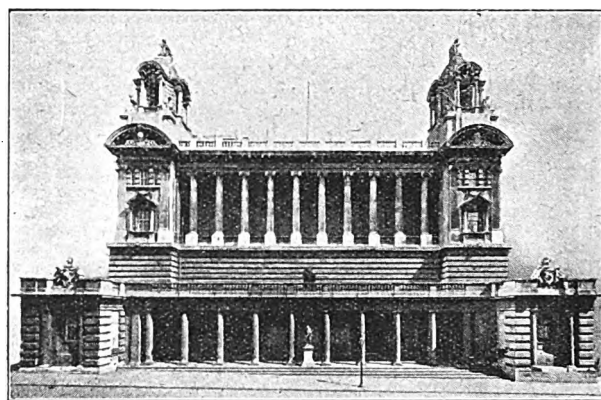
Up-Country: Only a few ginning factories are still working but there is still a fair quantity of ginned cotton in the compounds and cotton will continue to come down for some time yet. The 1926 crop has exceeded all estimates; 8,375,000 kantars have come down to Alexandria since September 1 last, and there is still cotton up-country.

Crop, 1927: The crop is making normal progress but fears are now expressed that there may be a shortage of water during the summer months, especially in the North Delta districts. Leaf worm is reported from all districts but this pest has, so far, been successfully dealt with. We see no reason to change our estimate of about 20 per cent. as the reduction in the acreage. The land planted in cotton has been, in some districts, measured up, cases of planting more land than the proportion (one-third) allowed have been found, but only in a few cases has the crop been up-rooted.

THE LIVERPOOL COTTON MARKET.

Messrs. Reynolds and Gibson report as follows for the week ended June 8:—

Egyptian Futures.—Sakel Contract.—Owing to the holiday intervening, our market has only been open for four sessions since our last report. Although trading has been of a rather light description, a steady tone has been in evidence and at times a marked shortage of contracts has been noticeable. Following on the week-end break in the New York market, Alexandria opened



THE LIVERPOOL COTTON EXCHANGE.

Liverpool Cotton Association

LIVERPOOL

The Greatest Spot Cotton Market in the World

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OFFER FACILITIES FOR THE SALE,
PURCHASE AND FINANCE OF
EVERY GROWTH OF COTTON.

The World follows Liverpool Cotton Quotations daily.

GROWERS AND SHIPPERS SHOULD
SEND THEIR COTTON TO LIVERPOOL.

All information may be obtained from the Secretary.

THE IMPERIAL BANK OF PERSIA.

(Incorporated by Royal Charter, 1889.)

CAPITAL (fully paid) - £650,000 | RESERVE - - - £470,000
Reserve Liability of Shareholders, £1,000,000.

Branches in Persia:—
 Abbadan Bushire
 Ahwaz Duzdab
 Barfrush Hamadan
 Birjand Isfahan
 Bander Abbas Kazvin
 Burujird Kerman

Chief Office in Persia—TEHERAN.

Kermanshah
 Masjed-Suleiman
 Meshed
 Mohammerah
 Nasratabad
 (Seistan)

Pehlevi
 Resht
 Shiraz
 Sultanabad
 Tabriz
 Yezd

Branches in Iraq (Mesopotamia):—Bagdad, Basra, Kirkuk.

Branch in India:—Bombay.

The Bank is prepared to transact Banking business of every description in and connected with Persia and Mesopotamia; and in London grants Drafts, Telegraphic Transfers and Letters of Credit, and negotiates or collects Bills on Persia and the Near East.

Head Office: 33-36, KING WILLIAM ST., E.C.4; Chief Office in Persia, TEHERAN

IONIAN BANK, Ltd.

Established 1839.

Capital Authorised - - £1,000,000
 Capital Paid up - - - £600,000
 Reserve Fund - - - £235,000
 Total Assets - - - £5,663,445

HEAD OFFICE:

Basildon House, Moorgate, LONDON.

GREECE.

EGYPT.

Central Office:

Central Office:

ATHENS.

ALEXANDRIA.

25 Branches and Agencies.

10 Branches and Agencies.

CYPRUS.

TURKEY.

NICOSIA.

CONSTANTINOPLE.

Larnaca and Limassol.

(Stamboul, with Sub Branch at Galata.)

Complete Banking Facilities for the Near East.

The Only British Bank in Greece.

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SUBSCRIPTION ORDER.

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 170, Strand, London. W.C.2.

Please forward
 THE NEAR EAST AND INDIA
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Remittance enclosed.

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 RATES 14s. 6d. for 6 months.
 Post Free ABROAD, £1 10s. per annum;
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To be obtained at all Bookstalls.

IMPERIAL BANK OF INDIA

Incorporated and constituted in India under the Imperial Bank of India Act, 1920, for the purpose of taking over the undertakings and business the Bank of Bengal, the Bank of Bombay and Bank of Madras.

Local Head Offices:—

CALCUTTA, BOMBAY, MADRAS

Managing Governors in India:—

Sir Norcot Warren, K.C.I.E.

Sir N. M. Murray.

Manager in London:—

Sir S. A. H. SITWELL.

Authorised Capital Rs. 11.25.00.000

Paid-up Capital - Rs. 5.62.50.000

Reserve - - - Rs. 5.00.00.000

BANKERS in INDIA to the GOVERNMENT INDIA.

Branches in all Principal Towns in India.

London Branch - - - 22 Old Broad Street, E.C.2.

NATIONAL BANK OF INDIA, LIMITED.

Registered in London under the Companies Act of 1862, on the 23rd March, 1866

Established in Calcutta, 29th September, 1863.

BANKERS TO THE GOVERNMENT IN KENYA COLONY AND UGANDA.

AUTHORISED CAPITAL	£4,000,000	Paid-up Capital	£2,000,000
Subscribed Capital	£4,000,000	Reserve Fund	£2,900,000

HEAD OFFICE: 26, BISHOPSGATE, LONDON, E.C.2.

BRANCHES.

Aden	Calcutta	Colombo	Lahore	Rangoon	Eldoret	Kenya Colony (Brit. E. Africa)	Entebbe	Uganda
Aden, Steamer Point	Cawnpore	Delhi	Madras	Tuticorin	Kisumu		Jinja	
Amritsar	Chittagong	Kandy	Mandalay	Zanzibar	Mombasa		Kampala	
Bombay	Cochin (S. India)	Karachi	Newera Eliya		Nairobi, Nakuru			

TANGANYIKA TERRITORY—Dar-es-Salaam, Tanga.

The Bank purchases grants, advances against or collects Bills payable in India, Burma, Ceylon, Aden, Zanzibar, British East Africa, Uganda, etc., on current terms. The Bank issues Drafts on its Branches, as well as on its Agents in the principal towns of India and Burma, Africa and elsewhere, and also sells Telegraphic Transfer on all its Branches, at the exchange of the day.

The Bank, on behalf of its Constituents, undertakes the collection of Furlough Pay and Pension from the India and Colonial Offices, the Custody of Government and other Securities, and the receipt of interest and Dividends thereon.

Powers of Attorney or other forms and any information required may be had on application to the Bank in London or any of its Branches.

The Bank receives Deposits for fixed periods not exceeding one year at rates to be obtained on application.

LLOYDS BANK LIMITED.

HEAD OFFICE:
 LONDON, E.C. 3.

Capital Subscribed -	£73,302,076	Reserve Fund -	£10,000,000
Capital Paid up -	£15,810,252	Deposits, &c. (31st Dec., 1926)	£347,653,458

EASTERN DEPARTMENT:

14, KING WILLIAM STREET, LONDON, E.C. 4.

LLOYDS BANK now has the following Offices in INDIA and BURMAH, and can offer special facilities to merchants and others for transactions with those countries. It issues Drafts, Mail and Telegraphic Transfers and Letters of Credit, negotiates and collects Bills of Exchange, conducts Exchange operations, and transacts Banking and Agency business generally.

INDIA & BURMAH.—BOMBAY, CALCUTTA (2 Offices), KARACHI, RANGOON, DELHI, SIMLA, RAWAL PINDI, MURREE, SRINAGAR (Kashmir), GULMARG.

yesterday morning a dollar below Friday's close, but the greater part of this decline has since been recovered. Apart from this sharp decline, the markets on that side have been of a fairly normal character, fluctuations approximating closely to the movements in New York and Liverpool. The two markets (Alexandria and Liverpool) at present are running at such a narrow difference, especially in new crop months, that for any decline to materialise the lead must be from the other side. At the moment, weakness here is immediately met by straddle buying, and it certainly appears a reasonable proposition for those prepared to run the operations well into the autumn months, to purchase November locally against sales of the same position in Alexandria, whenever Liverpool shows a discount of anywhere round 20 points.

"Bull" speculation in Alexandria had recently reached the stage where the local situation was rapidly losing its significance, and in which the course of the New York market was proving the main influence. Consequently, the first sign of a break in that quarter resulted in a prompt, and perhaps exaggerated, reaction in Egypt, where support of any kind was temporarily lacking. Here, on the contrary, short covering on the down scale has been a feature of the decline, and straddlers also availed themselves of the quick turn in the Egyptian/American difference to take profits.

From a speculative point of view, the market looks extremely dangerous, especially on the short side, owing to the scarcity of contracts when any fresh buying, or short covering, makes an appearance. At times, the trade demand has shown improvement, but latterly the offtake has become quieter. Values since our last report show an advance of from 17 to 18 points, with October exceptionally 35 up.

Upper Contract.—The Upper contract during the last week has failed to attract much attention and only isolated transactions have taken place, the market being very narrow. Values, since our last report, are unchanged for old crop months. September is exceptionally 14 points lower, and other months 8 to 12 points higher.

Egyptian Spot.—The approach of the Whitsuntide holiday coincided with a more hesitating tendency on the part of the various futures markets, with the result that immediately following our last report business showed signs of becoming quieter. Over the week-end, the more favourable weather news in the U.S.A. caused a considerable amount of futures liquidation, and when our market reopened yesterday the spot inquiry for Egyptian cotton proved to be an almost negligible quantity. Spinners at the moment are inclined to hold aloof until prices become more stabilised. The reaction of course has not been unexpected and, provided it is not carried too far, will probably bring about a more healthy state of affairs and prove to be merely the precursor of another steady buying movement. Interest in Sudan cotton has been on the whole well maintained, although since the break in futures occurred buyers, for the time being, are curtailing their purchases as much as possible until the situation becomes clearer. C.i.f. business has become very slow again, but it is satisfactory to note that last week's forwarding figures reached the large total of 13,571 bales (8,555 Egyptian and 5,016 Sudan). Estimated sales for the four business days under review total 700 bales Egyptians and 3,400 bales Sudan. Quotations of Sakellaridis show a reduction of 25 points for Extra Fine and Fair cotton, other grades remaining unchanged on balance. Quotations of Upper are 10 points dearer. F.G.F. Sakel to-day, 17.06d. F.G.F. Upper to-day, 13.45d.

The sudden death has occurred of Admiral Sir Francis Harrison-Smith. Born in 1861, he took part in the Egyptian campaign of 1882 and the Eastern Sudan campaign of the succeeding two years.

Seventeen men were burned to death on June 7 in a fire in the Moreni oilfields in Roumania. The fire broke out at No. 10 Well, belonging to the Steaua Company, and quickly spread to neighbouring wells.

COMPANY NOTES AND REPORTS.

ATTOCK OIL.

The report for the year ended December 31, 1926, states that the profit before providing for depreciation amounts to £43,414, to which falls to be added unappropriated balance of profits from 1925 of £52,444, making £95,858. There has been written off as depreciation on field and refinery plant £70,000, leaving a balance for disposal of £25,858, which the directors propose be carried forward to 1927. The profits figure is arrived at after charging up all well-boring expenditure. No drilling operations were undertaken at Dhulian Field during the year. The decline in profits as compared with 1925 is accounted for by a decrease in the quantity of crude oil won during the year by the increased drilling costs due partly to drilling now being carried on at greater depths. The exploitation of previously worked sands gave moderate results only and drilling for deeper sands carried on concurrently did not give results until end of July, 1926, when a payable well was brought in at about 2,800 ft. One further well was drilled into that sand towards the end of the year, the good flush production being obtained. It is too soon to judge if this new source of supply will prove more reliable than the higher sands. Meantime, however, certain other wells have been drilled into it with satisfactory results overhead, and the daily average production of crude in 1927 to date has shown a steady increase over the daily average figure for 1926. Further wells are going down to this sand, and additional tests are being carried to greater depth.

NATIONAL BANK OF EGYPT.

Position at April 30, 1927, published in conformity with Article 8 of the Statutes. Banking Department:—Liabilities: share capital (300,000 fully paid shares of £10 each) £E2,925,000; reserve fund: statutory reserve £E1,462,500; special reserve £E1,145,625; current, deposit and other accounts £E14,900,413; Egyptian Government £E19,966,413; Sudan Government £E233,292; mixed tribunals £E1,615,601; bankers accounts £E344,221; cheques and bills payable

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Cairo: M. Avatis, 1, Faggala.

Express Book and Stationery Store, P.O. Box 1113.

Port Said: English Agency, P.O. Box 240.

SUDAN.

Port Sudan: The Egyptian Library, Post Office Box No. 44.

PALESTINE.

Haifa: Newspapers Agency Steimatzky, Jaffa Street.

Jerusalem: B. Y. and W. A. Said, 23-24, Jaffa Road.

Newspapers Agency Steimatzky, Jaffa Road.

SYRIA.

Beyrout: Sarrafian Bros.

IRAQ.

Basrah: Jashanamal, Bridge Street, Ashar.

BULGARIA.

Sofia: Librairie Francaise et Etrangere, 44, Bvd. Tsar Ostvoboditel.

CYPRUS.

Nicosia: Dick Soutanian, P.O. Box 6.

GREECE.

Athens: Messageries de Journaux et Publications Etrangers, 24, Rue du Stade.

TURKEY.

Constantinople: The Anglo-American Book and Newsagency, 18, Rue des Petits Champs, Pera.

AMERICA.

New York: Brentano's, Fifth Avenue and 27th Street.

Boston (Mass): Smith and McCance, Ashburton Place.

charges (including contribution to staff profit-sharing fund), rebate on bills and for all bad and doubtful debts, was £116,929, plus £42,400 brought forward. The directors recommend a final dividend of 3 per cent., making 5 per cent., less tax, transferring £25,000 to the contingency fund and £25,000 to writing down premises and furniture account, leaving £49,330 to be carried forward.

The East Indian Railway Company has given a contract to P. and W. McLellan, Ltd., Glasgow, for the erection of a steel bridge over the River Jumna, near Allahabad.

The directors of the Imperial Bank of Persia propose paying a final dividend of 6s. per share, plus a bonus of 1s. per share, free of tax, for the year ended March 20 last. With the interim payment of 4s. per share, the distribution is 11s. per share, as against 10s. for 1925-26.

The Bengal Nagpur Railway Company has declared an interim dividend of 15s. per cent. on the ordinary stock, payable July 1, which, together with the guaranteed interest of £1 15s. per cent. then due, will make the total distribution 2½ per cent. for the half-year, less tax.

The net profit of the Bank of British West Africa for the year ended March 31, 1927, after providing for current

* By authority of the Egyptian Government these Treasury Bills are deposited in lieu of gold. (See *Journal Officiel* of October 30, 1916.)

LONDON EXCHANGE		Prices on June 14	Railways.		Prices on June 14	Coal.		Prices on May 25 Rs
Government Stocks.			Assam-Bengal	...	84	Baraboni	...	21
Egyptian 4 p.c. Unified Debt ...	...	83	Bengal Nagpur	...	961	Bengal	...	462
Do. Pref. 3½ p.c. 1890 ...	...	72½	Egypt Delta Light Rly. ...	...	49/16	Burrakur	...	161
Do. Turk 4 p.c. 1891 ...	...	86½	Southern Punjab	...	193½	East Indian	...	221
Do. 3½ p.c. Eg. Trib. Bonds. '94 ...	...	795/16				Equitable	...	19
Greek 5 p.c. 1881	...	55½	Rubber.			Pench Valley	...	24½
Do. 5 p.c. 1884	...	55½	Ceylon Para Rubber Ord. ...	...	11/9	Raneegunge	...	33½
Do. 4 p.c. Rentes, 1889 ...	...	45½	Doolgalla (Ceylon) Rub. Est. ...	...	20/	Standard	...	51
Do. 5 p.c. 1890	...	56	Grand Cent. (Ceylon) Rubber ...	...	40/	Cotton.		
Do. 5 p.c. Funding Loan, 1893 ...	...	54	Hewagum Rubber Co.	...	21/3	Bengal Nagpur	...	251
Do. 4 p.c. Rails, Loan, 1902 ...	...	54	Kepitigalla Rubber Estates ...	...	2/10½	Bombay Dyeing, etc. ...	...	944
Do. 4 p.c. Loan, 1910	...	53½	Malayalam Rub. and Produce ...	...	39/6	Bowraah	...	360
Do. 5 p.c. Loan, 1914 (Lon. issue) ...	...	67½				Buckingham and Carnatic ...	...	207
Do. 7 p.c., 1924	...	97	Shipping.			Cawnpore Textiles	...	4/1/16
Persia 5 p.c., 1911	...	83½	Anchor 5½ p.c. Prf.	...	7½	Century	...	445
Roumania 4 p.c. Ext.	...	70½	Cunard	...	26/	Central India	...	537½
Do. 4 p.c. Consolidation	...	45½	Furness Withy	...	38/	Elgin	...	92
Sudan 5½ p.c. Guar. Bds.	...	107½	Khedivial Mail Ord.	...	1/	Khatau Makanji	...	117½
India 3½ p.c.	...	697/16xd	P. and O. Deferred	...	285	Muir	...	292
Do. 3 p.c.	...	59½xd				New Ring	...	275
Do. 2½ p.c.	...	49½xd	Tea.			Phoenix	...	430
Do. 5½ p.c.	...	103	Assam Co.	...	21	Svadeshi	...	534
Do. 4½ p.c.	...	90½	Bengal United Tea Ord	...	33/16	Jute.		
Turkish 4 p.c. Unified	...	24½	Bramapootra	...	37	Alliance	...	638½
			British Indian Tea Ord. ...	...	39/16	Barnagore	...	250
Banks.			Cachar and Dooars Tea Ord. ...	...	4	Budge Budge	...	585
Agri. Bank of Egypt	...	73/16	Ceylon Tea Plantations Ord. ...	...	63/15	Clive	...	41½
Bank of British West Africa ...	...	4½	Consolidated Estates	...	4xd	Dalhousie	...	490
Bank of Roumania	...	85/-	Darjeeling Co.	...	29/32xd	Delta	...	616
Barclays Dom. Col. Pf.	...	27/6	Dimbula Valley (Ceylon) Ord. ...	...	37/16	Fort Gloster	...	1,050½
Lloyds	...	62/4½	Dooars Tea Ord.	...	4½	Gourepore	...	777
P. and O. Banking	...	9½	Doolooram Tea	...	1½	Howrah	...	47
Eastern	...	6½	Doom Dooma	...	4/3/32	Kamarhaty	...	715
Chartered Bank of India	...	19½	East Assam	...	3/25/32	Kankarrah	...	538
Ottoman Bank	...	11½	Empire of Ind.	...	2/11/16	Khardah	...	533
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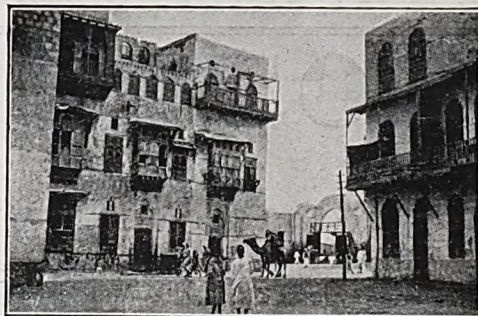
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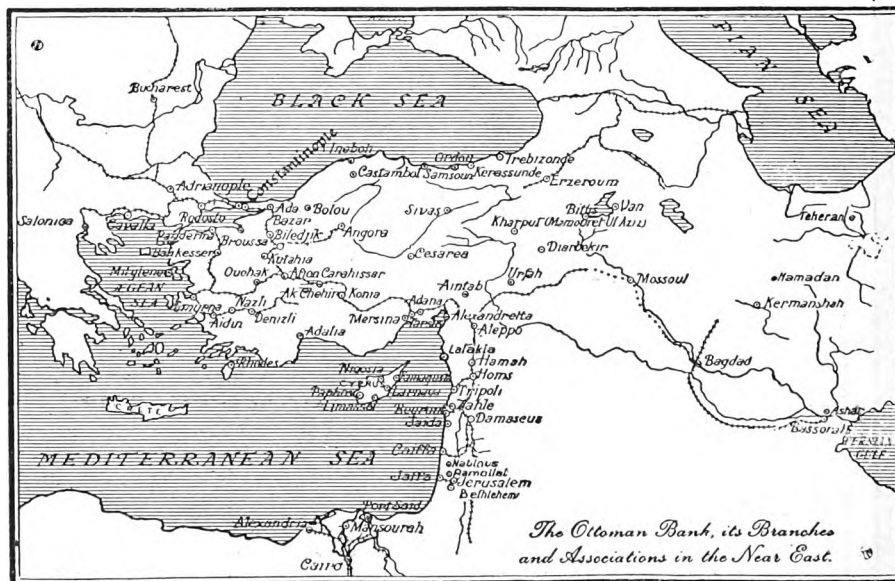
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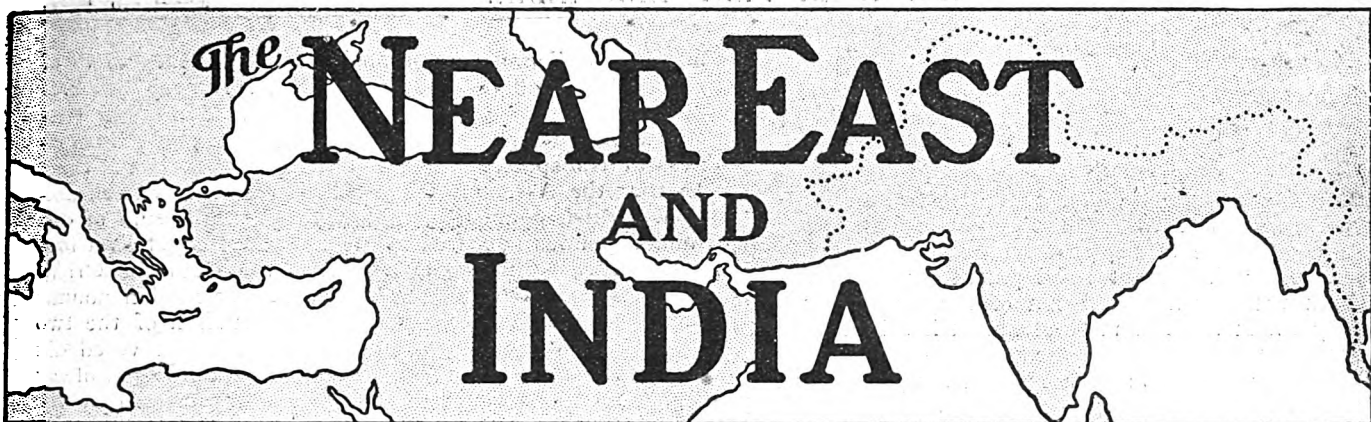
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The NEAR EAST AND INDIA

No. 840.—VOL. XXXI.

THURSDAY, JUNE 23, 1927.

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Notes of the Week.

The "All's Well" in Egypt.

The best commentary on the proceedings of the past week in Egypt is that King Fuad's visit to London is not postponed, the date of his arrival being July 4. In other words, not only has all tension between Egypt and Great Britain been removed, but, further, the relations between the two countries may be said to have sensibly improved. This fortunate issue is attributable in the main to the fact that the Egyptian Government has come into its own; Sarwat Pasha, supported by Zaghlul Pasha, has taken charge of the situation, and the extremists of the Legislative Assembly, silenced, if not convinced, have withdrawn into their proper sphere. In the absence of the official text of the Notes exchanged in Egypt, which will be published only if the Egyptian Government so wishes, public knowledge of their contents has to be derived mainly from Sarwat Pasha's statement to the Chamber of Deputies. That statement, it will be readily allowed, was a masterpiece of tact; its correctness, from the British point of view left nothing to be desired, and it achieved the unexpected in satisfying the Chamber of Deputies after a show of heat by a few Nationalists. The regrettable misunderstanding to which Sarwat Pasha referred as the *causa causans* of the British Note is accounted for by the contrast between irresponsible utterances in the Chamber and the considered policy of the Egyptian Government. The latter's assurance that the desire to improve the efficiency of the Army did not connote the far-reaching changes which had been read into them finds confirmation in the acceptance of the British point of view that the Egyptian Army must be kept out of politics and politics out of the Army, that the guiding principle of military administration must be efficiency, good order, and discipline, and that there must be cordial co-operation between the British and Egyptian Armies. Finally, Sarwat Pasha paid a generous tribute to the friendly spirit manifested in the negotiations as conducted by Lord Lloyd and the real desire that the High Commissioner displayed to maintain the best possible relations between the two countries. His words will have stated in this respect only what was well known already, but it was well that they should have been publicly uttered

in the Chamber, where not long before bitter attacks had been made on Lord Lloyd.

Amantium Ira, Amoris Integratio.

The understanding thus happily reached by the British and Egyptian Governments can now be used as the ground work of the wider agreement that it is the obvious and bounden duty of the two countries to ratify without further delay. To this end it is to be hoped that King Fuad's visit to England will pave the way for formal negotiations, as he is to be accompanied by his Prime Minister, Sarwat Pasha. The recent "crisis" in Egypt will have secured for the subject of Anglo-Egyptian relations more careful reflexion than has been given to it before. From the tenour of the British Note the Egyptians will now have been able to satisfy themselves that Great Britain has no sinister reservations behind the Declaration of Independence. Such reservations as she felt obliged to make, jointly in Egypt's interests and from the British Empire's necessity, were intended to cover the whole ground, and within those openly expressed limits it was her desire to see Egyptian independence as real and as complete as the Egyptians themselves could make it. It is not Great Britain's fault that no practical attempt has been made during the last five years to test the full range of that independence. There has been a tendency to push against the one barred gate rather than to explore the holding to which nature and international circumstances alone have set boundaries in any other direction. That mistakes may have been made on both sides is not unnatural. It is possible that the attention suddenly paid to the Egyptian Army is connected with the resentment at what is regarded as a British surrender to Italy, which compelled Egypt to give the Italians a strategical position on her west flank at Jarabub. Yet fuller consideration will have shown that British protection is a more effective asset for Egypt's territorial integrity than the possession of Jarabub without that protection. It is certain that any negotiations now undertaken for a treaty of alliance between Great Britain and Egypt will be begun in a much happier atmosphere than would have been possible six weeks ago or at any period during the last six years.

The Albanian Dispute.

The dispute between Yugoslavia and Albania over the arrest of the Albanian dragoman of the Yugoslav Legation at Tirana still drags on in an unconvincing manner. The only possible solution has been obvious from the beginning—mutual admission that neither side is guilty and a promise not to do it again; but each party is anxious to be able to say that the other was the first to retreat. An unimportant development during the week has been the return to Albania of the diplomatic free-lance by whom the Tirana Government has been hitherto represented at Belgrade and the withdrawal of the Yugoslav Consular staff from Albania. As the ground is now cleared of all actual and potential embarrassments, it would be well if the two Governments, on resuming relations, would realize the importance of being represented in the other's capital by men who understand that their first duty is to promote good relations between the two countries. As a recognized Serbophil, Tzena Beg may have deserved a better fate; it is probable that he failed to please his own Government as much as he pleased the Belgrade authorities. His independence of action tended to defeat his good intentions, as it left the Yugoslavs uncertain whether he was speaking on his own behalf or in the name of his Government. For Yugoslavia the only possible policy would seem to be to cultivate closer relations with Albania the more that Italian designs in the Balkan Peninsula become suspect in Belgrade.

Turkish Railway Construction.

The Turks have every right to be proud of their achievement in having completed, without recourse to foreign help, whether financial or technical, the railway from Angora to Kaiseria, a distance of 250 miles. This line it is interesting to note, originally figured in a concession given to the Anatolian Railways at the time of the construction of the railway to Angora, which was opened in 1892. The Kaiseria extension, which was to be part of the railway to Mosul and Baghdad, *via* Diarbekir, was, however, not built at the time. It figured again in the Chester Concessions, but in the end was constructed by Turkish engineers with Turkish funds. Whatever the intentions of the Angora Government may have been at one time, experience has shown the limitations of Turkey's unaided efforts in railway construction. Almost immediately after the ceremonial opening of the new railway—traffic on which, unfortunately, suffered immediate interruption from serious floods—it is announced that a contract has been signed by the Government with a German firm for the line which is to connect Kaiseria with the Baghdad Railway at Ulukishla, and for a second short

line from Kutahia, a branch railhead south-west of Eskishehir, to Tavshanli. This latter railway which is ultimately to serve the Chardi chrome fields beyond Tavshanli, now for the most part closed owing to the costliness of transport, has been contemplated for some time. In 1925 the Assembly voted a total credit of sixteen million Turkish pounds for this railway, and a sum of one million pounds appeared in the 1925-26 Budget as a first instalment. If it is the case that the Deutsche Orient Bank is now advancing more than three million pounds sterling to Turkey to cover the construction of the two railways, it may be presumed that the credit voted did not materialise. The importance of extending railway communications has been thoroughly appreciated by the Turkish Government, and if satisfactory arrangements can be made with foreign firms for the construction of some of the lines contemplated, the progress of Turkey will be materially accelerated.

Sport in Turkey.

Two incidents have recently aroused the Turkish Press and public to an intense pitch of excitement. The first was the formal opening of the Angora-Kaiseria railway, and the second was the victory of two Turkish Association football teams in Constantinople over a visiting eleven from Czechoslovakia. If credit can be given to the Turks for the first, they are no less to be congratulated on the enthusiasm with which various forms of sport, in particular football, are now indulged in, and seemingly followed with public interest. It involves no blind worship of sport to appreciate the ultimate advantage to the countries of the Near East, if their youth can be weaned from the excessive interest devoted hitherto to politics in the absence of any absorbing counter-occupation. It may even be a salutary experience in the early vogue of sport in Turkey that a recent match between the two leading teams in Constantinople ended in free fight, which evoked columns of reprimand and regret in the local press and a vow on the part of the rivals never to meet again. They would seem, however, to have combined a few weeks later in good fellowship to defeat the visitors from Czechoslovakia. This extension of games among the youth of Turkey, it may be added, is being warmly encouraged by the Government.

Parties in Roumania.

The letter that we publish this week from our Bucharest Correspondent throws interesting light upon the causes that led to the enforced resignation of the Averescu Government. The provisional character of the new Ministry is indicated by the fact that the political stage has since been held almost exclusively by the negotiations between M. Bratianu, the National Liberal leader, and M. Maniu, the head of the National Peasant Party, formed by the union of the Transylvanians and the Peasants' Party of the Old Kingdom. It is now reported that these negotiations have definitely failed. M. Bratianu has not been able to win over M. Maniu to his idea of, or his terms for, a coalition of the Parties to tide over the period during which King Ferdinand's health causes so much anxiety, and the two groups go to the electorate independently. It would be entirely in keeping with the artificiality of Roumanian politics, if the present Coalition Cabinet were now declared to have lost its *raison d'être* and had to make way for a Liberal Ministry, which would proceed to hold the elections. If there are to be elections, they should be held at all costs by a Cabinet as free as possible from extreme party bias. M. Stirbey (by the Roumanian Constitution titles of nobility are inadmissible; the Stirbeys, Ghikas, Bibescos, etc., reserve theirs for foreign use only) counts as a non-Party man and by incorporating in his Ministry representatives of various Parties, he can hold out the promise of genuinely free elections. It is significant that the National Liberals are now calling for the resignation of M. Stirbey and the appointment of a

(Continued on page 754.)

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THURSDAY, JUNE 23, 1927.

YUGOSLAVIA AND ALBANIA.

The peace of South-Eastern Europe is so closely linked up with the general policy of Yugoslavia that the course of events in that country, even in matters of primarily domestic significance, has some bearing on international affairs. At the present time the Yugoslav people have on their hands the complication with Albania, the chronic strain on Italo-Yugoslav relations and a political situation at home which represents the accumulated intensification of six years' political paralysis. In these circumstances it is hardly a matter for surprise that, in taking stock of the position, many keen observers in Yugoslavia are inclined to be pessimistic and are wondering in which direction a solution is to be found for the country's failure to make the most of its opportunities. It is not that Yugoslavia is standing still, but the progress that she is making is held to be merely an earnest of what might be achieved, if the nation's attention could be less distracted by alarms without and constant unrest within. A fresh appeal is to be made to the electorate. The last elections were held in 1925. During 1926 M. Ouzounovitch reformed his Cabinet four times, and yet once again before he made way last April for the present Prime Minister, M. Voukitchevitch. Although a member of the Radical Party, M. Ouzounovitch was regarded as representing a less exclusively Serb outlook than was associated with the régime of M. Pashitch. He tried hard to make a success of the experiment of working with the Croatian Peasant Party, with M. Raditch eliminated from the Cabinet, and when that scheme failed, he sought co-operation with the Slovenes. It was to be expected therefore, that the new Prime Minister would try to extend the system of widening the basis of government by bringing into his Cabinet all the component units of the population and as many parties as possible. M. Voukitchevitch, however, has now completed his Government, exclusively from Radicals and Democrats—both essentially Serb parties—and in the case of the former has not included any member of the Radical Centre. His appeal, therefore, will be made mainly to the Serbs, to whom he must look for his majority in the new Skupshtina.

Some justification for racial homogeneity in the present Government may be found in the peculiar task before it. The intention can hardly be to perpetuate the parliamentary stalemate that has existed for so many years; but as the Vidovdan Constitution was carried through Parliament by a Serb majority, so it may be considered necessary now by the new Prime Minister to have a compact majority behind him to enable the contemplated changes in the central administration and in the electoral law to be carried

out as far as possible on their merits, without making them the basis of bargains in other directions. Past experience must hold out little hope of introducing any measure of political stability in the country by means of the existing system of proportional representation. If the desire of M. Voukitchevitch, whose Cabinet comprises six Ministers without seats in Parliament, is first of all to conduct fresh elections and thereafter to reform his Government on a more representative basis, he is probably right in taking the line of least resistance by limiting the constitution of his Ministry of Affairs to politicians who consent to co-operate with him on the strength of his good intentions, without consideration for personal or party interests. At best, therefore, the new Government and the appeal to the electorate are stepping-stones to a new order, which, it is to be hoped, will bring Yugoslavia out of the political morass in which she has been floundering for so long.

It may not be an unfortunate coincidence that at the very moment when these new ideas are surging through the body politic the country should be genuinely stirred by an incident all too typical of the impetuosity which has characterized Yugoslav policy, both at home and abroad, in the past. The Albanian question is an admitted difficulty for Yugoslavia. At the same time it has a direct concern for Europe, and every Yugoslav Government must realize that the only possible solution consonant with the interests of Yugoslavia is one which carries with it the approval of the Powers. Now the latter are no more anxious than Yugoslavia to see Italy obtain an undue hold on Albania; to this extent, then, European sympathy starts on the side of Yugoslavia in respect of any honest policy for keeping the Balkans to the Balkan people. Quite recently the Italian Government made a false move in publicly laying at the Yugoslav door charges that could not be substantiated. There has been no definite outcome from the incident, but it served to make Italy more suspect in regard to the Balkans and correspondingly increased sympathy with Yugoslavia. If on the top of this Albania were to make a *faux pas*, which might in any way be identified with outside prompting, Yugoslavia would have the satisfaction of seeing her opponents deliver themselves a second time into her hands. Yugoslav impetuosity, however, allowed no time for a verdict on the Albanian action. Any quarrel with Italy on the subject of Albania, it might be thought, would make the Yugoslav Government resolved to retain Albanian good will at almost any cost. The attitude of the Yugoslav Chargé d'Affaires in Tirana, however, could have no other effect than to embitter still further the relations between the two peoples, and that at a moment when misgivings in Albania in regard to the intensification of the Italian hold on the economic life of the country were starting a reaction in favour of Yugoslavia. A Belgrade Government that makes it its policy to antagonize both Italy and Albania ought to have considerable difficulty in meeting the enlightened criticism of its own followers. The only explanation of the anomaly would seem to be that political affairs in Yugoslavia have been in such an agitated condition for so long that there has been no time for any Government to formulate a foreign policy and to carry it out with vision and resolve. In aiming at political stability at home M. Voukitchevitch is taking a step in the right direction, and in the interests of Balkan peace it is hoped that the policy will succeed.

The Near and Middle East*

From Our Own Correspondents.



Cairo, June 11.

A Disturbed Bairam.

This has been a disturbed Kourban Bairam. Usually the Court has been at Alexandria for this, the most important feast in the Moslem year, and usually there takes place at Ras-el-Tin on the first day one of the largest receptions of the season. Usually also there is a great exodus to the seaside for the five days during which all official work is suspended and Government offices are closed. But this year the Court has postponed its transfer to Montaza owing to the Egyptian Army crisis and for the same reason the King has decided to depart from tradition and not hold his usual reception. There has been a slight exodus to Alexandria for the feast, but nothing like what it has been in former years, and, generally speaking, there are a depression and an uneasiness which after all are not surprising, when one bears in mind that the country is still waiting to learn whether the attitude it has taken towards Great Britain's requirements in the matter of the Egyptian Army is to have the serious consequences which many affirm are unavoidable. But while pessimism reigns in political circles or rather in the more responsible centres thereof, optimism continues on the Bourse where, if anything, prices have hardened since the start of the crisis.

The Bank Misr.

The Bank Misr on Sunday last entertained a large and distinguished company at its new offices. This establishment, founded in response to the demand among Young Egyptians for a financial organisation which would make them less dependent in foreign enterprises, has made a certain amount of progress, but not that which everyone who was interested in its creation prophesied for it. For one thing it is exclusively Egyptian in that it is run entirely by an Egyptian staff and its clients and shareholders must all be Egyptian. To many experienced Egyptians the exclusion of the European element from the direction of an institution of this nature rather deprives it of the confidence which attaches to a not exclusively native-run show, and there is no doubt that, while its directors include some very capable men, this has stood for a lot in the holding aloof of numbers of the more prosperous Egyptian clients. That, although it caters particularly for the Egyptian element, the latter has by no means taken it to its arms and therefore there is not the field for business that would lie before it if it had its proper share of the "native" banking, is proved by the alarm felt by its directors when it was announced that certain members in the Chamber intended pressing for the transfer to it of the Government deposits at the

National Bank. The Bank Misr could not possibly have made any use of these funds and the Government deposits would indeed have been a white elephant to it. The day is indeed still far distant when it will have acquired the confidence of its fellow-countrymen to the extent of tempting them to do business with it rather than with the foreign banks.

Public Health.

Parliament has been mainly taken up with the Budget during the past week. One of the interesting debates has been on the estimates for the Department of Public Health. Among the suggestions made was one for the replacement of the village barbers by Egyptian youths, who had received a short course of elementary training. But the Chamber rightly referred the proposal back to the Public Health Department for the presentation of a more practical scheme. While the "village barber" may not respond altogether to the modern ideas of health control, yet they certainly provide a service which is far better than anything a body of raw youths having merely a smattering of the "trade" and no local knowledge could furnish, and the Chamber was very wise in deciding to retain this ancient service, until some really practical substitute can be supplied.

Out of the debate emerged an interesting, and to many a astonishing fact, viz., that the extension of irrigation as at present practised is responsible for the increase in the many ills from which the peasant classes suffer, such as anklyostoma and bilharzia. Sir William Willcocks recently gave a conference on the subject before the Egyptian Institute. He pointed out that basin irrigation was better suited to the health conditions of Egypt, and that the effect of the extension of the perennial system had been to raise the sub-soil water level to a point where it water-logs the land while at the same time it affects the health of the people, inasmuch as it causes the cesspits to overflow. He instanced Edfu in the basin area, which was particularly immune from anklyostoma and bilharzia, and Kom Ombo, the centre of perennial irrigation in Upper Egypt, where 25 per cent. of those examined had anklyostoma and 66 per cent. bilharzia.

Sir William mentioned that one of the authorities on the subject of native hygiene, Dr. Harpur, considers that the greatest hope of success in combating anklyostoma and bilharzia lies in the provision of public latrines in every village in the perennially irrigated tracts. He says, however, that this is not possible so long as the sub-soil water remains at its present high level and he maintains that, until adequate drainage is provided in the perennial irrigation, the threat to the sterility of the soil and to the health of the masses will continue. His opinion in regard to the close connexion between the provision of proper irrigation drainage and the public health of the villages is strongly supported by the leading Egyptian hygienic experts.

The Wafd Propaganda Case.

The Mixed Court of Appeal gave judgment this week in the case brought against the Wafd and Mohamed Mahmud Pasha by Mrs. Folk, widow of the American Senator of that name. The Wafd employed Mr. Folk in 1919 to carry out propaganda in the United States and from that date and during the negotiations with the Milner Mission, Zaghloul Pasha was in constant communication with the Senator, whose advice he sought throughout. Incidentally Mr. Folk advised the Wafd that the Milner Memorandum was an excellent settlement for Egypt, which could be accepted without quibble. Folk who died in 1923 never received any of the remuneration promised him under the contract, and, the Wafd repudiating all liability, Mrs. Folk accordingly brought the action referred to and has been awarded 62,000 dollars against Zaghloul Pasha as head of the Wafd.

*Under this heading appear weekly or at regular intervals, communications from correspondents in Egypt, the Sudan, Roumania, Yugoslavia, Greece, Bulgaria, Albania, Turkey, Cyprus, Palestine, Iraq, and Persia.

ROUMANIA.

Bucharest, June 15.

The Fall of the Averescu Government.

The unexpected fall of the Averescu Government during the first week of this month caused consternation among the general public and has once more plunged the country into a state of political excitement. In seeking to explain this and most other important political changes in the country in the present generation, *il faut chercher le Bratiano*, as the saying goes here. It has long been the laudable aim of the Liberal Party, inspired by the Brother Bratianu, to create in this country two main political parties which, though in opposition, would not each undo all the work of its predecessor and cancel each other's enactments, but would adopt a continuity of the basic policy of the State in financial and other fundamental matters. With this end in view the Liberals have for years been negotiating with the Transylvanian National Party of M. Maniu, and it was on their failure to come to an agreement with the Transylvanians that they "invented" General Averescu as their successor. It has always been understood that General Averescu owed his position to the Liberals, and that there was some agreement between them as to the policy to be followed. In the beginning the Averescu Government followed faithfully in the footsteps of the Liberals, but gradually it has become more independent, and several recent measures have greatly displeased the Liberal leaders, e.g., the reduction of export taxes and railway freights, the Italian Loan, and the interference with the independent railway administration by the creation of an Under-Secretary of State for Railways. This last measure was probably the one which annoyed the Liberals most, and with good cause, for they had reason to be proud of the railway organisation as they had left it—a self-governing body independent of political parties, and with revenues which covered the ordinary current expenditure. Whether or not the rumour be true that General Averescu's ambition had been fired by the example of Mussolini, and that his tendency to shake off the shackles of his protectors had gone so far that he was planning to proclaim a dictatorship, if the King's illness took a fatal turn, it is clear that he had lost the confidence of the powers-that-be. In the opinion of a large section of the community he was perfectly innocent of any design to become a dictator, and has been rather badly treated. But apart from the mass of contradictory rumours, the facts seem to point to the reality of the Liberal supremacy. General Averescu having failed them, and M. Maniu remaining obdurate on certain points of policy, they were obliged to have recourse

to a friendly neutral in the person of Prince Barbu Stirbey, to form an interim government, and allow them to continue their negotiations with M. Maniu, who now has daily conference with M. Bratianu.

Opinion is divided as to whether the Liberals or the National Peasants' Party are likely to win the elections. The victory of the latter is a good deal feared, as they might carry the land policy to extremes, and, moreover, they are warm supporters of Prince Carol and might thus introduce another element of discord in regard to the succession to the Throne. (In this regard they would have the Army behind them.) Altogether the situation is full of uncertainty, and Government business has come to a complete standstill, just at a moment when some important measures were on the tapis.

The elections are to take place on July 7, and it is stated that they are to be really free elections, contrary to the usual practice in this country.

King Ferdinand.

The health of the King still gives cause for considerable anxiety. His Majesty has now gone to Sinaia.

Miscellaneous.

General Berthelot is at present visiting Roumania, and on June 4 was formally received as an Honorary Member of the Roumanian Academy.

The International Tennis Championships are now in full swing in Bucharest, and the Roumanian players are playing a very strong game against the Austrian champions, having won several matches on the first day of play.

Mr. R. J. E. Humphreys, Commercial Secretary at the British Legation in Bucharest, left Bucharest for England on six weeks' leave on June 2.

Petroleum.

The new Government has just passed a decision by which the export taxes on petroleum products have been so greatly reduced, as to be quite insignificant. It is hoped that this measure will help the petroleum companies out of the critical situation into which they were plunged recently, mainly owing to the sudden rise in the value of the leu.

The export tax on benzine is now 500 lei per wagon, and that on all other products 300 lei per wagon.

M. Athanasoff, Secretary of the Bulgarian Department of Public Security, was attacked and wounded in Sofia on June 17 by three men, who escaped.

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EGYPT AND ENGLAND, 1927.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—In the numerous articles on the subject of Egypt which have recently appeared in the English Press there has been a great lack of true appreciation of the present situation of Anglo-Egyptian relations. These articles, with few exceptions, have been noticeable for an absence of facts and a surfeit of general statements. In some cases it can be seen that these general statements are devoid of truth from an obvious lack of knowledge on the part of the writer, in others by deliberate misrepresentations, which are concocted either to harmonise with the political opinion of the particular newspaper or to provoke the oversensitive Egyptian politicians to regrettable actions.

The English public and English diplomats have become famous for their dislike of facing facts until there is no alternative, and the Egyptians bid fair to follow the same course. Unfortunately, such an attitude creates more difficulties than it evades, and it is therefore just as well that the actualities of the present Anglo-Egyptian situation should be stated and action be urged in place of procrastination.

The details of the British occupation of Egypt, of the Cromer régime, of the War period, of the 1922 Declaration have been placed before the British public on numerous occasions. I will concentrate, therefore, on the aspect of the moment. The following points are incapable of evasion or refutation:—

- (a) That Egypt has need of England in the military and economic spheres. That England similarly has need of Egypt.
- (b) That by the Declaration of 1922 Egypt has become an independent nation.
- (c) That the four Reserved Points, which placed a limit on this Declaration, were intended for an early solution and must be shortly solved, if Anglo-Egyptian relations are to remain amicable.
- (d) That the *amour propre* of a recently liberated nation is almost as sensitive as that of a Great Power.
- (e) That the present Egyptian members of Parliament are as representative of the country as are the elected members in any country with a democratic form of government.

For any future and lasting benefit to be derived from Anglo-Egyptian co-operation and for any chance of creating the correct atmosphere to further negotiations it is essential that these five points be recognised and accepted by both countries.

I, therefore, propose to touch upon these points in the above order and hope, in so doing, to give a just appreciation of the actual situation and to demonstrate the possibility of England and Egypt being able to arrive at a real accord and to frame a sincere Treaty of Alliance.

(a) The geographical position occupied by Egypt made that country of premier importance economically and militarily to both Eastern and Western nations, even before the opening of the Suez Canal. Since the date of that historic event, the occupation of Egypt by England and the rapid development in the agricultural resources of

Egypt, that country has become of even greater magnitude in the problems of world economics and world strategy, until it can be regarded to-day, with the rapid advance of air communication, as the probable centre of future aerial radiation, especially for the British Empire. Egypt thus remains as a cynosure for many European Powers. The nation, freed from the thrall of Turkey, failed to recognise immediately the lustful regards of its neighbours and, in its new-found freedom, felt prepared to cope with all aggressors. Without entering into details, it suffices to state that the events which have taken place since 1920 in Syria and Tripoli have caused the illusions which beclouded the Egyptian vision to dissolve, and the sun of understanding to flood the brain cells of the nation with the reality of its vulnerability. The vast majority of educated Egyptians now accept and admit that Egypt can only attain its true independence in alliance with England. That England has need of Egypt is but an obvious corollary to the explanation of Egypt's geographical position. For the safety of the Empire's sea and aerial communications a friendly and not a hostile Egypt is of the highest importance and of the utmost necessity.

Why, then, this difficulty, when each would be a friend to the other, of finding a solution to the existing difficulties, which, however formidable, are but infinitesimal before the ultimate aim of both nations.

(b and c) On February 28, 1922, the English Government declared Egypt an independent nation subject to four reservations. These latter, although a considerable hindrance to the realisation of a 100 per cent. independence, were never intended to be left unsolved for a long period. Unhappily, mistakes on both sides and the tragic events of 1924 culminated in creating a greater barrier between the two nations than that which existed at the time of the Declaration.

Therefore, to-day, the four Reserved Points remain as far off solution as formerly, and the pole to which both countries are harnessed appears to be so spiked that both, instead of pulling together, jib and draw apart. The fundamental point resides here:—Is the Declaration of 1922 to be withdrawn or is the Declaration to be carried out in its full significance? With few exceptions British opinion appears to be unanimous that the Declaration cannot be withdrawn. Well, after a close, careful and impartial survey of the position I am confident that a continuation of the present régime can only bring about disaster to the Declaration. The many points of friction caused by the Reserved Points will in time, and a time not far distant, provoke the Egyptian nation to such an extent that regrettable actions will once again be the order of the day; actions which a weak nation is only capable of undertaking against the strong, and which will ultimately do more harm to the cause of the weak than to that of the strong, but which, despite their failure, push the roots of hatred and bitterness deeper underground, and these roots, being deep, become strong, hardy and enduring.

Such results will not bring security to the Oriental communications of the British Empire.

Therefore, if the Declaration is not to be withdrawn, if the Declaration is to be pushed to its full reality, the sooner negotiations upon the four Reserved Points—even if two only were solved, it would be an immense step in advance—the better for both Egypt and England.

The protection of the foreign community residing in Egypt, the protection of Egypt from external aggression, and the protection of the British Empire's Oriental communications are problems which should be negotiated upon at the earliest opportunity, on account of the reaction which the present arrangements bring on the internal legislation and executive work in everyday acts of the Egyptian Government.

That the foreign communities have done much for the recent economic development of Egypt, there can be no doubt; but that they have augmented their own riches at the same time, equally there can be no question. They came as beggars and are now in luxury. The Capitulations, which have been in existence since the sixteenth

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century, and iniquitous in many cases as they have become, cannot be suddenly abolished except by superior force. (Technically speaking, granted by Turkey, the grant should lapse on the extinction of the Turkish suzerainty.) The Egyptian Government must, therefore, concentrate on those European privileges which damage the order of the State or hinder the progress of social reform. There can be no hesitation by any English Government to support the Egyptian nation in such obvious cases of inequality, as lesser penalties inflicted upon Europeans who are guilty of the same crime as Egyptians, or the exemption of Europeans from the imposition of an income tax. But the Egyptian Government can afford to be tolerant towards certain privileges under which Europeans have lived so long and which do not interfere with the smooth running of State organisation. It can afford to leave Mixed Tribunals and a European-officered force of gendarmerie for the cities of Alexandria and Cairo for a further period, until the law and order of the newly-independent Egypt have filled the Europeans with complete confidence. Such tolerance would not be a proof that Egypt accepted the legal right of Europeans to such measures, but a proof of reasonable broad-mindedness and a confidence that the future would satisfy the Europeans that they would be equally safe under Egyptian judgment and protection. The Capitulations were granted by the strong for the protection of the weak; to-day they are held by the strong for the exploitation of the weak.

There should be no necessity, with a Treaty of Alliance between Egypt and England, for a British army to be garrisoned in Cairo or in Alexandria, but an Anglo-Egyptian force can be stationed in the vicinity of the Suez Canal for the defence of Egypt and the protection of the Empire communications at the invitation and free consent of the Egyptian nation.

The harbours of Alexandria and Port Said can be open equally to British battleships for the defence of mutual interests. If Egypt wishes to take an important share in a military agreement, let her concentrate on the development of a first-class aerial force for the defence of her lengthy desert boundaries. She can participate in this branch without burdening the people with heavy military expenditure. If these questions are first confronted, grappled with and solved, the last and perhaps the most difficult—that of the Sudan—might be ready for discussion. This question of the Sudan should be no more impossible of solution than the others, and if rival arguments of conquest yield to the logic of economics, the views of Egypt and England on this subject should quickly coincide.

(d) The "touchiness" of a small nation—especially if it happens to be exhibited in a brown race—is to-day labelled as due to an inferiority complex. I cannot, however, recall any great Power being particularly tolerant and thick-skinned when questions, however trivial, are treated as affairs touching the "prestige" of a nation and outside the League's jurisdiction. Without entering upon details and personalities I have been informed of several incidents which have aroused Egyptian sensitiveness, which with a little more tact and insight need never have occurred. At the present juncture of affairs in Egypt minor official actions become imbued with undue significance, and every care should be taken by Englishmen, official or non-official, not to offend unwittingly the susceptibilities of Egyptians.

For instance, the British Government without derogation to its dignity might well have told its representative in Egypt to present his credentials in a like manner to other foreign Ministers. Failure to do so was, no doubt, an oversight, but one which has led the Egyptians, in concurrence with others, to believe that it was a deliberate slight to their national independence.

(e) In reference to the members of the present Egyptian Parliament one has become accustomed to reading such phrases as:—"The foreign Cairene politicians," or "the extremist members of the Wafd." During the months I passed in Cairo last winter I spent a considerable time in a discussion of the political situation with members of

the Egyptian Parliament, with prominent agriculturists and editors and with several Europeans. The majority of the members represented districts where they own properties and on which estates they pass a large proportion of their time. There can be no question but that these men stood for the fellahin more fully than many English M.P.s and French Deputies stand for their constituents to-day under the existing English and French electoral systems. The American Minister, who had been in Egypt for several years, told me one day that he had been surprised to perceive with what acumen the supposed uneducated fellah had chosen his parliamentary representative, and how scarce were the cases of electoral corruption.

The Wafd, which is invariably cursed by the critics for responsibility for every misdeed or constitutional mistake, is not the party of extremes. The honour of this belongs to the Nationalist Party, which professes to be, anyway in public declarations, hostile to all compromise with England and demands that all territory which was once under Egyptian rule should be incorporated in an independent Egypt; this includes districts now held by France and Italy. The Wafd, in the political sense, is not a party. It is a group formed round Zaghloul Pasha, whose aim is to create an independent Egypt which is realisable. In this aim the Wafd are not hostile to an Alliance with England. It has often been said that the present Parliament should concentrate on internal questions and forget for the time being the Reserved Points.

The difficulty of this is at once apparent to anyone who studies the position. There are three main reasons:—

(1) Any profound change in internal organisation immediately comes in contact with one of the Reserved Points.

(2) The Wafd, which is united in its aims of National Independence, not being a real political party, finds itself split into many factions on questions of social reform.

(3) Under the existing régime there is a triarchy—the Palace, the Residency, and the Parliament. Each of these parties is pursuing different methods and even, it seemed at times, pursuing aims.

It can certainly be said that the extremists in the Wafd carry less weight than the Die-Hard section of the English Conservatives and the Communists in the Labour Party. In fact, extremists in the Wafd are very limited and have no authority. If Egyptian parliamentary members have been recently attacking the Ministry, it is because they recall the promises in the King's speech at the opening of the session, and because they perceive that there has been little advance achieved towards the realisation of these promises. In fact, a Minister avowed to me, that, if he had been a deputy, he would have become a critic of the Ministry as, owing to the difficult circumstances surrounding the present Constitution, the Ministry had been unable to progress as they had promised Parliament.

The present crisis over the Egyptian Army has no political significance as many correspondents claim. First of all, in my conversations with members of the Parliamentary War Commission there was no question of abolishing the post of Sirdar, but there was manifest annoyance because the acting-Sirdar refused to permit any change in the organisation of the Egyptian Army, and secondly because the acting-Sirdar was not considered to be trained in technique of modern warfare. On June 3 I received a letter from a leading editor of the Egyptian Press, in which he stated that the recommendations of the Parliamentary War Committee had been based on the idea

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of making an Egyptian Army Council similar to that in England, and that there was no question of turning the Egyptian Army into a political machine.

In every country there are minorities who are dissatisfied for various reasons with the existing form of government, and it is a pity to see that certain English people in Egypt prefer to believe in the declarations of a few rather than in the acts of a vast majority.

It is obvious that in the great changes that have taken place and are still taking place in Egypt, there must be some individuals, some body of people, such as the religious leaders, for instance, in Egypt, who must suffer and lose their positions of authority established for generations.

It is unnecessary stupidity to believe that the complaints of these represent the nation, and that in supporting them a just act is being performed.

Neither the Egyptian nor the English Government entertains extreme views, and if the political leaders of both sides would but act more courageously, would but proclaim their views with greater frankness, there should be no difficulty experienced in finding a common terrain for negotiations. In March last not only I, but Englishmen long resident in Egypt, believed there had never been a moment more favourable for negotiations.

Let us hope that the dispatch of warships will not have changed Egyptian views; it is so profoundly necessary for the benefit of the two countries that they should be friends and not enemies. In conclusion I would say that the political leaders on both sides must act as statesmen, negotiate on broad outlines and refuse to quibble over details for success to meet their efforts of peace. Political leaders—Egyptians especially—must recognise that, having been elected as leaders of the nation, and by an overwhelming majority, they must guide the nation with courage and without hesitation to the end which they are convinced will be the most beneficial to their nation; they must eradicate their tendencies to prevarication and equivocation and lead in place of being led. English statesmen, having accepted the fact of Egyptian independence, must not act as if they would change the reality into a shadow.

If Anglo-Egyptian relations are established on a sound and amicable basis the world prestige of England will be greatly enhanced and the first arch erected in a bridge of cordiality and co-operation between East and West.—

I am, etc., R. GORDON CANNING.

June 13.

THE WAHHABIS AND THE MAHMAL.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—Your issue of May 19, 1927, contains an article in regard to the Egyptian Mahmal and Ibn Saoud. In that article it is said that: (1) In times past when Badawin were wont to raid the pilgrims, an armed escort was desirable and necessary; but since, according to the Wahhabis, the pilgrim routes are now entirely safe, such a force would be derogatory to the dignity of King Ibn Saoud. (2) Muslims who are hostile to the Wahhabis will doubtless be encouraged by this latest rebuff to one who would fain rule as an independent sovereign head of a State.

Desiring the publication in your valuable paper of what is right and truth, I give you the following information, and I believe I am entitled to request you kindly to publish the same.

(1) For a period of over a hundred years the Mahmal used to be sent to the Hijaz every year at the pilgrimage season, first from Turkey, and later from Egypt. The Mahmal contains the income of the Wakfs in Turkey and Egypt, which said income belongs to Mecca and Medina; and it also contains the gifts made by Muslims and especially the Holy Carpet of Mecca, etc.

The people of the Hijaz always welcomed the Mahmal and no raid was ever made on that score, nor is there any reason for such a raid.

Last year, as is universally known, the Mahmal was raided by Ibn Saoud's men and the Egyptian forces were compelled to defend it by force of arms. It is remarkable that neither the people of the Hijaz nor the other Muslims who had come to Mecca for pilgrimage participated in that raid, inasmuch as all Muslims with the exception of Ibn Saoud's men know that the Quran distinctly prohibits the slightest friction during the pilgrimage season at Mecca.

In order to understand the true phase of the Mahmal question it is necessary to read the recent speeches delivered at Najd between Abdul Aziz Ibn Saoud and the people of Najd as published in the papers of Palestine, Syria, Egypt, Iraq, Persia and India.

I am sending you a copy of *Saout el Shaab* dated Ayar 7, 1927, and numbered 330, which is one of the papers I have mentioned. I am translating the words uttered by the people of Najd in reply to Abdul Aziz Ibn Saoud. You will find that on page 3 of the said paper:—

"O! Abdul Aziz! you promised us that the religious law will have to be enforced in the Hijaz. That God's countries will have to be purified of all blemish and there will be no scandal therein, whilst as a matter of fact these affairs relative to the religious rights and religion have been disregarded.

"Did you not give permission that the Idol which Egypt designates as Mahmal will enter the Hijaz with the Infidel forces of Egypt?"

"When we attempted to kill this Infidel Force as a religious duty did you not defend that Infidel Force last year?"

"Did you not send your sons to infidel countries such as Egypt, England, France, Holland etc.?"

Ibn Saoud gave them the following reply:—

"In future I will not recognise the Mahmal. In this matter I participate in your ideas and I shall do all I can in order to prevent it, and in order to prevent the tobacco-smoking and music, I shall do everything with God's help.

"I did not do the things you have mentioned and did not reject that idol, because I was fond of it or because I wanted it. I had done that in order to prevent any sedition against the Muslims from the misdeeds of those infidels."

Now you see that the Mahmal question is totally due to other reasons than those mentioned in your paper.

Finally I do not see the necessity of saying anything more in regard to the virtues of the previous administration at the Hijaz prior to Ibn Saoud, and about the mentality of Ibn Saoud and his party, and I leave judgment to the opinion of the civilized public.

Without the necessity of saying anything more in regard to the Hijaz it may be said that the circumstances of the last three years have afforded sufficient experience. At the end of these three years it has been understood that all the Muslim world is hostile to Wahhabis.

It appears from the Iraq paper dated April 25, 1927, that even among their own selves there appeared enemies, such as Douvesh, against Ibn Saoud.

In this century by reason of the mentality of the Wahhabis above referred to, it is very difficult to trust that it will produce a good effect for Arabia and consequently for Europe.

With this opportunity I tender my respects to you.

I have the honour to be Sir, Your obedient servant.

SAID KEVAKIBY.

Secretary to His Majesty the Ex-King of the Hijaz,
Hussein.

Nicosia, Cyprus, June 1.

THE GREEK CHRISTIANS OF CYPRUS.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—I hope that my old friend, THE NEAR EAST, will kindly give me once more the hospitality of its columns, by publishing this letter in reply to certain parts of a lecture delivered by Mr. W. Bevan at the Royal

Colonial Institute, a summary of which appeared in its columns.

The readers of THE NEAR EAST AND INDIA have been thus acquainted with the views expounded by Mr. Bevan in that lecture; but I have no doubt that British readers, fully appreciating the wisdom of an ancient adage of ours which forms the very basis of all fair and sound judgment: "*Me dikases prin amphoin muthon akouses*," will want to hear the other side as well, and in the present case for this other side, the people of Cyprus, I wish to be allowed to say a few words.

From the context of Mr. Bevan's lecture one thing is made clear, that he unfortunately has no correct knowledge of the history of this Island; for by no means would I think of attributing to him bad faith.

Mr. Bevan, in complete disregard of the history of thirty centuries, expresses with easy conscience the opinion that the Greek Christians of Cyprus are not Greek in race. He evidently did not interest himself in the struggles of the Cypriots by the side of the rest of the Greeks in the war against the Persians or in the struggles of the other Greeks for the liberation of Cyprus. Alexander the Great and the Ptolemys, in connexion with the Island, the 800 years' Greek administration by the Byzantine Empire are as nothing to him. The pure Greek civilisation that flourished here for centuries and of which the excavated Hellenistic antiquities and the ruins of Greek temples speak so eloquently, have left quite unmoved the lecturer of the Royal Colonial Institute. The great number of ancient Greek words used by the Cyprus peasants till this day in their pure archaic form, the worship of Venus by the sea, which still continues in Christianised form and several other such links have no bearing for him. It is only a month ago, that the Mayor of Athens unveiled the statue of Cimon, the son of Miltiadis, erected on the shores of ancient Kitium by the people of Cyprus in grateful memory of old services and as a salient monument of long and unbroken ties.

But he need only look up the Encyclopædia Britannica to see that we are Greeks or glance at the "History of the Ottoman Empire" by William Miller, where it is said: "We are having in Cyprus much the same political experience we had in Corfu; the Greeks who form the vast majority of its inhabitants desire union with Greece." William Gladstone in that famous letter to the Duke of Westminster of March 13, 1897, quoted by his biographer John Morley, writes "I subjoin the satisfaction I should feel, were it granted me, before the close of my long life, to see the population of that Hellenic Island (Cyprus) placed by a friendly arrangement in organic union with brethren of the Kingdom of Greece."

And if only Mr. Bevan had followed more closely the development of the Cyprus question, he would have seen the answer of Mr. Winston Churchill, then Under-Secretary of the Colonies, to the members of the Legislative Council of Cyprus, published in the Cyprus Gazette of October 1907:

"I think it is only natural that the Cypriot people, who are of Greek descent, should regard their incorporation with what may be called their mother country as an ideal to be earnestly, devoutly and fervently cherished. Such a feeling is an example of the patriotic devotion which so nobly characterises the Greek nation."

or a letter of the then Prime Minister of England to the Cyprus mission in London, running as follows:—

"The Prime Minister is fully aware of the sentiment which exists among the Greek population of Cyprus in favour of the union of the Island with Greece. He directs me to make it clear to you that the wishes of the inhabitants will be taken in the most careful and sympathetic consideration by His Majesty's Government, when they consider its future." But surely Mr. Bevan should have seen that authoritative book on Cyprus: "Cyprus under British Rule," circulated at the Conference of Paris in 1919. It is perhaps worth while to quote a few lines:—

"There is a Greek word, which figures very largely and is used with peculiar emphasis in many of the leading articles which appear in the Greek newspapers published in Cyprus: it is seldom omitted from the political harangues which the Greek Cypriot loves to deliver on every possible occasion: it is to be heard in the Greek Orthodox churches, in the sermons preached on the occasion of each national

festival: clubs endeavour to obtain members and newspapers subscribers by adopting the word as their official designation; and it is to be found in practically every one of the many memorials which have been submitted from time to time by the leaders of the Greek community in Cyprus, either to the local or to the Imperial Government. The word in question is "Enosis," meaning "Union," and it is used to designate the political aspirations for the union of Cyprus with the Kingdom of Greece, which is professed by a large portion of the Christian population of the island."

But, after all, why was Cyprus offered to Greece in 1915? Because, as Sir Charles Dilke in his speech in the House of Commons on March 20, 1879, just after the British occupation of Cyprus, put it: "Cyprus was a branch of the Greek question."

However, the best way of ascertaining the feeling and the will of the inhabitants is to have a plebiscite, for which we have repeatedly asked, and Mr. Bevan knows quite well, or ought to know, that the Greeks, namely, four-fifths of the population, will vigorously vote in favour of union with Greece.

I should like to end my letter with the following very characteristic words of my much respected and honourable friend, the father of the House of Commons, found in his preface to the book: "Greece before the Conference," by Polybius: "Within the last few weeks there has been some mysterious influence—some hidden hand—raising objections to our surrender of Cyprus to Greece. I do not think a more absurd, more unjust, even a more monstrous and dishonouring suggestion has ever been made to a great nation."

I hope that Mr. Bevan will give a reply. I am a friend of argument and ready to fight it out.—I am, etc.,

NIC. KL LANITIS.

Ex-Member of Legislative Council of Cyprus.

Limassol, Cyprus, June 3.

[The passage in the report of the lecture to which Dr. Lanitis takes exception read: "The population . . . are neither Turks nor Greeks in race, but only in religion . . . As to the Greek Cypriots, we should remember that in old times many traders were called Greeks, and spoke the Greek language, when most of the Near and Middle East was under the general influence of Greece."]

THE CAUSE OF ARMENIA.

The Annual Meeting of the Friends of Armenia was held at the Central Hall, Westminster, on June 15. The chair was taken by Lord Radstock, who read a letter from the Archbishop of Canterbury wishing success to the meeting and to the appeal that would issue from it. That appeal, His Grace added, rested on both moral and religious grounds, and matters of honour were at stake.

The chief speaker was Sir Arnold Wilson. He stated that it was his conviction, based upon personal knowledge and experience, that the cause of the Armenian nation was a just cause, that their need was great, and above all that the good name of Great Britain was deeply pledged to ensure that, if we could no longer do justice to Armenia, we might at least make some reparation to the surviving remnants of the Armenian race. Sir Arnold Wilson continued:—

"It is not a popular cause and it is not as well known as it should be. It is a cause which has excited opposition in some quarters and has been treated with indifference in others. The expert on Middle Eastern politics regards the Armenian question as an insoluble incubus on international politics in the Middle East. Like the Jews, the Armenians are a race without a home; like the Jews, they have for twelve centuries or more clung passionately to their religion and have kept their national spirit alive in spite of a persecution more relentless than that which has been suffered by any other nation; like the Jews, they can live and thrive by their industry and their pertinacity, where other races can scarcely maintain a penurious existence; like the Jews, the Armenians cannot be assimilated. Unlike the Jews, the Armenian cause has repeatedly been utilised by European Powers in their



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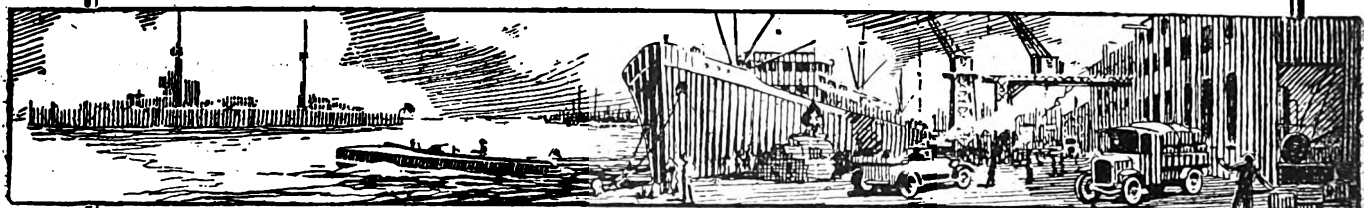
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dealings with Turkey. Almost every catastrophe in which they have been involved has been due to their having become implicated, by the deliberate policy of European nations, in an attitude of hostility to Turkey. The blame for this state of affairs rests not on the Armenians, but primarily on Europe.

"I will not attempt to recapitulate the pledges which we gave to the Armenians during the War. We promised them a national home and freedom in terms not less explicit than those which form the charter of the Jews in Palestine. These pledges were given by Mr. Asquith, by Mr. Lloyd George, by President Wilson, by M. Clemenceau, and by the late Lord Curzon, between 1916 and 1920; whilst the League of Nations itself in September, 1921, urged the Supreme Council of the Allies to provide the Armenians with a national home entirely independent of Turkish rule: but nothing happened, and to-day, of all the minorities whose claims were the object of President Wilson's special solicitude, the Armenians alone have been abandoned by the Allied and Associated Powers, mainly because, by the time their cause came up in concrete form, the United States had disowned President Wilson's schemes, which included the assumption by the U.S.A. of a mandate for Armenia, chiefly, if not entirely, because the Harbord Mission had reported that American troops would be required in the early stages. Whatever the Americans may have done elsewhere, in their dealings with Turkey they betrayed European civilisation and Christianity. They refrained from declaring war against the Turks, and took full advantage of this attitude in post-Armistice years to further American economic interests in Turkey; they gave no help to the cause of Armenia at Lausanne, but made haste to sign a separate treaty by which they virtually renounced every single plank on which they had taken their stand. But this action on the part of the United States Government has not passed unnoticed at Washington, and last January the Senate definitely refused to ratify the offending treaty, a refusal which testifies to the strength of American convictions and to the fact, which those who know America have never doubted, that the motives which actuated the United States in entering the Great War still appeal to large numbers of her citizens. The same is true of Great Britain, and during the past twelve months the success which has attended the activities of the 'Friends of Armenia' in this country and to a less extent in Europe shows that, though Governments find it convenient to spurn those whom they have injured, the man in the street realises more than before that we owe it to our own good name to set the Armenians on their feet.

"There are, broadly speaking, two schemes to this end—one, sponsored by Dr. Nansen, has for its object the settlement of Armenians in the Erivan district under the authority of the Union of Soviet Republics. For this scheme we in this country and in Europe generally have no responsibility. The other scheme, which has been attended by very considerable success, is for the settlement of Armenians in Syria—some at Alexandretta, some in the Lebanon, and some elsewhere in Syria. The French Government and also the Government of Syria have contributed liberally, and the scheme is working well beyond the hopes of its promoters. It is this scheme which I commend to you this afternoon, and I appeal to your generosity and to your sense of justice to give it financial backing. This is the great question outstanding from the War; a great national obligation that has not yet been honoured. It had, as you know, the unqualified support of Mr. Baldwin and Mr. Asquith when Mr. Ramsay MacDonald was Prime Minister, and I cannot doubt that it would have had a not less unqualified support from Mr. Ramsay MacDonald, had he been out of office. Mr. Asquith and Mr. Baldwin put their signatures to a memorial urging a substantial grant towards the resettlement of the Armenians as a final liquidation of our responsibilities, but no grant was given by the then Government, and none has been given since.

"So much for the pledges given by British statesmen

on behalf of the British nation. It is, however, possible for us to rise superior to our own Government. It is often said that every nation has the Government it deserves. My experience leads me to think that no nation has as good a Government as it deserves, and we are no exception to the rule. More is done in England by voluntary effort than in any country in the world. Voluntary effort has made us what we are, and has given us almost everything of which we have a right to be proud. I have seen a good deal of the world, and nothing has struck me more, wherever I have been, than the immense superiority of the innumerable good works and enterprises, whether patriotic, philanthropic, religious, or commercial, over the efforts of Government organisations, and for this reason I would urge all to give something to the funds of the 'Friends of Armenia,' in order that this settlement scheme may be a success. Broadly speaking, for every pound that is contributed by this country, another pound will be contributed by the French Government. The money thus subscribed will not be lost; it will go to a revolving fund, the money loaned to settle Armenians upon territory which has been made available for them by the wisdom of the French Government being utilised as soon as required for fresh settlers.

"I am not blind to the frailties and to the faults of Armenians, but I beg you to accept my assurance, which is based upon considerable personal experience of them in many different situations, that they are worthy of our support. They are, for example, a very valuable element in the population of Persia. No race has such a large proportion of its able-bodied men engaged in skilled work as mechanics, carpenters, builders, and skilled agriculturists. They are known outside their own country mainly as traders, as also are we: but whether in Baghdad, or in Isfahan, or Tabriz, in Buenos Aires, or Calcutta, or Shanghai, wherever you find an Armenian colony, you will find a large proportion are earning their living as craftsmen, and this affords the best prospect for the success of the scheme. I have spent some twenty years in Persia, and never have I known any trouble between the Persian Government and the Armenians. Some ten or twenty thousand have been in Mesopotamia since 1918. They have been absorbed into the population, and have proved a useful element. They have caused no sort of difficulty with the local Government, and the readiness of the French Government to settle them in Syria is the best evidence of their ability to become good citizens when they get the chance.

"We have as a nation a reputation as lovers of justice and for keeping our word, a reputation which our Government shares, but in a much less degree. The 'Friends of Armenia' have taken upon themselves the responsibility for bringing home to the people of this country the justice of the Armenian cause, and for collecting the funds necessary to enable what Lord Curzon described in November, 1922, as 'one of the great scandals of the world' to be settled in an honourable manner. I appeal to you and to all who care for justice and mercy to give, and to give liberally."

A sale of Armenian work was held in connexion with the meeting, the goods having been made by refugee widows and orphans or by women and girls rescued from harems.

Professor Tsankoff, late Bulgarian Prime Minister, was on June 19 re-elected President of the Sobranye.

A British fleet was due to arrive at Phaleron yesterday under Admiral Sir Roger Keyes. It will subsequently visit Thasos, Kavalla, Volo, Skiathos, Gytheion, Nauplia, and Cephalonia, leaving Greek waters on August 15.

The Rev. John Cameron Young, of Sheikh Othman, Aden (Arabia), and of George Street, Edinburgh, medical missionary, for over thirty years working in the Keith Falconer Mission in South Arabia, who died on February 2, 1926, left personal estate in Great Britain now valued for probate at £6,364. Subject to several small legacies to his native servants and others he left:—

All his property to the United Free Church of Scotland for the benefit of the Keith Falconer Mission in South Arabia.

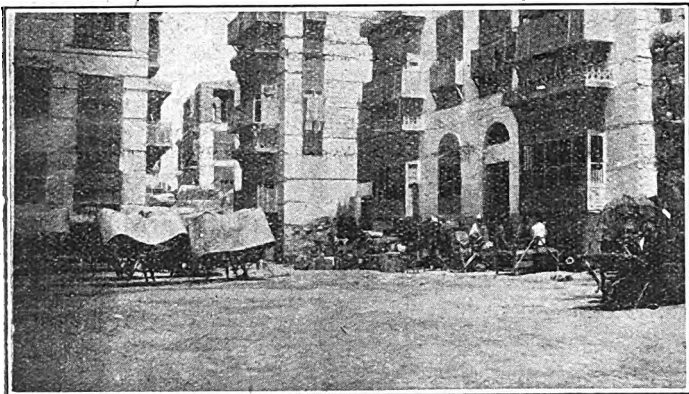
NOTES OF THE WEEK

(Continued from page 744.)

Government by their own Party, which would, of course, be charged with the holding of the elections.

The Hajj.

The hopes which have been duly recorded in these columns that the 1927 Pilgrimage would reveal unusual numbers and would, in fact, vindicate the Wahhabi régime in the Hijaz, have been most strikingly justified. The number of hajjis at Mecca during the Pilgrimage season has been estimated at the relatively enormous



The 1927 Hajj. A corner of Jiddah. Pilgrims waiting by their stacked baggage for camels to carry the covered palanquins.

figure of a quarter of a million: a figure which certainly has not been approached for decades. There are no statistics available for comparing this figure with the figures of the numerous attended Pilgrimages of the past, but it is doubtful whether it has ever been exceeded, even in the days when the Turkish Empire included much of Asia, Africa, and Europe. Most of the credit for this manifestation of Islam's unilateral purpose should be given to the great leader of the Wahhabis, King Ibn Saoud, who, whatever may be said of his political experiments in the Hijaz—and upon them the judgment of Mussulmans themselves is varied—has certainly provided the means of a revived religious resolve. It can no longer be said, as it has been said by certain Indians and Persians, that this Puritan of the Desert does not deserve well of Islam. Already Abdul Aziz Ibn Saoud is assured of permanent glory in the annals of Islam; and even in the shifting history of Arabia his place stands secure. Only a man of uncommon will and resource could so fashion the internal conditions of the Hijaz as to induce 250,000 Mussulmans to congregate therein. Accounts of this year's hajj will be studied with eager scrutiny; but it seems improbable that the anti-Wahhabi manifestations in places like India or Persia can in the future base themselves on anything else than temperament. For facts, which became the more distorted the farther they travelled from the Hijaz, have finally run all in favour of the Wahhabi leader.

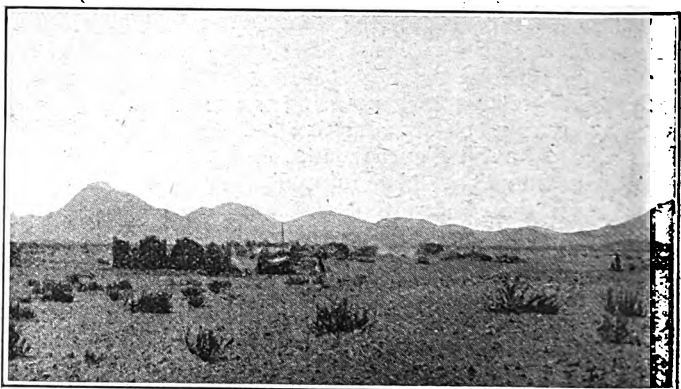
An Arab Conference.

The success of this year's hajj represents, of course, the more important aspect of King Ibn Saoud's career; we mean his resolve to regenerate Islam. But on the smaller

and more immediate scale, he also is showing wisdom and breadth of view. Arabia itself for many months past has been agitated with rumours of war between the Wahhabis and the Zaidis of the Yaman, and the province of Asir has constantly been pointed to as the theatre of the inevitable conflict between King Ibn Saoud and the Imam Yahia. But these two monarchs appear to have abandoned the time-honoured weapon of settling disputes in the Peninsula, and it is a credit to both of them that negotiations should have been arranged to attempt an amicable settlement of the differences existing between the two main States of Arabia. It is stated that, at the suggestion of the Imam Yahia, a conference is to be held at his capital of Sanaa, to settle problems relating to frontiers and other matters. King Ibn Saoud, on his part, has shown good will by deputing three representatives to attend at Sanaa. The outcome of this conference, the calling of which will surely meet with cordial approval on the part of all European Powers interested in the peace and security of Arabia, will be watched with intense interest. Additional significance will be lent to this Arab Conference by the visit, now being undertaken, of the Imam's second son, the Saiyid Muhammad Ibn Yahia, to the King of Italy. The Yaman is strongly represented by the mission which left Massowa last week for Rome.

Settlement of Armenians.

Mention of the Armenian problem is apt to provoke thoughts of the Turkish problem, and defence of or hostility to the unfortunate Armenians is often synonymous with the taking up of an anti- or of a pro-Turkish attitude. This frame of mind is now, however, an anachronism; for the Armenian problem to-day is largely extra-Turkish. Two separate endeavours are being made, not, indeed, to redeem the Allies' pledges to the Armenians—pledges which were made, as Sir Arnold Wilson remarked last week, as explicitly as those which formed the Charter of the Jews in Palestine—but in some way to piece together the tattered fragments of a nation. The



Bahra: Half-way between Jiddah and Mecca.

first of these endeavours, which Dr. Nansen last week once more brought before the League of Nations, is being conducted in the Erivan Republic; it contains at once considerable promise and considerable difficulties. The second, which has every possibility of success, is being conducted in Syria under the direct auspices of the French mandatory authority. This Syrian experiment, as far as can be seen, needs only adequate financing to ensure its accomplishment; and if Britain with official eyes cannot see her way to support of the Nansen scheme, there is all the more reason why unofficially she should support the lead of the French Government in Syria.

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In connexion with the recently authorised economies in the Greek Army, the Government on June 16 published a decree suppressing 1,676 military appointments in the peace organisation of the Army. In virtue of another decree 12 regiments of various arms, the headquarters of the V Corps and the 7th Division, various minor units and the armoured car corps are being abolished.

PERSONAL AND GENERAL

TO-DAY

June 23, 1927 (New Style).

June 10, 1927 (Old Style).

Julhigga 22, 1345, A.H. of the Muslim Calendar.

Sivan 23, 5687, of the Jewish Calendar.

King Fuad of Egypt is due to arrive in London on July 4 on a visit to the King and Queen. His Majesty will be at Buckingham Palace for three days, and afterwards will stay at Bute House, the Royal Egyptian Legation. During his stay in England King Fuad has planned to visit Lancashire and other parts of England.

Lord and Lady Inchcape have returned to 4, Seamore Place from Paris.

The Aga Khan left the Ritz Hotel at the end of last week for the Continent.

H.E. Monsieur Titulesco, Roumanian Minister in London, left last week for Geneva.

Mrs. Charles Bruce has returned to 12a, Chapel Street, S.W.1., from Cairo and Cape Town.

The Maharaja of Kapurthala, who arrived in London recently, is staying at the May Fair Hotel.

Lady Stavridi was at Home to members of the Anglo-Hellenic League on June 16, when Sir John Campbell spoke on Refugee Settlement work.

The Right Rev. Tyre Chatterton, late Bishop of Nagpur, and now Rector of Merstham, Surrey, has been nominated by the Archbishop of Canterbury to an Honorary Canonry in Canterbury Cathedral.

Mrs. Harold Nicolson, wife of the First Secretary at the British Legation in Teheran, who writes under her maiden name of Victoria Sackville-West, has been awarded the Hawthornden Prize (£100) for her poem "The Land," which was written in Persia.

During the progress of the Renown through the Suez Canal, with the Duke and Duchess of York on board, Lord Lloyd, who had motored from Cairo to Suez, boarded the ship and accompanied their Royal Highnesses to Ismailia. The Renown left Port Said on June 15 for Malta, which was reached on June 18.

THE SALONIKA DINNER.

The sixth annual dinner of the Salonika Army and Black Sea Forces was held at the Hotel Cecil, London, on June 17. General Sir George Milne presided, and among those present were:—

Major-General Sir Anthony Bowly, Lieut.-General Sir Charles Briggs, Brigadier-General T. Bruce, Lieut.-Commander F. Cadogan, R.N., Major-General Sir G. N. Cory, Major-General Sir H. L. Croker, Colonel Sir Crisp English, Major-General Sir H. J. Everett, Rear-Admiral W. W. Fisher, Major-General Sir G. Forestier-Walker, Brigadier-General F. D. Hammond, Commander C. B. Hampshire, Lieut.-Colonel A. P. Heneage, M.P., Commander R. G. Hunt, Brigadier-General C. G. W. Hunter, Bishop Keatinge, Brigadier-General H. E. T. Kelly, Commander J. P. Landon, Major-General Sir J. R. Longley, Major-General Sir William G. Macpherson, Major-General Sir Charles Mathew, Lieut.-Commander H. F. B. Maxse, Colonel Sir James Purves-Stewart, Commander H. M. Robson, Rear-Admiral C. M. Staveley, Colonel Sir Charles G. Watson, Brigadier-General B. F. Widdrington.

The Salonika Reunion was represented by Lieut.-Colonel G. R. F. Levenson, Major S. E. Calder, Captain S. B. Donald, R.S.M. Evans, and Sergt. Baker.

DEATH.

VAN MILLINGEN.—On June 20, 1927, at Alexandria, Egypt, Charles Alexander Mackenzie van Millingen, M.C. (with bar), elder son of the late Rev. Professor Alexander van Millingen, M.A., D.D., and of Mrs. van Millingen, of Florence, Italy, and beloved husband of Marjorie van Millingen, aged 30.

OBITUARY.

Judge John Felix Kershaw.

We regret to have to record the death on June 16 at the age of 53 years, of His Honour Judge John Felix Kershaw, formerly Judge of the Native Appeal Court of Egypt. It was only last year that Judge Kershaw's name came into considerable prominence through his resignation from the Egyptian service as a protest against the action of his native colleagues of the Cairo Assize Court, in acquitting by a majority vote six of the seven men accused of complicity in various murders and attempted murders of Englishmen and Egyptians. On leaving Egypt, he returned to England, and last January was appointed Judge of the Southwark, Greenwich and Woolwich County Courts. Judge Kershaw was a son of Sir Louis Kershaw, Chief Justice of Bombay. Educated at Shrewsbury and Balliol College, Oxford, he was called to the Bar in 1897. He was appointed Civil Judge at Khartoum in 1902, and after being transferred to Egypt, became Inspector in the Native Parquet from 1904 to 1909, and a Judge of the Native Tribunal at Alexandria from 1909 to 1912. In 1913 he was appointed to the Native Appeal Court.

CYPRUS SUPPLEMENT.

Next week's issue of **THE NEAR EAST AND INDIA** will contain a **Special Illustrated Supplement devoted to Cyprus**. It will comprise among others, articles on **Agriculture, Trade, Forestry, the Silk Industry, the Mineral Wealth, Cyprus as a Tourist Resort and the Cyprus Museum**.

The Egypt Exploration Society will be holding an exhibition of antiquities, plans, drawings, etc.—the result of the season's work at Tell-el-Amarna—in the Society's room, 13, Tavistock Square, W.C.1., from July 5 to 22 (Saturdays included) from 10 a.m. to 5.30 p.m.

Under the auspices of the Egypt Exploration Society M. Henri Frankfort, M.A., Director of Excavation, will deliver a lecture (illustrated by lantern slides) in the meeting room of the Royal Society, Burlington House, on Thursday, July 14, at 5.30 p.m.

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NEAR EASTERN PRESS.

Turkish Minorities.

The most salient feature in recent Turkish papers is the campaign against the ill-treatment of Turkish minorities in the Balkans. Both *La République* and the *Milliet* accuse each Balkan State of actions similar to those perpetrated by the Turks themselves many years ago: nevertheless, they are this much right—in pointing out that these same actions cannot make for peace or facilitate negotiations.

Whenever the question of the Turks in the Balkans is discussed, our compatriots in Eastern Thrace are first in one's thoughts, because of the exceedingly difficult position to which they are reduced in this region. Greece has not yet decided to fulfil her engagements which she undertook towards the Turks in Thrace. In the Exchange Agreement which we concluded with Greece, it is known that the Turks in Western Thrace were excluded from the exchange in compensation for the Greeks established in Constantinople, who were to stay in their homes while retaining their full rights and interests. Now the Greeks were seen to dispose at will of the possessions of the Turks on the false pretext of assuring the establishment of the Greek immigrants. In spite of their reiterated promises and solemn pledge, they have not ceased for one moment from behaving in such a manner as to make the life of our compatriots unbearable. With regard to the Turks of Thrace, the Greek authorities continue a policy of persecution and oppression. The personal property which has been seized has not yet been restored to the owners.

It is also certain that Turks established in Yugoslavia are the objects of much worse treatment than are the Serbs and Christians, and their position is very little better than their compatriots in Western Thrace. It is true that we have been told that amongst the Mussulmans of Yugoslavia, those who live in Bosnia-Herzegovina are subject to relatively better conditions, but nothing will reassure us on the fate of those Turks living in the new part of Serbia, called to-day Southern Yugoslavia.

Such is also the situation of Turks who lead a very hard life at Prishtina, Kossovo, Monastir and in this vicinity. We cannot conceive of what interest it can be to Serbia to see these Turks leave the country owing to their life in these countries having been made unbearable.

Roumania, who was celebrated for her excellent dealings with the Turks in the Dobruja, changed her conduct towards them on the morrow of the Great War. The Turks along the line of Turtakaia-Baltchik have been subject for some years to deplorable conditions. The Roumanian Government started to install Wallachians, who come or are sent from Macedonia, in the region of the Dobruja, beginning from the aforesaid line of Turtakaia-Baltchik, a policy which condemned the Turks inhabiting these districts to a wretched life.

The Turks in Bulgaria suffer equally a miserable existence, which grows worse. It appears that Bulgaria, who hitherto treated her Turkish subjects with the greatest generosity, is tending to imitate the bad example set by other Balkan States.

As to our brothers other than those inhabiting Thrace, it seems to us that the Turkish Government will finish by consenting to their immigration into Turkey, but as it is no easy matter to provide for such a multitude, of which the number is over a million, it will be necessary to proceed methodically and according to a regular programme, if we eventually come to make such a decision. Needless to say, those States in question would be in honour bound to facilitate our task with whatever means they possess. They would thus be giving not only a proof of their friendship but would fulfil a duty of the greatest humanity.

Talking of the reinforcement of minority nationalities by the various States, *La République* quotes the *Milliet* :—

The policy of inauguration and establishment pursued by our neighbour, Greece, is, in this respect, worthy of attention. We saw, several days ago, in the *Messenger d'Athènes*, a map borrowed from an English newspaper on which the regions were indicated where Greeks transported to Greece owing to the exchange of minorities had settled. Nearly the whole of the population, which numbers more than a million and a half, of which a large quantity arrived from Turkey, has been settled in Macedonia and Western Thrace. The object is clear: in those regions where the Greek element is in the minority or constitutes a very small majority, the intention is to install the refugees in order to ensure a numerical preponderance of the Greek population.

By establishing these *immigrés* in Western Thrace, they want to create a Greek majority, and by settling *immigrés* in Macedonia they hope to reinforce the ethnical population against the Serbian and Bulgarian elements.

What interests Turkey is the situation in Western Thrace. . . . It is known that Bulgaria has made a loan of two hundred and fifty thousand pounds for the *immigrés*. The refugees for whom this sum is destined number 300,000. According to a decision approved by the League of Nations the refugees are established at a distance of 50 kilometres from the Yugoslavian, Greek, and Roumanian frontiers. We have heard that for those refugees from Greece this distance has been reduced to 10 kilometres in the territory on the east bank of the Maritza. That is to say, that they have consented to the settlement of Bulgarian *émigrés* in close proximity to our frontiers. We have no right to protest, nor to interfere in this affair. But such actions—even if they emanate from our friends—cannot but attract our attention.

We must pursue a special policy in establishing *immigrés* in Thrace similar to that carried out in our Eastern provinces.

Yugoslavia and Salonika.

Owing to a possible revision of the agreement with the Pangalos Government, Yugoslavia greatly fears that the use of the free port of Salonika will be limited. The use of foreign transport to the port would also be scarcely satisfactory and she holds to her right over the Ghevgheli-Salonika railway as well as to the free use of the port. The *Morgenblatt* reports :—

After the fall of the Pangalos Government the question, which has already arisen between the Greek Government and our men, must again be taken in hand. The difficult internal political relations in Greece were for a long time unfavourable to a reopening of negotiations. Now the preparations for the opening of negotiations are in progress and two delegates from the Yugoslav Government, Dr. Milan Todorovitch and Mr. Savakukitch, are already staying in Athens. They are dealing, as is known, with the questions of the zone of the port of Salonika, and with the not less difficult question of the use of the Ghevgheli-Salonika line, which is the property of the S.H.S. State. The present Greek Government requires a thorough revision of the agreement, concluded with Pangalos concerning the Free Zone of Salonika and the railways from Ghevgheli to Salonika, on the ground that this Treaty limits the Greek rights of sovereignty. The negotiations with the Greek Government are not moving quickly, and a complete understanding seems unlikely to be reached within a conceivable time. According to the information of our correspondent the following questions are under discussion: (1) The question of cabotage of our ships and the arrival of foreign ships in the Free Zone of Salonika.

According to the convention concluded with General Pangalos the zone was completely free to us, without any payment or compensation either for Yugoslav or for foreign ships. The present Greek Government demands a modification, that all ships must pay a harbour duty for the upkeep of the Harbour of Salonika. The delegation could not agree to the modification of the original agreement, for it would make profitable traffic conditions in our Free Zone impossible. (2) In conformity with the agreement with the Pangalos Government Yugoslavia holds to her right to her own administration, her own rolling stock, and traffic personnel, on the line from Ghevgheli to Salonika. The Greek Government now demands a modification entailing that Yugoslavia would be debarred from her unlimited right over and support of her traffic with the Free Zone. (3) As to the question of transit tariffs, several opinions are common both to our delegation and the Greek, out of which an agreement should be reached. (4) According to the settlement with Pangalos, the decision of a French arbiter would be taken in case of disagreement. Greece now requests that a representative of the League of Nations should arbitrate.

Taking everything into consideration, the previous negotiations give little room for optimism on this state of affairs. It would seem that the Greek Government under the influence of propaganda of unknown foreign Powers unfavourably disposed towards us, is endeavouring with every means in its power to make impossible Yugoslavia's access to the sea. The Greek fears, that our political influence owing to the possession of the Free Zone would be of disadvantage to Greece, are entirely without foundation, since the Yugoslav State is pursuing no other object than a strictly economic one.



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INDIA AND BRITAIN.

The proceedings of the Royal Commission on Indian Agriculture, now sitting in London, have not attracted much attention in this country. This may be due to the fact that the evidence which is being taken, important though it may be for the purposes of the inquiry, is to a great extent of a technical character. But the need of a better understanding of India and her economic problems is a crying one, and there was force in the friendly appeal made to the Press by the Maharajahdiraja of Burdwan at a dinner given in honour of the Empire delegates in London, when he pleaded for increased publicity for Indian affairs. Great Britain's interest in India is two-fold. The India of to-day contributes the most important market for British manufacturers, and this market still has enormous potentialities of expansion. In one year the exports from this country to India have amounted in value to £90,000,000, and a very small increase in the purchasing power of a population of 320 millions represents in the aggregate a large addition to the demand for imported commodities. That the standard of living of the Indian people is improving is beyond question, though the economic disabilities under which they labour owing to social and religious customs form an obstacle to rapid advance. Progress, however, is evident, through the extension of railways and irrigation, the improvement of agriculture, and the spread of education. One great Indian project now in course of construction, the Sukkur Barrage scheme, will provide water for an area equal to the whole cultivated area of Egypt, and those who have seen for themselves how in the Punjab arid desert tracts have been converted into rich wheat-growing country by the provision of water will realise what irrigation means to India.

There is another and a wider aspect of the life of India which calls for the consideration of thoughtful men and women in this country. The British have assumed a responsibility for India which cannot adequately be realised without greater knowledge of her problems and her needs. It may be declared with truth that we have made mistakes in India. But does any country in the world possess a Government that is free from imperfections? No man or woman of British blood who approaches the subject with an unbiased mind can deny that on the whole the rule of Britain has conferred inestimable benefits on India; that its representatives are inspired by an honest desire for the welfare of the Indian people, and that, often in the face of discouragement and disillusion, they have patiently laboured for the advancement of the masses committed to their charge. It is little to the credit of a small section of politicians here that they have systematically endeavoured to belittle the achievements of their fellow-countrymen in India. It is easy enough by means of statistics carefully chosen to that end,

by comparisons between the East and the West which are fallacious and misleading to the verge of the grotesque, to induce the ignorant and the credulous to believe that India has suffered from misgovernment in the past and is the victim of oppression in the present. The fact that literature of this kind is being widely disseminated is an additional reason why greater knowledge should be sought, and the need for enlightenment is the more clamant in that in the near future a Royal Commission will be charged with the task of inquiring into the working of the Constitution created by the Government of India: Act. Whatever the resultant recommendations may be, it is of supreme importance that no false impression may be created in regard to the aims and achievements of British rule in India.

There are notable signs in India that differences of opinion exist among the educated classes in regard to the Constitutional scheme. Vocal opinion, in so far as it finds expression in the Indian newspapers, is not an infallible indication of the trend of thought. Many Indians of weight and standing, who share in the desire to have a larger voice in the administration of their country's affairs, are averse from violent and ill-considered Constitutional departures. But we are not primarily concerned now with discussing the question of the Reforms. The essential need of the moment is a wider knowledge of India, so that counsel may not be darkened by untruthful indictments of the Government and its officers, many of whom to-day are themselves Indians. Pictures of unrelieved misery and distress in India, of British official arrogance, of declining prosperity and rising discontent are being painted by men who, while British themselves, seem to delight in decrying their own race, whether in the West or the East. The truth is that the economic condition of the Indian masses is undergoing steady improvement; that the surplus produce of the soil available for export has greatly increased in recent years, to the benefit of the cultivator; and that in times of crop failure the people are showing powers of resistance to distress never before experienced in India. The work of creating this silent revolution has been long and arduous, and much still remains to be done. But the outlook is full of promise. The labours of the Royal Commission now sitting will, it may be hoped, give a stimulus to the magnificent work already accomplished by the application of science to agriculture; the strenuous efforts of Government, with non-official assistance to free the peasant from the toils of the moneylender is bearing good fruit, and the deposits in the Post Office Savings Banks bear testimony to the growth of thrift and an improvement in the condition of the people at large. The more the position in India to-day is examined with an unprejudiced mind, the more apparent will it become that Britain has not played the part of the unjust steward in that country. The poverty that exists there to-day cannot be laid at the door of the Government, though the Government can rightly claim that it has done much to increase the country's wealth, and that its activities continue to be directed towards alleviating the lot of the masses of the people.

CURRENT TOPICS.

The Commons Debate on India.

The debate on India in the House of Commons on Friday was noteworthy for the comparative moderation of the speech delivered by Mr. Lansbury in opening it. Mr. Lansbury and his friends have not been so restrained in their utterances outside the House, and there is being circulated at the present time literature from a Labour Publishing Press, in which the most slanderous attacks are being made on British officials and British merchants in that country. Mr. Saklatvala's characteristic rhetoric may be treated with the contempt it deserves, but Mr. George Pilcher performed a useful service in reminding the House that the member for North Battersea had been closely and profitably connected with the Bombay industrialism which he denounced. The fallacy that nothing has been done for the agricultural masses is dealt with in our leading article to-day. The recommendations of the Linlithgow Commission, when they are forthcoming, may give a stimulus to the work of the agricultural departments. But the policy of enhancing the profits of the agriculturist through the application of modern science to cultivation has long been in practical operation. It is shown in the latest annual review written by Dr. Clouston, Agricultural Adviser to the Government of India, which has just reached this country, that the area under improved crops introduced by the Departments is now nearly $7\frac{1}{2}$ million acres, and the enhanced wealth of the cultivation received from the new varieties of seeds is at least $7\frac{1}{2}$ crores of rupees. This estimate is a very conservative one, as in some cases the increased profits from new strains of cotton have reached 42 rupees an acre. Lieut.-Colonel Howard Bury directed the attention of the House to a matter which is causing grave concern to the military authorities in India. The shortage in the number of British officers coming forward for service in the Indian Army is pronounced, and it is to be hoped the subject will be adequately dealt with by Lord Winterton in the full statement he is to make later in the Session. In regard to the Reforms there is nothing new to be said. Lord Winterton's speech gave the impression that the Royal Commission to inquire into the working of the new Constitution would be appointed before long. The task to be entrusted to that body will be a momentous one, calling for exceptional sagacity and courage, and it will not be rendered less difficult by the grave communal differences which continue to manifest themselves in India.

Indian Trade.

Mr. H. A. F. Lindsay, the Indian Trade Commissioner in London, in giving evidence before the Royal Commission on Agriculture on Friday, stated that European and American markets in general are more critical of the quality and condition of the goods they buy than they were before the War. This was due partly to keener competi-

tion and the necessity of eliminating waste and reducing costs of raw material, and partly to the higher cost of labour and the importance of obviating unnecessary trouble and expense in manufacture. In general, according to Mr. Lindsay, Indian commodities conform to these altered conditions, but in some cases they do not. In regard to jute for instance, the difficulties experienced in foreign markets are very slight, but hemp, or the other head, would benefit considerably by the introduction of improved methods of cultivation and preparation in India. The Trade Commissioner declared that the main factor in the situation, as viewed from European markets, appeared to be the overwhelming need for wider and better organisation of India's agricultural resources, and he made the important suggestion that an organisation should be created in India which could negotiate on level terms with the overseas importer. Mr. Lindsay was impelled to the conclusion that such an organisation is needed by his experience as a member both of the Imperial Economic Committee and of the Empire Marketing Board. The investigations of the markets of the United Kingdom by these bodies have shown that the seller who secures best prices is he who knows and can meet the exact requirements of the consumer. The Dominions have their own producers' organisations and control boards, which attempt to ensure uniformity and economy of handling their products at home, and in some cases by means of agents abroad to reach the consumer. India has already her Cotton Committee, which is doing excellent work in the improvement of the quality and the enhancement of the reputation of cotton, and Mr. Lindsay apparently would not include this product in the proposed organisation, on the principle of "leave well alone." But he believes that a new organisation which would exercise a direct influence for the improvement of methods of production and preparation for market would perform a useful service, and the experience of the Cotton Committee certainly seems to support his view. It is to be feared that under existing conditions the Indian cultivator suffers from malpractices which are resorted to after his produce has left his hands. In any event, a well considered scheme which would secure better prices for Indian exports and enhance their reputation abroad should be welcomed.

The second Interim Report of the Royal Commission on Agriculture in India, which includes the minutes of the evidence taken in the Bombay Presidency up to November 2, 1926, has been issued as a Blue-book (H.M. Stationery Office, price 8s. 3d.).

The India Office announces that the age of retirement of General Officers in the Indian Medical Service is raised from 57 to 60. The provision by which a General Officer may continue in an administrative appointment for one year at the discretion of the Viceroy is cancelled.

A telegram to the Secretary of State for India states:—Rainfall, week ending June 15. Excess: Bay Islands, Kashmir, Baluchistan, Rajputana (West), Bombay Deccan, Hyderabad, Madras (South-East), and Madras Deccan. Normal: Lower Burma, Assam, Gujarat, Konkan and Madras Coast (North). Fair: Upper Burma, Bengal, Punjab, Central Provinces, Mysore and Malabar. Scanty elsewhere. Monsoon extended North Peninsula.

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CALCUTTA LETTER.

(From Our Own Correspondent.)

Calcutta, June 2.

Stability of Indian Currency.

Sir Basil Blackett in the course of an interview has shown that the communiqués on the subject of the recent contractions of currency are not likely to cause any misapprehension in the market. He added that most of the criticisms start from the erroneous notion that there is something inherently evil in a contraction, and from the habit of exaggerating the extent to which any currency system can be worked without expert control by a recognized currency authority. The action that the Government have taken has done no more than impart a wholesome stability to monetary rates. The Finance Member insisted on the difficulties of maintaining the stability of exchange in India, irrespective of the ratio adopted; but difficulties, he contends, are no greater at 1s. 6d. than they were at 1s. 4d. Exchange is at the moment satisfactorily strong for the season, the recent weakness being the outcome of the speculation that forced up the market quotation of the Government of India securities in India to an unduly high level a year ago.

Indian States and Opium.

The question of controlling the production as well as the consumption of opium brought together the Government of India and the Indian Princes at a Conference held at Simla a few days ago. His Excellency the Viceroy said that India was pledged to the ultimate suppression of opium smoking, to the limitation and control of the export of the drug, and to the prevention of the smuggling of it to the Far East. The drastic reductions resorted to in the United Provinces had not caused any appreciable hardship, and the economic life of the Indian States had not been disorganized on account of those reductions. The Government can rely upon the co-operation of the Princes, the key-note of which was given by H.H. the Maharajah of Patiala's cordial response to the Viceroy's appeal. The Hague Opium Convention was signed by representatives of India, including a Ruling Prince, H.H. the Maharaja of Bikaner, and thereby India, and not merely British India, became a party to this agreement. India has further pledged herself to take effective measures to prevent the illicit traffic in raw opium from presenting a serious obstacle to the suppression of opium smoking, a habit, rare in India, but sadly prevalent farther East. A Commission of the League of Nations will visit India and other producing countries in the course of a few years, in order to determine whether the pledge has been kept.

The Howrah Bridge.

There is no further hope of a new bridge, worthy of the name and of the City. The cheapest kind has been decided upon. The cheapest is, of course, a floating bridge, which means interrupted traffic, danger due to the tidal river, and rapid deterioration. For years there have been complaints, suggestions and proposals in regard to the building of an adequate structure. But the conclusion that the bridge should be of the cheapest kind has committed Calcutta to another floating bridge. It is true that it will be wider than the existing one and that the roadway will be larger, with provision for a double tramway line and two footpaths. It will be situated ninety yards from the present site. It is a general complaint that such a structure should be deemed sufficient for the purpose of the second city of the Empire.

European Unemployment.

At a recent meeting of the Rotary Club Mr. J. H. Simpson declared that there had recently been an increasing and alarming amount of unemployment among Europeans in Calcutta, a rush of Ex-Service men to the city having been one of the factors. There are two organisations, the Ex-Services Association and the European Unemployment Relief Committee engaged in dealing with this invasion. They are assisted by the Bengal

Chamber of Commerce, the Calcutta Trades Association, the European Association, the Rotary Club, the Y.M.C.A. and the District Charitable Society. One would think that the unemployed men could easily be accommodated by so many powerful bodies. The fundamental mistake seems to lie in the fact that unless a man is absolutely destitute and fallen very low, he does not inspire the necessary sympathy, and cannot get the wherewithal to make a fresh start. Most of the unemployable men, who are so helpless that they have to hang on to the Associations, are cared for by the repatriation societies and sent home to relatives. But it is declared that men and women whose troubles are temporary, and who could, if given a chance at the right moment, avoid collapse, are not tendered the needed assistance. Old clothes and charitable rations will never be a solution of the difficulty.

Here and There.

Dr. Annie Besant has cabled to "New India" an appeal "to unite for the Mother's sake (India)". "If the Bill now in the House of Commons does not please you," she writes, "make another. I will be the first to tear up the older one and welcome the new. But no Bill will become an Act unless united India demands it."

Had Flight-Lieutenants Carr and Gilman enjoyed better luck in their "record flight" to India, the place ambitiously styled as the Dum-Dum aerodrome would have been used to justify the designation. But after a cable was received announcing the arrival of the pilots, another followed to cancel the order to prepare the bit of waste land at Dum-Dum for the landing. It was a disappointment, but perhaps it was better thus; for time will now be available to make of Dum-Dum, the chosen landing ground of Calcutta, the future junction of all air routes to the East.

The result of Professor Raman's study and research in magnetism is a new and extremely sensitive apparatus, by which the feeble magnetic properties of gases and vapours may be accurately measured. With that apparatus and auxiliary optical aid, Prof. Raman can demonstrate that the molecules of a liquid, when placed in a strong magnetic field, tend to turn round and arrange themselves parallel to one another. Benzene and carbon-disulphide produce the strongest effect. Indian savants want to prove that light really comes from the East.

A cultivator in the Madras Presidency has lately unearthed a number of Roman coins of the reign of Claudius. Did these coins buy apes, ivory or peacocks? Egyptian coins would certainly be less of a puzzle. Roman coins are a most unaccountable find.

Calcutta amusements are thinner than ever. The Forbes Russell Company after a comparatively successful season, a success due to plays such as "Fallen Angels" and "The House of Unrest," have given "The Last of Mrs. Cheney" as their farewell performance. The Empire Theatre will be closed till July, when the Joy Bells will come to charm Calcutta's monsoon nights.

A recent arrival wonders at the manner in which the last gas-lamps are being lighted in Calcutta, and suggests that the man, instead of running about carrying a ladder, should be provided with a pole. There are a number of antiquated institutions in Calcutta.

According to the *Pioneer*, Gul Akbar, one of the murderers of Mrs. Bums at Bannu, and of Captain and Mrs. Watts at Parachinar nearly four years ago, who was arrested at Peshawar on May 9, was last week tried, convicted, and hanged.

In the course of his evidence before the Royal Commission on Agriculture in India, Mr. H. A. Lindsay, Indian Trade Commissioner in England, said he received many complaints in regard to the quality of Indian produce. With regard to tobacco, it was largely a question not only of the quality of the plant, but of the curing. The existing British import duty also had an adverse effect. The new preference duty on Imperial tobaccos increased the export of leaf, but the cigar trade remained stationary, possibly because the duty was too high on weight. If there was an *ad valorem* duty it might have a good effect on increased export of cigars. If the duty were reduced by half or the method of assessing revised, the present 4½d. Indian cigar might be sold in London for 2½d., which would mean an increased demand.

BOMBAY LETTER.

(From Our Own Correspondent.)

Bombay, June 3.

Birthday Honours.

A glance through the Birthday Honours list shows that Bombay has undoubtedly secured a fair measure of recognition, and that the awards, even if in certain cases they may be tardy, deserve general approval. The Knighthood to Mr. Justice Fawcett is one of the tardy ones, for he is senior civilian judge of the Bombay High Court and is shortly due to retire. The O.B.E. to Mr. J. F. Main, Deputy Director of Agriculture, seems a small reward for his excellent services in that Department, and particularly in connexion with the Presidency Agricultural Show at Poona. Mr. Cowasji Jehangir's K.C.I.E. is rather a subtle compliment, for he is already heir to a baronetcy. Responsible for the administration of the Development Department, he is probably the most abused occupant of the Treasury Bench in the Bombay Council, but he has not as yet allowed this to worry him in the performance of his arduous public duties. Incidentally, he will be Sir Cowasji Jehangir, junior, for he bears the same name as his worthy father.

Awards to Business Men.

Two Bombay business men figure among the new Knights Bachelor, Mr. Manmohandas Ramji and Mr. S. B. Mehta. Mr. Ramji is a past president and present committee member of the Indian Merchants Chamber and the Millowners' Association, and has an excellent record of public service in the Provincial and Central Legislatures. Always a determined opponent of non-co-operation, he has withstood the attacks of the leaders of that movement, and, more recently, supported very strongly the eighteen-penny rupee in the face of even greater opposition. Mr. Mehta is not really a Bombay man, for he is manager of the Empress Mills at Nagpur. But he is a son of the late Sir Benzoni Mehta, who migrated from Bombay to Nagpur to further industrial progress there, and he has very ably carried on the good work which his father initiated. The C.B.E. to Lt.-Col. O'Brien is just recognition of much good work in the principal Indian State in Bombay, for he has been Resident of Kolhapur for several years now; and the C.I.E. to Mr. A. G. Edie, Conservator of Forests, is particularly appropriate, following the recent publication of the highly interesting report on Forest Administration in the Presidency.

Reserve Bank Bill.

The Joint Committee of both Houses of the Indian Legislature appointed to consider the Reserve Bank Bill has been sitting behind closed—but not very well guarded—doors at the Bombay Secretariat during the week. The Press were carefully excluded, and the members of the Committee warned against giving anything away; nevertheless, the morning papers have come out with long "unauthorised" accounts of almost all that has passed. It appears that the opposition, consisting of the sixteen-penny rupee protagonists and such friends as they have been able to collect, are determined to get their way or to wreck the measure. The important question of control has been postponed until the Calcutta sitting six weeks hence, and only minor questions have been disposed of during the week's discussions in Bombay.

A Change of Attitude.

A long-standing grievance of Bombay is to be removed this year. The annual visit of the Viceroy to Calcutta, while Bombay has been ignored, has always been a thorn in our side. Consequently, the news that we are to receive

two visits from Lord Irwin this year is more than ordinarily interesting. The first visit is to be in July, when His Excellency is to open the Indian Broadcasting Company's station and inaugurate the new beam wireless communication with England. He does this all in one day; but in December he proposes staying no less than a week with us, and it is likely to be a very full week indeed. All we want now to fill our cup of happiness to the brim is the appointment of a Bombay man on the Viceroy's Executive Council.

Corporation Presidentship.

Dr. Batliwalla's election to the Presidential chair of the Municipal Corporation has received legal support in the shape of Mr. Justice Blackwell's judgment in the case brought forward by Mr. J. B. Petit, who questioned the legality of the election owing to the retiring President having drawn lots to decide between Dr. Batliwalla and Mr. Petit, who tied in the ballot, instead of giving his casting vote right away. It was contended that the case should never have gone to the High Court at all, but Mr. Petit persisted in his action. Presumably, therefore, his intention was to prevent similar questions arising in the future, and he has at least the satisfaction of having registered a protest against Mr. Chinoy's method of settling an important issue.

Greater Bombay.

Bombay's suburban schemes are at last beginning to justify themselves. Very steadily the overcrowded portions of the city are disgorging their surplus residents, who are moving out to take advantage of the financial help that Government is offering to persons desirous of building garden houses of their own, away from the din and congestion and unhealthiness of city life. The progress of the various suburban schemes is indicated by the fact that at Khar two sectors have already filled up and two new ones have been opened, and Rs.8½ lakhs have so far been expended as State-aid to builders; at Bandra only eleven plots out of 144 remain unsold; the Danda scheme nearby has proved unusually popular and the land will soon all be taken up. Chembur has been very slow to attract public support, but even here progress is being made and a co-operative society has taken over a large holding for its members. The price of land in these suburban areas varies from Rs.3 per square yard at Chembur to about four times that amount in Danda.

The Parasnis Pictures.

The Parasnis collection of historical Indian pictures is likely to be saved for India after all. A new scheme has been drawn up which provides for the collection being acquired through the formation of a Parasnis Memorial Fund of Rs.1½ lakhs of rupees and proposes that it should be housed in the Shivaji Memorial Hall to be erected in Poona. Government, however, will have to release the Parasnis family from their recently-signed agreement handing over the book collections in the Satara Museum in exchange for a monthly pension of Rs.200. However, as everyone secures some material advantage from the new proposals they will probably go through, and as they appear to constitute the last hope of saving these paintings, it is to be hoped they will be adopted.

Market Conditions.

The reduction of the Imperial Bank of India's rate of interest has had a beneficial effect, at least so far as Government securities are concerned. These have fluctuated considerably during the week, 3½ per cent. paper going as low as Rs.77½, but the close shows a steadier tendency. Imperial Bank shares met with strong demand on the Stock Exchange at the close of the week. Chinese operators have appeared on the silver market and their purchases tended to send up the price, but local demand immediately slackened. Gold, exchange, and cotton were unchanged and dull.

LUNCHEON TO LORD LYTTON.

The Earl of Lytton, formerly Governor of Bengal, was the guest of honour at a Luncheon given by the Royal Colonial Institute at the Victoria Hotel on June 17. Lord Stanley of Alderley presided and was supported by Lord Birkenhead, Secretary of State for India. Among those present were :—

The Earl and Countess of Lytton, the Marquess of Reading, the Earl and Countess of Birkenhead, the Earl of Meath, the Maharajadhiraja of Burdwan, Sir Charles and Lady McLeod, Sir Arthur and Lady Hirtzel, Sir Godfrey Lagden, Sir George and Lady Boughey, Sir Archibald Weigall, Sir Muhammad Rafique, Colonel and Mrs. Owen Pulley, Major and Mrs. Norman McLeod, Prof. N. Gangulee, Mr. and Mrs. N. C. Sen, Mr. S. N. Mallik, Mrs. Alex. Tweedie, Mrs. H. P. Cobb, Mr. and Mrs. Montague Bell, Mr. and Mrs. B. W. Leefe, the Rev. B. G. Bouchier, Messrs. L. O. H. Tripp, J. S. Tritton, J. H. Stead, C. G. Myer, S. S. Bagge, J. C. Cross, F. H. Brown, and E. Salmon, Dr. and Mrs. Gutteridge and Mr. and Mrs. H. E. Bradshaw.

The health of Lord and Lady Lytton was proposed by Lord Stanley of Alderley, who referred to the constitutional concordat which was being hammered out to unite the people of India and the Imperial interests of this country in a single whole. It was important that those who presided over the destinies of India should be men of weight, of sympathy and of vision, and Lord Lytton had amply fulfilled those qualifications.

In supporting the toast Lord Birkenhead said that Lord Lytton brought to his duties as Governor of Bengal an illustrious and interesting descent. Born in a Viceroy's palace, he had inherited the sympathy and prestige which in India counted for so much. Neither when he went to Calcutta in 1922, nor at any moment of his period of office, had he had an easy task. India, like so many other parts of the British Empire and of the world, was suffering from post-War *malaise*, through the excitements and misunderstandings and the falsified expectations and hopes which gave rise in men's minds all over the world to violent and often dangerous reaction. Lord Lytton was charged with the interests and honour of his country at a time when the danger signals were plainly discernible. His charge covered a province second in importance to none in India, in which problems trod close on the heels of problems with pitiless recurrency. That he should have preserved during the whole of that time his firm and constant serenity of purpose, never deflected by anxieties, however great, was a tribute to character which had been exhibited not for the first time in the connexion of Great Britain with India, but never exhibited with more unbroken serenity than by Lord Lytton. He had discharged the duties of Viceroy when Lord Reading was in England with dignity and efficiency and had been supported in that important period with grace and charm by Lady Lytton. The Royal Colonial Institute had done honour to the worthy descendant of a distinguished line, to the worthy holder of a great title.

Lord Lytton, in his reply, stated that it was a novel experience to find himself eulogised, as during his time in India he had become accustomed to being described as a human monster and the author of every political crime. He could think of no greater pleasure for a man who had tried to serve his country overseas than to receive so generous a tribute from his immediate official chief as that which Lord Birkenhead had uttered. India could no longer be described as belonging to "the unchanging East." It was developing so rapidly, changing so quickly, almost from day to day, that only those who were actually in the country seemed now able to speak with authority upon it. He was glad to think that at the moment when he left Bengal both the revolutionary movement, which sought to hold up the machinery of Government by violence, and the movement of constitutional obstruction, which refused salaries to Ministers, had definitely failed, and public opinion in the province had shown that it was satisfied of their futility. Ministers were once more established in Bengal, and Sir Stanley Jackson had begun his term of office under conditions which were more favourable to a review of the Constitution. He hoped that by the time the Royal Commission went out to India Bengal would have

made some use, at any rate, of those powers which she had deliberately neglected during the last five years. Lord Lytton paid a tribute to two Indians who were present who had given him valuable help—the Maharaja of Burdwan, on whom he relied as Member of Council from the first and who had never failed him; and Mr. S. N. Mallik, who was now worthily representing Bengal on the Council of the Secretary of State—but he could not help adding that there was none whose aid he had valued more than that of Lady Lytton. She shared all his anxieties, and her own duties, which were numerous and onerous, were carried out with whole-hearted devotion. The honour recently conferred upon her was one that they both valued highly.

INDIAN MAIL.

How to Keep Cool.

The problem of how to keep cool in the tropics is being solved by the Principal of the Calcutta School of Tropical Medicine, who describes in the annual report the "cool room" established at that institution. The idea of heating the air of a room which is uncomfortably cold has been accepted all over the world as a reasonable proposition, he says; but when he suggested it was equally desirable to cool the air of a room which was too hot, there was a storm of criticism and opposition. However, the Principal went ahead, and he says that the prejudice against his cool room has now died down. It is the only one of its kind in the tropics. After several years' experience of the room it is possible to assert that dangers to health which were feared were proved to be unfounded, and it is certain that sooner or later such rooms will be common in the tropics. The air which enters the room is forced in by a fan which drives it over the cold pipes of a refrigerating plant. The same fan sucks out the air of the room and an ample supply of fresh air is supplied from an inlet which can be protected by a gauze screen or layer of cotton wool so that it is possible to filter out dust and micro-organisms. The anticipated drawback has been found in practice to be negligible, in fact it is found that a spell in a cool room raises the vitality to such an extent that the person who has spent a few hours in a cool room does not feel the depression associated with high temperatures for several hours after leaving the room. It may be 20 or even 50 years before the advantages of artificial air cooling are realised in the tropics, says Colonel Megaw, but sooner or later it will be appreciated that mankind can secure suitable environment in the tropics by adopting well-known principles of air refrigeration.

Afghan Trade.

Some criticisms of the manner in which trade is at present carried on between India and Afghanistan are made by a writer under the nom de plume "Afghan" in the Kabul newspaper *Aman-i-Afghan*. He says, writes the *Pioneer*, that individual Afghan traders who are ignorant of the principles of trade and the languages of India bring their commodities to the Indian border and dispose of them at very cheap rates in cities close by, such as Peshawar, Thall and Chaman. Other traders go further into India to places like Lahore, Delhi and Bombay and buy goods on which various middlemen have already made their profits and the Government of India has realised customs duty. These goods are sold at high prices in Afghanistan, the traders looking only to their own individual profits and having no idea of service to their country. The few trading companies which exist in Afghanistan, the writer goes on to state, fail in many respects; they should, he says, keep agents at commercial centres and deal with foreign companies direct, thus saving for themselves and their customers the profits of middlemen. The suggestion is made that an expert from Europe or America should be called in to guide Afghan traders, who are advised to form

a directorate in their common interests. These suggestions appear to be admirable as both Afghanistan and India would be likely to benefit from an improved trade organisation of the former country.

The Sukkur Barrage.

On the invitation of the Government of Bombay a party of non-official members of the Bombay Legislative Council recently visited the Sukkur Barrage Works. Mr. J. Addyman, who was one of the party, subsequently made an interesting statement to a representative of the *Times of India*, in the course of which he said: In the year 1931 when water flows along the New Canals, as with ordinary luck it will flow, those who have been responsible from the commencement of the scheme to its completion, those who have built up a remarkable organisation and maintained efficiency at its highest level, among whom are not only engineers but administrators also, will be entitled to say "something attempted some done." The erection of the Barrage, the construction of 805 miles of main canals which will be chiefly perennial canals, 766 miles of branch canals and 3,724 miles of distributories assuring 5,469,106 acres of land of a regular supply of water of which 3,291,417 acres is now desert or semi-desert land, is to cost, according to the Project Estimate, Rs. 18½ crores, and it is certainly not expected that this estimate will be exceeded by more than 5 per cent. and may possibly come well within that figure. When all this land comes under cultivation, as will be the case well within 30 years, the anticipated wheat crop will be approximately 1,000,000 tons, rice 500,000 tons, cotton 200,000 tons, jowari and other crops 500,000 tons.

Volunteer Police.

The Bengal Chamber of Commerce, having been invited to express their opinion of the Volunteer Police Bill introduced in the Legislative Assembly by Sir Alexander Muddiman, state that they are opposed to the principle of the measure. In the course of their reply they say: Occasions when the force it proposes to constitute would be expected to be available here may be said to consist principally of those periods when there is communal trouble, and the Committee feel strongly that the establishment of a volunteer police force at such times might lead to grave difficulties. Members of the force would be recruited very largely from the communities between whom friction existed, and the Committee consider that it would be a cardinal mistake to incur the serious risks that would be incurred by enrolling a temporary force necessarily consisting of partisans on one side or the other. The Committee can appreciate that at times when religious fervour is high it must be a matter of some difficulty and certainly a cause of great anxiety to the responsible authorities to maintain equanimity even in the disciplined ranks of regular police, and they apprehend that this difficulty would be magnified to a dangerous extent in any temporary force.

Source of Communal Trouble.

Lahore is once more at rest, writes the *Statesman*, and the Government of the Punjab have moved to Simla. Sardar Jogendra Singh, the Punjab Minister for Agriculture, has come to the same conclusion as have observers elsewhere—that the communal trouble comes from the top and that the educated classes are to blame. The picture he draws of the present state of feeling, in which each community is expected to defend murderers with all its moral and material support, is thoroughly disquieting, though in fairness it should be said that the leaders of the Muhammadan community promptly disclaimed all sympathy with the assassin of Swami Shradanand. The Minister pays a tribute to the police, the Punjab Light Horse, and the rank and file of the Army which appears to be thoroughly well deserved. Sir Malcolm Hailey and the Government are to be congratulated on having suppressed the riots without firing a shot.

"Rotting" in Jail.

"Rot" ejaculated Sir Malcolm Hailey on a memorable occasion some years ago when an impassioned member of the Assembly referred to political prisoners as rotting in jail. The appropriateness of that monosyllable of criticism, says the *Times of India*, is once more demonstrated by the report issued by the Committee appointed to inquire into the present state of discipline in the jails of Bengal. The report shows that, so far from rotting in jail, the *détenus* are in some cases allowed to play tennis and badminton within full view of other prisoners in jail, and that each of them is allowed a convict servant. The position is made worse by the fact that there is a lack of uniformity of treatment, according to the way in which different Superintendents exercise the discretion allowed to them and, as the report says, the task of the jail authorities has been rendered no easier by "the good opinion of themselves to which the *détenus* have attained and the pinnacle of esteem to which they have been raised by their sympathisers." So far from being kept out of harm's way the *détenus* do harm in jail, since their presence is subversive of jail discipline and, very naturally creates discontent among ordinary convicts.

WATER COLOURS OF INDIA.

Traditional scenes of India are shown in the exhibition of water colours and tempera paintings by M. W. S. Bagdatopoulos, a Greek artist, at the Arlington Gallery, 22, Old Bond Street. In the collection there are things pleasing and displeasing. The artist has achieved distinctly admirable effects in some of his paintings, notably in "Looking towards Afghanistan" where the suggestion of the everlasting hills is well brought out by a foreground in which purples, blues, and greens predominate. Another good example of his work of another order, is "Passage leading up to Fort, Trichinopoly" where his treatment of light and shade is very effective. Then of the numerous figure studies mention may be made of "A Madras," a somewhat startling vision in scarlet and green. Another notable picture is "Taj Mahal, Morning, Agra," which numbers among its merits that of suggesting restfulness, in which respect it is not in consonance with all the pictures. In some of his effects the artist has been less happy notably in "Old House in Chinar Barg, Srinagar," while "The Man Singh Palace (Chit Mandir) Gwalior" is rather overwhelming. The outstanding feature of the exhibition is the realism displayed by the artist, who has undoubtedly the capacity for translating with a very vivid brush the picturesque scenes that have been before him.

NEWS IN BRIEF.

The Commander-in-Chief in India has approved the following appointments:—

To the General Staff.—Captain H. S. Bagnall, The Green Howards, G.S.O.3, at Simla; Brevet Lieut-Colonel R. S. Abbott, 12th Frontier Force Rifles, officiating G.S.O.1, at the Staff College, Quetta; Major G. O. de R. Channer, 7th Gurkha Rifles, officiating Instructor at the Staff College.

To the Administrative Staff.—Colonel A. O. B. Wroughton, Lieut-Colonel A. G. C. Hutchinson, Major H. P. Rudolf, Captain L. A. J. Graham, Lieutenant N. R. Kennedy, Captain O. T. Durrant, and Major St. J. A. Browne.

OBITUARY.

MR. DONALD COWIE.

Mr. Donald William Garden Cowie, late of the Indian Civil Service, died at Puttenham, Guildford, on June 16, at the age of 62. He joined the Indian Civil Service in 1886 under the Madras Government. When on leave in 1894 he was called to the Bar by Gray's Inn, and on returning was made Registrar of the Madras High Court on the appellate side. He was engaged both in executive and judicial work in the districts until 1908, when he was made Inspector-General of Police, a position he held until his retirement in 1914.

Commercial and Financial Section.

NOTES AND NEWS.

170, Strand, London, W.C.2,
Tuesday Morning.

Forthcoming Loans.

The publication in the *Official Gazette* of Palestine of an Ordinance authorising the granting of the loan of £4,500,000 may be taken as an indication that at long last this loan is on the point of being issued. It has been a very lengthy process from the time that the project was first mooted, and in view of the need Palestine has for the loan it cannot but be a matter for surprise that there should have been such an interval after the Bill authorising the loan had been passed. Loans issued under the aegis of the League of Nations go through much more quickly than this. Incidentally the Palestine loan is by no means the only Near Eastern issue that is to be anticipated in the coming months. It is expected, for instance, that there will be three separate Greek loans—one a supplementary loan for the refugees, one to finance the Budget, and the third to achieve stabilisation. The question of this financial aid for Greece will come before the League of Nations in September, and there is every reason to suppose that the League will give its approval to a loan or loans. *En passant*, as showing the improved prestige of Near Eastern countries—or some of them at any rate—it is interesting to note the rumour that a Swedish group is prepared to make a loan of £9,000,000 to Greece, but assuming the report to be correct it would be extremely unlikely that Greece would entertain any such proposals while she can obtain the accommodation she desires through the medium of the League. Loans are also believed to be on the tapis for Roumania, Bulgaria, and Yugoslavia, but it may possibly be unlikely if the negotiations mature that all of them will be issued in this country. Yugoslavia is looking for further financial support for public works, and in view of the close financial relations which she has developed with the United States it is at least a possibility that she will try to obtain her requirements across the water.

Roumania's Trade Progress.

Despite the difficulties with which Roumania has been confronted in recovering from the effects of the War, it is noteworthy that her trade figures are showing a tendency to improve, a development which, as might be expected, is most marked in the export trade. For the first three months of this year the value of the exports was £10,397,129, and for these three months the tendency was in evidence for steady progress. Thus the figures for January were £3,153,008, for February £3,498,017, and for March £3,736,104. The value of the imports for the same period was £10,691,363, there being thus an adverse trade balance of £294,234, which compares with one of £4,122,296 for the corresponding period of 1926. The interesting feature of the export figures, however, is the steady advance they show compared with previous years. Thus for the first quarter of 1925 the value of the exports was £8,236,325, and for the first quarter of 1926 the total was £8,257,410. Last year the imports were unduly high, and this is attributed to the new Tariff which came into force, in anticipation of which imports were increased. In considering the export figures for the first quarter of this year, it has to be borne in mind that cereal exports are invariably small at this period, so that the figures must be regarded as being extremely satisfactory. Last year the ultimate result was a favourable trade balance of over £5,000,000, and in the circumstances it is reasonable to anticipate an improvement in this result.

Kassala Cotton Company.

The cotton crop of the Kassala Cotton Company for the past season amounted to 22,547 kantars as against 27,197 kantars, this reduction being due to the exceptionally poor Gash flood, and as lower prices have been ruling for cotton the results of the year were somewhat below those of 1925. The prospects for the current year appear to be much better. The crop is estimated at 48,000 kantars, of which up to the end of March 34,200 kantars had been picked. That means roughly a yield of about 12,000 bales, and as cotton prices have now taken an upward trend a more satisfactory report may be looked for in twelve months' time. The difficulties with which the company has been faced are dealt with in the report. It is pointed out that the experience of the Gash flood over three years has shown that the proportion of the volume of water that can be used for irrigation is less, and that the amount of water required for the cotton crop is more, than was anticipated when the Company's concession was negotiated. Further, the area available for cotton is reduced by the area in which the Sudan Government desires that the inhabitants should grow grain, and it is added that it is likely still further to be reduced by developments in Eritrea. Representations have been made to the Sudan Government that the Company will be placed in a difficult position unless the concession is modified or other concessions are substituted for it. Further information with regard to the negotiations will be looked for at the meeting.

Suez Canal Dividend Increased.

An interesting review of the progress of the Suez Canal Company was given at the annual meeting, a report of which will be found on another page. There was a decrease in the transit receipts in 1926 of about 5,372,000 gold francs as compared with 1925, but owing to the sterling rate being about 50 per cent. higher the receipts at 746,547,843 francs showed an increase of 137,869,950 francs. The working expenses amounted to 69,727,176 francs, while the work on the maintenance of the Canal showed an increase of nearly two million francs. After allocating 25,000,000 francs to the depreciation fund for improvement works and 24,000,000 francs for the amortisation of material there remained 617,740,029, and with the amount brought forward there was a disposable surplus of 619,810,640 francs. The dividend is raised from 300 francs per share to 420, and in proposing this

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substantial increase it was indicated that if, as it was hoped was the case, the stability of the exchanges was assured, the directors were convinced that they would be able to avoid any decrease in the dividend. The traffic figures were fully dealt with at the meeting. The transits in 1926 numbered 4,980, the net tonnage being 26,060,377, a total which was 701,558 below the record of 1925. The average tonnage of the vessels using the canal was 7,256 as against 6,916; 25,400,000 tons of merchandise were carried through the Canal, a decrease on the 1925 figures of 1,160,000 tons, but the decrease was only in the home-ward movement, the outward movement showing an increase of over a million tons. As regards the current year it was stated that the outlook is satisfactory, and that for the first four months the net tonnage transited has exceeded by 900,000 the figures for 1925, and the hope is entertained that the figures for the whole year will exceed the record figures for 1925.

Sudan Trade.

The figures for the trade of the Sudan for the first three months of this year make a satisfactory showing as far as the exports are concerned. The total value of the trade was £E3,576,067 as compared with £E3,192,564, an increase of £E383,503 which is due entirely to the expansion of the exports, for every other heading in the list shows a decline as compared with the figures for the corresponding period of 1926. The value of the imports was £E1,460,548 as against £E1,479,480, composed of Government imports £E550,311 and public imports £E910,237. On the other hand the value of the exports was £E2,020,603 as against £E1,608,350, an increase of £E412,253, for which, of course, the increasing production of cotton is responsible. If viewed as a whole, these figures reflect the economic depression from which the Sudan has been suffering for so many months, they also

unquestionably point the moral that the extension of the effects of cotton growing throughout the country will bring in its train a great development of business activity.

The B.I.F.

The news that a lease has been taken of the White City for the British Industries Fair for the necessary periods for the next three years disposes of any doubt as to the future of this institution in the event of the abolition of the Department of Overseas Trade and also definitely settles the question of a possible change of venue. It is understood that next year the space available at the White City will be considerably increased, while extensions are also being made at Castle Bromwich, Birmingham, so that the increased demand for space at the Fair will be fully met. Incidentally there seems to be ground for hoping that after all the proposal with regard to the Department of Overseas Trade will not materialise. The question, it is announced, is still under consideration, and the fact that there has been a volume of opinion in favour of its continuance on the part of the trading community will doubtless carry due weight with the authorities. After all, with the development of trade the vital necessity for this country at the present time it would be a most short-sighted policy to do anything that would curtail in any way our sources of commercial information, and it cannot, I think, be contended seriously that in the absence of the Department our business men would have the same avenues for inquiries open to them.

Rubber Uncertainties.

During the past week the rubber position has experienced considerable variations. The price has been down to 1s. 4½d., and after a very sharp recovery has again relapsed despite a reduction this week in the London stocks which was more substantial than was expected. Even

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those who are in a position to know the situation best seem a little puzzled by the development. A partial explanation is that America has been trying to depress the market under the belief that the restriction scheme is to be abandoned. The statement in the House of Commons last week should finally end, it may be hoped, any expectations on that score. But even if selling in America has had something to do with the "slump" it cannot be held to be wholly accountable for it. It must be remembered that while the British rubber estates have restricted their output the Dutch rubber growers have not been so affected, and have naturally been increasing their production as much as possible. That is undoubtedly the main reason why the restriction scheme has not had as rapid an effect as it was hoped would be the case. This week's London stock figures are, however, an indication of the probable trend of events, and it will not be surprising if henceforward there is a fairly steady reduction in stocks, and that in time will have the anticipated effect on prices.

COMMENTATOR.

COMPANY NOTES AND REPORTS.

KASSALA COTTON.

The report of the Kassala Cotton Company, Ltd., for the year ended December 31 last states that during the first half of the year a labour force of some 375 men was continuously employed upon the improvement and extension of existing irrigation works, and upon works designed to ensure the adequate watering of various well centres. Additional offices and stables were erected. Main canals excavated and in operation on the concession area as at July, 1926, were as follows (in kilometres):—Mekali, 17½; Magauda, 23; Mitateib, 22; Hadaliya, 20; total, 82½. The acreage effectively irrigated amounted in 1925-26 to 11,500 acres—as compared with 16,000 acres in 1924-25. The crop amounted in 1926 to 22,547 kantars of seed cotton—as compared with 27,197 kantars in 1925. The reduction in acreage was due to the exceptionally poor flood. The whole of the 1926 crop was shipped to the United Kingdom for sale, and about 90 per cent. of it had been realised on December 31 last. The balance was sold during the first weeks of the present year, and the amount receivable by the company in respect thereof is brought into the accounts now submitted.

The volume of the Gash flood of 1926 exceeded that of any previous flood of which record exists, although its period of flow—86 days—was not above the average. The area irrigated sufficiently well to carry a crop to maturity, and sown during the autumn, amounted to some 26,000 acres—as against 11,500 acres in the previous year. A satisfactory crop has been picked. During November and December a labour force of 225 men was employed upon works in the delta. The most important work undertaken was the digging of a new main canal, to be known as the Tendelai Canal, similar to the existing Mitateib and Magauda Canals, and designed to irrigate an area lying between them. Nine kilometres of this canal, together with a brick and masonry head-regulator, have been completed. The pumping installation at Mekali, supplying drinking water by pipe-line to the Aroma and Magauda areas, continues to work satisfactorily. The drinking water problem is however only partially solved, and borings have been carried out under expert supervision at various points—so far without success.

The experience gained from the Gash flood of the past three years shows that of the total volume of water arriving at Kaassla the proportion which can be used for the irrigation of land for cotton cultivation is considerably less, and the amount of water required per acre for carrying a cotton crop to maturity is somewhat more, than had been anticipated at the date of the negotiation of the company's concession. The area upon which it will be possible for the company to grow cotton is further reduced by the acreage of irrigated land upon which the Sudan Govern-

ment thinks it desirable that the inhabitants should be allowed to grow grain, and is likely to be still further reduced by the abstraction of water in Eritrea, where the Italians are continuing their programme. The directors have represented to the Sudan Government that the reduction of the cotton area arising from the above factors will place the company in a very difficult position unless either a variation of the terms of the company's existing concession is made, or other concessions are substituted for it. Negotiations with the Sudan Government are in progress.

The profit and loss account for the year, after deduction of all outgoings, but before charging debenture interest, shows a net profit of £21,630 7s. 2d. After bringing in the credit balance of £24,362 11s. 4d. from last year, and deducting debenture interest, there remains a credit balance of £15,992 18s. 6d., which the directors propose to carry forward.

CYPRUS ASBESTOS.

The report of the Cyprus Asbestos Company for 1926 states that 643,438 tons of rock were mined, 154,595 tons of screened ore were milled, and 6,197 tons of asbestos fibre were produced. There is every indication, it is stated, that as the quarries become more developed the recovery yield will improve. As a result of the year's working the debit balance on profit and loss account has been reduced from £27,697 to £2,017. Owing to the large amount of development work it has been necessary carefully to separate capital expenditure items from revenue account items. The overhead charges in 1926 were £23,065, equivalent to approximately £4 per ton of fibre produced. Of this amount, revenue account has been charged with overhead expenses of £2 per ton, the balance being, in the opinion of the directors, a proper charge to capital account. The directors state that they have not considered it necessary at the present stage of development to write anything off the properties or development accounts, but they have decided to write off by a transfer from the reserve account the balance of the preliminary expenses amounting to £5,000. It is estimated that the production of fibre for the next two years has been covered by forward sales.

The traffic receipts of the South Indian Railway Company for the week ended May 21 amounted to Rs.11,06,424, making the total from April 1 Rs.77,11,436.

The gross profit of the Credit Minier for 1926 amounted to 1,105,829,805 lei, the net profits being 415,728,046 lei (£506,985).

The board of directors of Barclays Bank (Dominion, Colonial, and Overseas) have declared interim dividends for the half-year ended March 31, 1927, at the rate of 8 per cent. per annum on the cumulative preference shares, and 3 per cent. per annum on the "A" and "B" shares, subject in each case to the deduction of income tax at the current rate of 4s. in the £, payable on July 21, 1927.

FOREIGN EXCHANGES.

Country.	Method of Quoting.	Parity of Exchange.	Latest Quotations.
Alexandria.....	Piastre to £	97½	97½
Athens	Drachmæ to £ ...	25.22½	358½
Belgrade.....	Dinars to £	25.22½	276½
Berlin	Marks to £	20.43	20.49
Berne	Francs to £	25.22½	25.22½
Bombay	Sterling to Rupee	18d.	17½—29/32
Brussels	Belga to £	35	34.96
Bucharest	Lei to £	25.22½	810
Budapest	Pen to £	27.82	27.86½
Calcutta	Sterling to Rupee	18d.	17½—29/32
Constantinople	Piastres to £	110	940
New York	Dollars to £	4.86 2-3	4.85½—9/16
Paris	Francs to £	25.22½	124
Prague	Kronen to £	24.02	163 15/16
Rome	Lire to £	26 22½	86½—
Sofia	Leva to £	26.22½	670—680
Teheran	Krans to £	50½	50
Vienna	Sch to £	34.56½	34.54½
Warsaw	Zloty to £	25.22½	43—44

SUDAN PRODUCE REPORT.

The following particulars are taken from the current issue of the Central Economic Board of the Sudan Government:—

Gum.

The exports of gum during April, via Port Sudan, were 11 tons of bleached of the value of £E481; 2,088 tons of hashab of the value of £E67,401; and 140 tons of talh of the value of £E2,217.

Cotton.

Blue Nile Province.—Generally the yield is evener than last year, the highest and lowest block yield at the end of March being 4.39 and 3.12 as against 5.28 and 2.60 last year. Ghubshan block leads in both years, but Barakat is the worst this year whereas the seed farm was the worst last year. A final yield of 4.50 kantars is now assured. It is noteworthy that ginning returns are coming out higher than last year, and the final average is likely to be in the neighbourhood of 103.

Extension work is proceeding and very good progress has been made with the widening of the main canal. The northern extension has now been limited to 55,000 feddans, of which 40,000 are in Hassa Heissa Merkaz and 15,000 in Kamlin Merkaz—the rest of the extension will be west of the present area.

Dura.

Halfa Province.—April: 2,400 tons of dura were imported from the north in April.

Blue Nile Province.—Egyptian dura has now penetrated as far south as El Hag Abdalla. Egyptian dura has been sold at Makwar where prices rose until a supply of this dura was placed on the market. Dura prices rose in Kamlin, but the arrival of Egyptian dura on the market had the effect of stabilising the price.

Upper Nile Province.—5,425 tons of dura were exported from the Province in 1926. 357 ardebs of dura were sold at Renk during the period 26.2.27 to 27.3.27 at P.T. 100 to P.T. 115 per ardeb. 338 ardebs of dura arrived at Geiger Murada in March. Large quantities of dura from the Shilluk District were shipped in March and April 346 tons were exported north in March, 329 tons by steamers and 17 tons by native boats.

Maize.

Berber Province.—A report states that the maize crop on the Mikeilab Pumping Station will average 4 ardebs per feddan.

The Fung Province.—10 tons of maize were exported from the Province by rail during the month.

Coffee.

Mongalla Province.—3,203 rotls of wild coffee have been collected in the Acholi Hills of Opari District where the crop is not expected to be as good as last year. Last year 11,326 rotls were collected from the only area then

known. Since then seven new areas of considerable extent have been found, too late, unfortunately, to allow of collection this year. The Inspector of Agriculture considers that given a good season a crop of some 20 tons should be obtained next year from the areas discovered up to the present. The value of this coffee will probably always be lessened by the impossibility of picking it from the trees, owing to their height and slenderness making it necessary to wait till the cherries fall to the ground.

The condition of the seedlings sown last year in the nurseries in the Acholi Hills is generally satisfactory and transplanting will be started in April. 150 rottles of Robusta have been obtained from planters in Uganda. This will be distributed for experimental sowings in the Eastern, Latuka, Opari, Kajo Kaji, Yei and Meridi Districts.

Upper Nile Province.—3,395 tons of Abyssinian coffee passed through the Province in 1926. Very little coffee has crossed the frontier in the Eastern District, and there are only about 100 kantars awaiting transport at Jokau.

FORTHCOMING SAILINGS.

The following are the sailings for the Near East and India, the ports of departure and closing dates for cargo being given in parentheses:—

Anchor Line.—S.s. Massilia for Bombay (Birkenhead, June 25). (For passenger sailings and dates see advertisement.)

Anchor Brocklebank Line.—S.s. Mangalore for Calcutta (Birkenhead, June 30).

Bibby Line.—S.s. Gloucestershire for Port Said, Colombo, and Rangoon (Birkenhead, June 29).

British India Line.—S.s. Domala for Bombay and Karachi (London, July 2); s.s. Margha for Colombo, Madras, and Calcutta (London, July 2).

Cunard Line.—S.s. Tyria for Gibraltar, Malta, Patras, Piræus, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza, also Algiers and Volo if inducement offers (Liverpool, Glasgow and Swansea, July 23); s.s. Pavia for Gibraltar, Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Venice, Trieste, and Fiume, also at Corfu, Gruz, and Ancona if inducement (Liverpool June 25, Swansea June 28).

Johnston Line.—S.s. Kenmore for Piræus, Volo, Salonika, Smyrna, Constantinople, Bourgas, Varna, Constantza, Sulina, Galatz, and Braila (Liverpool, June 25).

P. and O. Line.—S.s. Ranpura for Bombay (London, July 1); s.s. Delta for Colombo, Madras, and Calcutta (London, July 9).

Prince Line.—S.s. Lancastrian Prince for Tunis, Malta, Alexandria, Jaffa, Haifa, Beyrout, and Cyprus (London, July 6).

Ellerman and Papayanni Lines.—S.s. Fabian for Gibraltar, Malta, Alexandria, Jaffa*, and Haifa* (Liverpool, June 29); s.s. Roumelian for Patras, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza (Liverpool, July 2); s.s. Gerano for Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Gravosa, Ancona*, Venice, Trieste, and Fiume (Liverpool July 9, Swansea, July 14); s.s. Lesbian for Algiers*, Malta, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza (Liverpool, July 16). * Subject to sufficient inducement. Cargo taken on through Bill of Lading to:—Algerian ports via Algiers; Moroccan ports via Gibraltar; Tripoli (Barbary) via Malta; Syria and Cyprus via Alexandria; Greek outports via Piræus or other convenient port; Fiume via Trieste.

The production of the Anglo-Egyptian Oilfields for the week ended June 17 was 3,345 tons.

The net profits of the Credit Foncier d'Algérie et de Tunisie for 1926 were 11,599,237 francs. The dividend is 25 francs per share, an increase of 2 francs per share.

Hamilton's Concessions (Roumania).—Cabled advice from Bucharest is as follows:—"Production for week ended June 17, 380 tons. Well No. 8.—Continues flowing at approximately 50 tons a day. New well No. 9.—1,034 metres deep. New well No. 10.—881 metres deep. New well No. 12.—231 metres deep.

The directors of the Egyptian Hotels will propose at the annual meeting on June 30 that the capital of the company be increased to £265,000 by the creation of 25,000 additional ordinary shares of £1 each ranking for dividend and in all other respects *pari passu* with the existing ordinary shares.

ANCHOR LINE

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*MASSILIA ...	June 28	*ELYSIA ...	July 28
*BRITANNIA ...	July 8	*CASTALIA ...	Aug. 16

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THE WEEK'S FINANCE.

(By Our Financial Expert.)

London, June 21.

It is not surprising that, in view of the uncertainties in the political and financial outlook, business in the Stock Markets is of a very restricted character. There is a little activity on one or two speculative favourites in the industrial markets, but otherwise business is on a very small scale. A notable feature has been the further sharp fall in the price of rubber to the lowest point touched for over two and a half years. This has naturally had a depressing effect upon rubber shares, and is explained as being due to American operations and to a growing belief that the Government restriction scheme will not be extended beyond the end of the current year. On the official denial of any intention to drop the restriction scheme there was a rally.

Interest in investment markets has been largely concentrated upon new capital issues, many of which have been of an attractive nature. The Greek Mortgage Bank Loan was heavily over-subscribed and similar receptions have been accorded to many other issues. The Estonian Government loan, issued on Monday, is under the ægis of the League of Nations and took the form of 7 per cent. stock at 94½. A larger portion of the loan will be issued in New York.

Insurance Shares.

An examination of the prices of the shares of the leading British insurance companies discloses the fact that the yields obtainable are on an exceptionally low scale. Very few indeed return as much as Five per Cent. War Loan, while several yield not much better than 3½ per cent. The only explanation for this state of affairs, of course, is that insurance shares are very strongly held by people who have faith in increasing dividends and possible bonus distributions. This faith is based upon the steady increase in dividends which has occurred in the past ten years, and upon the very strong financial position disclosed in the balance-sheets. Many of the companies, which are now paying high rates of dividend, have such large sums invested in high-class securities that the revenue derived therefrom is sufficient to meet the amount distributed to

ordinary shareholders. The profits from ordinary insurance business can therefore be used in still further strengthening the financial position. From the shareholders' point of view, moreover, a high-class British insurance company has many of the merits of an investment trust company, in that the large funds at its disposal enable it to diversify its investments on a broad scale, and thereby to secure a fairly high average rate of return. Among the best known companies Alliance £20 shares (44s. paid) return at the present price just over 4½ per cent., Royal Exchange £1 stock yields 3¾ per cent., while a return of 3 5-16 per cent. is obtainable on Commercial Union fully paid shares of £2 10s.

The Oil Position.

The Shell Transport and Trading Company, whose annual report for 1926 has just been issued, is able to show a substantial increase in profits, namely, from £4,860,000 to £5,400,300, in spite of the decline in world oil prices which has resulted from over-production. Actually, the company is a holding concern, its balance-sheet showing holdings in sundry companies valued at £27 millions, and its subsidiaries are to a very large extent concerned with the distribution rather than the production of oil. It is thus not subject to the same sort of competition as are the bulk of the companies operating in America, which depend largely on the home market. Moreover, the price of oil in Great Britain is to a considerable extent determined by the cost of shipment to this country and is therefore far less liable to the extreme fluctuations which occur in the producing centres. The production of oil, however, continues to exceed consumption and is thus falsifying the hopes of those optimists who anticipated that world consumption would rapidly overtake production. The profits of these companies which confine their activities to the production of oil are therefore likely to suffer, but most of the companies in which British investors are interested do not come under this head, and there is thus no great cause for nervousness.

Attractive Public Utility Stocks.

The issue of £2,000,000 5 per cent. stock by the West Midlands Joint Electricity Authority is a reminder of the merits of the stocks of public utility undertakings. They deserve the special attention of the investor who, though anxious to obtain a somewhat higher return on home investments than is given by British Government securities, cannot afford to take a large measure of risk. In the main, earnings are fairly steady when they are not progressive; and the revenue of many of the concerns falls under the heading progressive. Thus, in addition to giving a fair return for the time being, the stocks may often be held for capital appreciation. Moreover, there is generally a considerable amount of stock outstanding.

The ordinary shares of the Lancashire Electric Light and Power Company give a return of approximately £5 12s. per cent. Though the yield given by the Clyde Valley Electrical Power Company's ordinary shares, at £5 5s. per cent., is somewhat modest, it appears reasonable to assume that the shareholders will receive a windfall sooner or later, for the company occupies a very strong financial position. The ordinary stock of the Gas Light and Coke Company gives a return of £5 14s. per cent. A yield of £5 18s. per cent. is obtainable on the ordinary stock of the South Metropolitan Gas Company. The Manchester Ship Canal Company's ordinary stock returns £6 8s. per cent. Excellent preference shares are also available. The Newcastle-upon-Tyne Electric Supply Company's 5 per cent. preference shares yield £5 14s. per cent. and the Midland Counties Electric Supply Company's 6 per cent. cumulative preference £5 13s. per cent.

An official statement has been issued denying reports of damage to crops throughout Yugoslavia by storms. The condition of the grain and other crops, including fruit and wine, is quite satisfactory. Thunderstorms and hail have caused some damage in certain districts, but this has been only local, and recent rains have on the whole been beneficial to the crops.

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Information for Freight and Passage may be obtained
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RANGOON—J. & F. Graham & Co.
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COLOMBO—Skrine & Co.
BEIRA—Beira Shipping Agency.
DELAGOA BAY—John T. Rennie & Sons.
DURBAN—Andrew Weir & Co.
EAST LONDON—Messrs. Dunn & Co.
PT. ELIZABETH—Mackie, Dunn & Co.

MOSSEL BAY—Messrs. E. Searle & Co.
CAPE TOWN—Thomson, Watson & Co.
HONG KONG—The Bank Line, Ltd.
BANGKOK—Siam Forest Co., Ltd.
SINGAPORE—Hattenbach Bros. & Co.
MAURITIUS—Adam & Co.

LONDON—ANDREW WEIR & CO., 21, Bury Street, E.C.3.

THE TURKISH MARKET FOR PRINTING MACHINERY.

The development of the printing industry in Turkey has been relatively slow compared with that in many European countries (says the American Vice-Consul at Constantinople, Mr. Royal R. Jordan). Among the factors which contributed to this slow growth were the widespread illiteracy, the lack of native capital to finance extensive industrial enterprises, and the difficulties caused by the variety of languages used in many parts of the country. In the past few years a noticeable progress has been made toward overcoming these obstacles. The introduction of modern printing machinery and the greater demand for printed matter has resulted in a certain expansion of the industry.

Most of the 125 printing establishments in Constantinople are small plants doing general job printing, but 8 or 10 are equipped for large orders and the better grades of work. Each of the larger cities in Turkey also have between 5 and 10 printing establishments. Newspapers published in Constantinople usually have their own printing plants. Some conduct a job printing business in addition to the regular issue of their publications. Most of the local magazines, "house organs," and advertising pamphlets are handled by the larger commercial printing firms, which also fill a substantial part of the Government's unofficial printing. Orders for the finer grades of work, however, such as banknotes, postage stamps, and similar official printing, are sent abroad.

No wide variety of processes has been introduced into Turkey. Fine printing is in little demand, and the bulk of the work is the ordinary commercial kind, relief printing, and a small amount of lithography. A few firms are equipped to do copper engraving, but aside from the small quantity of visiting cards, announcements, and similar products, the process is little used. Lithography is often employed for this class of work.

The majority of the illustrations used in the local printing industry are copper half tones or zinc etchings; the half tones are used much less than the line cuts. Several of the newspapers are equipped to make their own illustrations, and some of the daily issues are profusely illustrated. None of the more modern processes, such as rotogravure and allied processes, have yet been introduced.

Little stereotyping is done outside of the newspapers which use rotary presses and a small number of advertising mats. Electrotyping is carried on only to a small extent owing to the fact that quantities of electrotypes are supplied direct to local agents by foreign firms for advertising purposes.

The majority of the presses in use are small semi-automatic job presses and, in the larger establishments, ordinary flat-bed presses. The latter are used by most of the newspaper plants in Constantinople, only three of the leading dailies having installed rotary presses. Nearly all of these presses, including the rotary machines, were imported from Germany, which has thus far been able to maintain its lead in the Turkish printing machinery market. As far as can be determined, but one offset press and one multicolour cylinder press are in use in Constantinople. Perfecting presses have not yet been introduced.

Several efforts to introduce composing machines into Turkish printing plants have had no marked success. Several years ago an American machine was installed in the Government printing office; it was abandoned shortly after because native compositors did not operate the machine satisfactorily. A composing machine of German manufacture was recently installed by a local Turkish newspaper for use in setting up its edition in the French language. It appears to be giving excellent service.

Most of the type used in printing in the Turkish language is cast in local type foundries; foreign type manufacturers have not found it profitable to compete. There are a number of Turkish type foundries at Con-

stantinople, most of which are in the Stamboul section. Many of the local foundries are equipped to produce type in Latin, Greek, and Armenian characters, and are thus in a position to take care of all the needs of local printing establishments. The larger plants, however, prefer to order such type, particularly in Latin, from abroad.

The standard European type faces and a few American adaptations are equipment of local printing plants. Among the more popular faces, Caslon seems to be growing in favour. The use of Cheltenham also appears to be increasing. Other faces in general use are Scotch-Roman and Goudy bold. The older type faces in many establishments are badly worn and their use often mars an otherwise perfect piece of printing.

More artistic typography has been produced the past few years; as a result new type faces are in demand. Printing establishments which cannot make extensive investments in new presses or other large equipment are nevertheless potential customers for type. Orders for type have been going to Germany because German firms have supplied the local printing market plentifully with descriptive literature and specimen type catalogues.

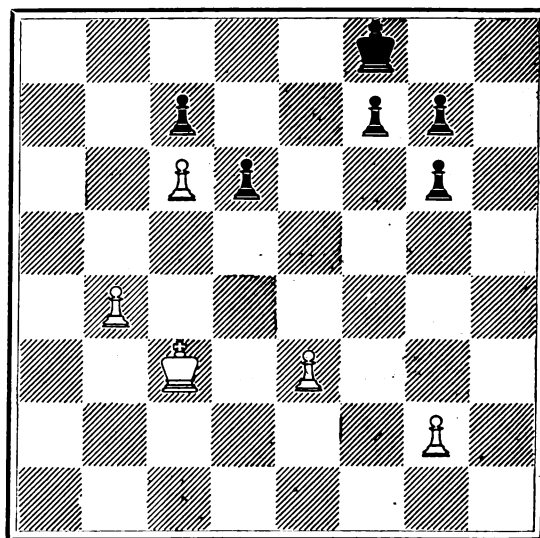
The annual importation of printing inks into Turkey is estimated at approximately 31,000 lb. About 85 per cent. comes from Germany, and the rest from France. About two-thirds of the imported ink is cheap or medium-grade black, the other third a superior quality coloured ink.

CHESS.

By "CARO-KANN."

The solution to last week's pawn game is as follows:— 1, K—Q3, K—K3; 2, K—K4, K—B3; 3, P—Kt5, PxP (if P—B4; 4, K—Q5 and wins); 4, K—Q5, K—B4; 5, K—B6, KxP; 6, KxP, K—B6; 7, KxP, P—B4; 8, K—B6, KxP; 9, P—B4, K—Kt7; 10, P—B5, P—B5 and the game is drawn.

I give this week a game of a slightly different character. In the position, which occurred in offhand play last week, Black is a pawn up, but has a lost pawn position.



The Palestine Official Gazette has published an Ordinance authorising the floating of a Palestine Loan of £4,500,000, to be spent as follows:—

Railways, £1,640,000; purchase of railways and other capital assets from the British Government, £1,000,000; harbour construction and port improvements, £1,115,000; public buildings, telephones, and minor works, £745,000.

As the result of a collision which occurred on June 16 near Cape Sunium (about 18 miles from the Piræus) between two local passenger steamers, one of which sank, eight of the crew and two passengers were drowned.

COTTON RESEARCH WORK.

New Strains Obtained.

At the recent general meeting of the Empire Cotton Growing Corporation, Dr. S. C. Harland described the work of the Genetics Department of the Research Station, established by the Corporation in Trinidad. After pointing out that it is only within the last thirty years that very much has been learnt about genetics, that particularly in the last fifteen years an enormous amount of information has been obtained about inheritance in plants and animals, and that the facts accumulated are proving of the greatest importance in their relation to the improvement of the yield in and quality of many crops, Dr. Harland continued:—

If you take the cotton plant you are face to face first of all with the fact that cotton exists in a tremendous number of different varieties and species. Some of these have never been under cultivation at all. There is a species which is found growing wild in Hawaii on the slopes of one of the volcanoes there which exists only as a group of scattered plants occupying an area of about 100 square yards. Then you have the wild cotton which comes from Polynesia, and the wild cotton which grows in some of the islands off lower California, and you have other types from mountains of Central India and Upper Burma. There is a huge, practically unexplored field of the species of *Gossypium* that has never yet been exploited. One of our first tasks was to get together as complete a collection as possible of every species and variety of cotton which exists, to grow them all, and to note accurately the characteristics which they displayed. The varieties of cotton which are under cultivation at present are, in our view, only more or less chance selections that people have made from a huge welter of different types, and we regard it as conceivable that among the unstudied forms in various parts of the world we may drop across something which is very much better from some points of view than the types now grown. That is, we regard it as a pity not to take advantage of the very wide variability existing in the genus *Gossypium* to which cotton belongs. Much useful information has already been obtained. Many of you, probably all of you, are aware of the fundamental difference which exists between the very short staple Indian cotton and the ordinary American cotton which is largely used in Lancashire. The Indian cotton is very short and coarse and can only be used for very low counts. But at the same time it is well known that Indian cotton is exceedingly hardy. It will grow where other cottons either will not grow at all or grow only with difficulty. There is a huge area in India known as the black cotton soil of India, which is so called not because the soil is good for growing cotton, but simply because the soil is so bad that cotton is almost the only plant which is an economic crop. As I say, these very short staple types are most remarkably hardy. They will resist drought and insect pests, and we thought that if we could make a survey of the whole group we might come across something which, by selection, could be improved and probably be brought up to the standard of the ordinary American cotton. If we could do that we should probably be able to introduce this new type of cotton into areas where the ordinary American cotton will not grow. It is rather interesting that among the types we collected was one from Upper Burma, near Mandalay, that was grown by the natives of the Shan States. This cotton was regarded as a very fine cotton, although it existed in very small quantities. We got some of the seed, and we have found that it retains its very long silky staple. The staple runs up to about 13-16 in., equal to ordinary long staple Upland. We have crossed it with a Chinese cotton known as the "Million Dollar" cotton, which is a very high yielding type, and we have now got some new strains which we hope will be ready for testing two years hence, as soon as we get a sufficient quantity. We are very much impressed by the merits of these new cottons. It is perfectly conceivable that all the American cotton which is grown in South and sub-tropical Africa will sooner or

later be replaced by new types of long-staple Indian cotton, which are very much more drought-resisting than the American type, and stand up to a very wide variety of conditions. That is one kind of investigation which is being carried out.

Then there is another point which may be mentioned. A good many of the cottons which have been grown are very susceptible to the attacks of certain insects and diseases. In the Sudan there is a disease called black-arm, which is a very virulent disease which does a tremendous amount of damage, particularly to the Egyptian cotton. It not only succeeds very often in killing the plant, but also attacks the bolls and depreciates the quality of the staple. We have in Trinidad several types of cotton which are almost immune to this particular disease, and we are building up a collection of types immune to black-arm disease for distribution in various parts of the world and for testing out in comparison with the types which are grown there. It is hoped that this will be a very profitable line of investigation. Then there is another point that may be emphasised. Although we were told when we first took up our work that we were not bound to undertake any work of immediate economic application, but were to find out as much as possible about the cotton plant, we have in our own Department taken up the point of view that there are certain problems of urgent economic importance which we can tackle even with our present state of knowledge. One of our main problems is the question of neppy cotton, its cause, and, if possible, its cure. One of the chief complaints about certain types of Empire cotton is that they are neppy, and the same complaint is made about certain types of Egyptian cotton. I believe Sakel cotton is very much more neppy than the old Joannovitch cotton, which was remarkably good in that respect. We have been going into this question of nep, and have made the interesting discovery that there are certain Mendelian hereditary factors which can cause the death of seeds inside the fruit or boll when the seeds are a quarter or half grown. Imagine a seed growing in a boll. The cotton attains its full length and begins to put on a certain amount of thickening; it begins to ripen up. Then the seed dies. Of course, the cotton from those dead seeds is weak, is thin-walled, and when it is spun it causes neps. It gives a very great deal of trouble. We have established quite clearly that these seeds can be killed through the operation of certain hereditary factors, and that by selection we can reduce the proportion of dead seeds to an almost infinitesimal amount. Some of the American-Egyptian cotton that we have tested gave up to 25 or 30 per cent. of dead seeds, and an examination of the cotton from those seeds showed that it was just of the character which would produce neps. By selection we have now got two or three types which show less than 4 per cent. of these dead seeds. Of course you will realise that in a boll where you have between 20 and 30 and sometimes up to 40 seeds there must be competition between those seeds for water and for nutrients of various kinds, salts and sugars, and if the conditions under which the plants are growing create very stringent competition between the seeds, very often it will result in the death of some of them. The latter may be further removed from the source of nutrition than some of the others, and they may die from that cause. But undoubtedly one of the main causes of nep can be removed by selection, and is due to distinct hereditary factors.

It is necessary to explain why work on such a thing

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as the colour of the flower or the colour of the pollen or other of these apparently unimportant characters is of value. It is a little difficult to explain, but it is of value, because very often an economic character such as the quality of the staple is linked or is inherited together with some unimportant structural feature. So by studying the inheritance of flower colour you may be able to get at the inheritance of some staple quality which it is extraordinarily difficult to work out by itself; that is, the colour of the flower may be an index of some deep-seated peculiarity of staple. We have found, for example, that in Sea Island cotton, the white-flowered forms always have very much coarser and shorter staple than the yellow-flowered forms. Very often you can walk through a field and see white-flowered plants dotted about, and they are invariably borne on inferior plants. If we know the method of inheritance of the flower colour we are enabled very often to eliminate inferior plants in the crop before much flowering has taken place, thus preventing contamination of the whole crop with inferior types.

As a second example, I mention the colour of the pollen. In American cotton the pollen is white; in Sea Island and Egyptian cotton the pollen is yellow. We have found that the white pollen types almost invariably give a heavier yield than the yellow pollen types. The reason seems to be that the pollen colour is linked with or associated in some way with the number of divisions in the boll. There are various types of boll, some having three divisions, some four divisions, and some five divisions. The white pollen forms usually have four or five divisions, and the yellow pollen forms usually have only three; so that if you selected for white pollen plants out of some strains, you would be selecting automatically for a greater number of divisions in the boll. You will appreciate, therefore, from the two examples I have given, that work on apparently such unimportant things as the colour of the flower and of the pollen is not altogether wasted, because it is associated in a very deep and intimate way with the qualities that you want for special purposes.

M. Antoine Bibesco, who has been appointed Roumanian Minister in Lisbon, is expected to present his credentials this week. Roumanian affairs in Portugal have been dealt with in the past by the Legation in Madrid.

Dame Mary Katherine Lockhart, of Queen's Gate, S.W., widow of General Sir William S. A. Lockhart, K.C.B., late Commander-in-Chief of the Army in India, died on March 31, leaving estate of the gross value of £15,485, with net personalty £15,004.

Two Roumanian soldiers patrolling the Hungarian-Roumanian frontier on June 13 near Berettyo Ujfalú, are reported to have crossed into Hungarian territory. They were warned by the Hungarian patrol, and one withdrew, but the other fired on the Hungarian, who, in a reply volley, killed him. A mixed commission is inquiring into the affair.

In consequence of the large number of illiterates among criminals in Turkish prisons, the authorities, says Reuter, have decided to start a course of instruction for such prisoners. They are to be taught at least to read and write. The Board of Education, Turkey, is in favour of no prisoner being discharged, whatever his sentence, until he knows his alphabet.

TENDERS INVITED.

Tenders are invited for the following contracts, and must be made by the dates mentioned.

(Particulars of tenders marked D.O.T. are to be obtained from the Department of Overseas Trade, 55, Old Queen Street, S.W.)

EGYPT.

Tent Cloth.—Tenders are invited by the Plant Protection Section of the Egyptian Ministry of Agriculture for the supply of 140,000 yards of tent cloth, 36 inches wide or approximate thereto. July 10. (D.O.T.)

Camel-hair Brushes, Mackintosh, Etc.—The Department of Public Health, Cairo, invites tenders for the supply of 4,973 camel-hair brushes, 1,438 metres of mackintosh (in rolls), 85,360 kilos of Cantharidin plaster, 500 boxes (of six) ampoules metallic iodine. July 20. (D.O.T.)

Cement.—The General Manager, Egyptian State Railways, Telegraphs, and Telephones, Cairo Station, invites tenders for the supply of 7,000 metrical tons artificial Portland cement. July 16.

Bedsteads, Etc.—The Director of Supplies, Department of Public Health, Cairo, invites tenders for the supply of iron bedsteads, clothing, draw sheets, woollen shawls, canvas hoses for fire pumps and blankets required for the year 1927-1928. July 25.

School Furniture, Etc.—The Director of Stores, Ministry of Education, Sharia Qasr el Aini, Cairo, invites tenders for the supply of school furniture and miscellaneous articles (such as tables, cupboards, iron bedsteads, cotton, ticking and unbleached calico for making mattresses and pillows, kitchen copper utensils, cane chairs, table service, etc.) required for the schools during the school year 1927-1928, July 7; and for the supply of different kinds of timber required for Trades Schools and Model Workshops in 1927-1928. July 16.

Copper Discs, Etc.—The Financial Secretary, Egyptian Army, War Office, Cairo, invites tenders for the supply of metal copper discs and metal copper sheets (July 4); articles of saddlery and harness such as chains iron, hooks, rings brass, rivets tubular copper (July 4); and wool hair and hair horse for pads, cotton raw, creta vegetable, cotton waste, matting cocoa nut fibre, Jute, sacks jute, etc., to the Department of Ordnance Services, Egyptian Army, Citadel, Cairo. July 6.

Iron Pipes.—The Director-General, State Domains Administration (Commercial Service), Savoy House, Sharia Qasr el Nil, Cairo, invites tenders for the supply of iron pipes for irrigation or drainage. July 10.

Erection of Water Supply Works at Edkou.—Tenders are invited by the Egyptian Ministry of Public Works for the supply and erection of machinery, filters, and piping, for the water supply works at Edkou. July 25. (D.O.T.)

Uniforms.—The Chief Inspector, Direction General, Customs Administration, Alexandria, invites tenders for the supply of winter uniforms for guards and employees during 1927-1928. August 9.

Rails, Etc.—The Surveyor-General of Egypt, Giza (Mudiriya), invites tenders for the supply of 5,000 tons rails. August 10.

General Stores.—The Director of Equipment and Finance Department, Ministry of the Interior, Cairo, invites tenders for the supply of general stores required by the Police Stores, Bulaq, in 1927-1928. July 2.

TURKEY.

Locomotive and Wagon Screws.—The Anatolian Railway Administration invites tenders for the supply of locomotive and wagon screws. July 18. (D.O.T.)

INDIA.

Sub-station Plant and Equipment for His Majesty's Mint, Calcutta.—The Indian Stores Department, Simla, are calling for tenders for electrical sub-station plant and equipment, for His Majesty's Mint, Calcutta. July 11. (D.O.T.)

BULGARIA.

Coasting Steamer.—Tenders are invited by the Bulgarian Mercantile Navigation Company for a coasting steamer. September 6.

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Company Meeting.

SUEZ CANAL COMPANY.

Increased Dividend.

Outlook for Current Year.

The seventy-third annual general meeting of the Suez Canal Company was held in Paris on June 13.

The report presented by the board of directors stated that it was pointed out last year that the traffic of the Canal for the first months of 1926 was below that of the corresponding period of the previous year. It was added that this result was due to the exceptional circumstances which had characterised the first quarter of 1925, and it was indicated that the decrease would not be accentuated during the remainder of the year. The anticipations had been exactly realised; the decrease in the traffic as compared with 1925 was for the whole year very much the same as at the end of the first quarter. It resulted in a decrease in the transit receipts of about 5,372,000 gold francs.

Converted into French francs the results naturally presented a very different aspect; the rapid depreciation of the currency during the first half of the year resulted, despite the happy recovery which followed, in a rise of nearly 50 per cent. in the average exchange rate of sterling in 1926 as compared with the average rate for 1925. The effect was a marked increase in the profits of the company which permitted a large increase in the dividend. It was proposed to fix the gross revenue on the ordinary shares at 544.01 francs, which represented an increase of 119.03 francs compared with the previous year.

In proposing that substantial increase in the dividend the directors felt that they were acting with all the necessary moderation and prudence; they had not lost sight of the fact that the quotations at which the £ had stood since the beginning of the year were lower by about 28 francs than the average rate of 1926, and they were preoccupied in avoiding as far as possible an early decrease in the dividend. It was possible to hope that the stability of the exchanges, which they had desired for so long a period, had now been definitely secured. If that was the case they were firmly convinced that the extraordinary reserve, the constitution of which they had approved during the last few years, would enable them to avoid any decrease in the revenue of the shares until the time when the expansion of traffic would permit the dividend to resume the ascending curve which characterised it before the War.

The total receipts of the year amounted to the sum of 746,547,805.80 francs, showing, as against those of 1925, an increase of 137,869,950.49 francs. This increase resulted entirely from the depreciation of the currency, of which it was the counterpart. In fact, in spite of the decrease in the transit receipts, the high rates of exchange caused the appearance, as the product of conversions of funds into French francs, of a sum exceeding by 146,279,013.33 francs the corresponding sum of the preceding year. The expenses totalled 69,727,176.80 francs. The increase in relation to those of 1926 was 5,469,842.95 francs. That increase arose principally from the augmentation of the expenses in France, which also suffered the consequences of the depreciation of the franc. On the other hand, the works carried out for the maintenance of the canal showed an increase of nearly two millions.

They proposed to fix at 25,000,000 francs, as last year, the allocation to the depreciation fund for improvement works, and to write off 24,000,000 francs for the fund for the amortisation of material, which, as they knew, was intended to provide the resources necessary for the renewal of material, which became more expensive every day. Taking those allocations into account, the excess of receipts over expenditure amounted to 617,740,029 francs; adding to this the amount brought forward from 1925, 2,070,006.13 francs, there was a disposable surplus of 619,810,640.13 francs. It was proposed to fix the profit for distribution at 598,892,394.36 francs; to allocate from the excess of 20,917,640.77 francs a sum of 20,000,000 francs for addition to the extraordinary reserve, and to carry forward the balance of 917,640.77 francs. The distribution of the profits available for that purpose among those entitled to share in it would have the effect of bringing the dividend on each share up to 531.517 francs. That dividend, increased by 12.50 francs for interest represented a gross revenue of 544.017 francs, and a net revenue of 420 francs.

The maritime movement in the Canal in 1926 consisted of 4,980 transits, representing a net tonnage of 26,060,377 tons. That total was only 701,558 tons below that of 1925, which had so far provided the record tonnage. It exceeded, on the other hand, the result of 1924 by 950,495 tons. The traffic in ballast amounted to 2,029,613 tons net, and represented 7.8 per cent. of the total movement, as against 9.6 per cent. in the previous year. The average tonnage of the ships making the passage showed further progress; it reached a gross tonnage of 7,256, as compared with 6,916 in 1925. The proportion of transits effected by ships with a measurement of over 10,000 tons gross rose from 8.6 per cent. to 10.5 per cent. The number of passengers amounted to 286,432, an increase of 16,910. The division of the tonnage by nationalities brought out a decrease of 1,047,501 tons in the British flag, which remained, nevertheless, in the front rank with a proportion of 57.4 per cent. of the total tonnage. It was followed, as last year, by the Dutch, German, and French flags, all of which showed an expansion.

The movement of the merchandise passing through the Canal

amounted to 25,400,000 tons, presenting as compared with 1925 a decrease of 1,160,000 tons. This decrease only affected the homeward movement. The outward movement, on the contrary, showed an increase of more than a million tons, a result which was all the more satisfactory because the shipments of English coal were reduced by more than 400,000 tons owing to the strike. That improvement in the outward traffic was essentially attributable to manufactured articles. About half of it was contributed by manufactured metals and machinery. Cargoes of refined sugar also helped; they attained a total of 295,000 tons. The decline shown in the homeward movement was due, as regards more than one-half, to the wheat traffic, which, as was stated last year, had benefited in 1925 by an activity which was quite exceptional. Oleaginous products, rice, and cane sugar also showed a decline. Certain elements in the homeward traffic fortunately brought an appreciable compensation. Thus the shipments of mineral oils passed the three million ton mark for the first time, while the shipments of rubber amounted to 600,000 tons. Finally the English coal strike brought about the passage through the Canal of more than 200,000 tons of coal from Bengal, South Africa, Australia, and Japan.

The results of the current year appeared so far to be satisfactory. The net tonnage transited during the first four months exceeded by 900,000 the corresponding figure of 1926. That improvement, it was true, was due partly to the special movement brought about by events in China, and it was necessary not to overlook the fact that if these events had at the outset brought a slight supplementary traffic to the Canal, it was not impossible that the consequences would be demonstrated later on in the form of a decrease in the commerce of that country. Fortunately other elements of the traffic appeared to be favourable; Europe had again a large demand for wheat, and Australia a large surplus stock; the Indian production of ground nuts and jute appeared to be abundant; the rice crops in the three large producing countries, Burma, Siam, and Indo-China, were very satisfactory; and, finally, the petroleum traffic appeared to be pursuing its regular progress. On the other hand, Europe having almost completely regained its monetary stability, would soon be able to re-establish its economic activity on sound bases. Great Britain was working energetically to repair the damage caused by the miners' strike, and her textile industry, which had benefited by the low price of cotton, would doubtless soon be able to increase its exports to the Far East. Generally speaking, the production of manufactured articles, by means of which Europe would pay for its imports of raw materials, was progressing. Taken altogether, those circumstances gave rise to the impression that the progress in the traffic which had been noticed so far in relation to last year would tend to increase rather than decrease during the ensuing months. They might, therefore, hope that the tonnage for the whole of the year, exceeding the record figure of 1925, would mark a further stage in the development of the enterprise.

The report was unanimously adopted.

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THE LIVERPOOL COTTON MARKET.

Messrs. Reynolds and Gibson report as follows for the week ended June 15:—

Egyptian Futures.—Sakel Contract.—This market has shown a rather more unsettled undertone during the past week. Immediately following our last report, little change in the level was experienced, but yesterday, in consequence of a weak New York report, considerable liquidation was in evidence, and this depressed prices to the lowest of the week. On the decline some trade buying developed and prices quickly responded to this, with the result that values reacted sharply to their previous level, to-night's close being 1 to 5 points down for near and 3 to 7 points advance for distant months. A scarcity of contracts whenever prices show a hardening tendency continues to be one of the main features. Trade reports during the past week have, as it was only to be expected, owing to the closing of Manchester for the greater portion of the period under review, been colourless, by this we do not mean that spinners have been altogether idle, as a certain amount of fresh business and "calling" has been in evidence, but on the whole the volume has been much reduced from that of the preceding weeks.

With regard to the Alexandria market, there is little fresh to report, fluctuations at the other side have ruled much in sympathy with the course of the New York market; at the same time, it is rather noticeable that, whenever the November position advances much over 33½ dollars the movement encounters increasing opposition and considerable profit-taking operations come into evidence.

Consumption figures continue to keep well and are now approximately the same as for the corresponding period last year; against this, however, the competition with Sudan Sakel is very marked, when due regard is given to the fact that local spinners during the past 45 weeks have taken 81,000 bales, as against only 27,000 bales for the whole of the 1925-26 statistical period. To conclude, we must say that we still adhere to our previous "bullish" views.

Upper Contract.—Considerably more interest has been displayed in this option during the past week and consistent purchases by houses with American connexions have been one of the principal features. Trade support has been of a somewhat lukewarm character, and we are given to understand that margins in the counts produced by cotton covered by this contract have tended to narrow. We see no reason to alter our recent opinions and consider that a further hardening in values is likely to be experienced during the next few months.

Egyptian Spot.—Business, immediately following the Whitsuntide Holidays, has been rather slow in maturing, a state of affairs which has not been improved by the erratic tendency of the overseas futures markets. During the last two days, however, the inquiry has broadened out considerably, and it is somewhat disappointing to find the spot sales keeping at such low figures. The daily inquiry has been devoid of special feature unless it may be mentioned that Good to Fine Sakel has attracted rather more attention. Apart from this, the usual stereotyped lines have been followed, with Good Fair Uppers easily first in popularity. Spinners still complain that it is impossible to spin the medium grades of Sakel except at a loss, and it is only the spinners of the very fine counts, apparently, who are finding Sakel a paying proposition. Pending more stable futures markets, spinners generally are curtailing their requirements as far as possible, and with the Bolton mill holidays looming up at no distant date it will probably need some specially in-

teresting feature connected with crop progress (or lack of it) before any fresh buying enthusiasm can be aroused.

Interest in Sudan cotton has again been well maintained, and a fair business has resulted at steady rates. Tokar Sakel has met with an improved offtake, and some nice lots of cotton have changed hands at from 19.00d. to 19.50d. White Sudan at from 250 to 350 on has been in improved request, but buyers are not easy to satisfy. C.i.f. business, on the surface at all events, has remained very quiet and forwardings to spinners last week (four days) were returned at only 2,279 bales Egyptian and 3,213 Sudans. Estimated sales for the week (four days), Egyptian 700 bales and Sudan 4,650 bales. Quotations of Sakel have been advanced 10 points and those of Uppers 5 points. F.G.F. Sakel to-day 17.00d. F.G.F. Upper to-day 13.50d.

THE EGYPTIAN MARKET.

The Alexandria Commercial Company in their report for the week ended June 9 state:—

Since our last report the futures market has been quiet but steady. The week's summary of price movements is as follows:—Sakellaridis: July, 32.27 dollars, 0.10 dollars up; November, 33.09 dollars, 0.19 dollars up; January, 32.84 dollars, 0.14 dollars up. Ashmouni: June, 23.53 dollars, 0.35 dollars down; August, 24.08 dollars, 0.27 dollars down; October, 24.80 dollars, 0.17 dollars down; December, 24.90 dollars, 0.17 dollars down; February, 25.20 dollars, 0.17 dollars down.

Sakel.—There is very little to write about this week. The turnover has been much less in volume than during recent weeks, but the general feeling remains bullish. The maintenance of this bullish sentiment is largely due to the firmness of the New York market and the uncertainty prevailing as to what extent the supply of American long staple cotton will prove to have been reduced as a result of the Mississippi floods. Local speculators are still holding their long positions, and the floating supply of contracts is so small that but little buying is required to keep the market firm.

The demand from abroad has been only moderate, but there would probably be rather more business put through if the supply of good style and staple cotton on offer at Minet el Bassal was larger. Exports have this week been large and this factor has, naturally, contributed to the steadiness of the market.

Uppers.—All that we have written above with regard to Sakel may be equally applied to Uppers; there is nothing special to remark upon. June stands at a big discount on rumours that the issues of dockets on the second and third tender days will be very heavy.

The week's receipts amounts to 73,132 kantars, against exports, 225,588 kantars; the stock in Alexandria stands at 2,970,562 kantars.

The official figures of arrivals and exports for the period September 1, 1926, to June 2, 1927, are as follows:—Arrivals: Lower Egypt, 5,062,000 kantars, Upper Egypt 3,096,000 kantars; total, 8,158,000 kantars. Exports: Sakel 2,670,331 kantars, Ashmouni 3,299,732 kantars, various 432,615 kantars; total, 6,402,678 kantars.

Spot: The market was closed on Monday last for the Whitsun holiday. Sales amount to about 7,800 bales, of which we estimate 3,500 bales Sakellaridis, 3,900 bales Ashmouni and Zagora, 300 bales Pilion and 100 bales White.

Sakellaridis: The demand remains about the same as last week and business has been done in all qualities. With the exception of the lower grades, which are a little easier, spot differences are unchanged.

Ashmouni and Zagora.—There has been a rather smaller turnover registered in these varieties. There is always a fair amount of cotton showing on the market, but sellers have been somewhat stiffer. There is no change in the spot differences.

Pilion.—A small business has been done in grades from good fair to good at about last week's prices.

Various.—There has been a small demand for White and a few lots have changed hands.

Up-Country.—Some ginning factories are still working, but the stocks held are small. Quite a respectable quantity of new crop business has been put through in Upper Egypt, but very little has recently been concluded in the Delta.

Crop, 1927.—The crop is everywhere progressing normally. The plant looks much better than it did at this time last year. Leaf worm is reported everywhere, but the damage from this pest has been very small, and the hot weather of the last few days will do much towards killing it off or at any rate stopping its increase. Water supply up to now has been, generally speaking, sufficient, but there are fears for the summer supply owing to the large areas put down in rice, a crop which takes a lot of water.

The report of the Alexandria General Produce Association for May reads:—

Lower Egypt: The temperature during the month of May has been favourable to the crop. The cotton plants are in good condition; they look well and are more developed than at the same period last year. Some sporadic cases of the leaf worm have been reported on some of the more early sown fields. In some districts

damage of small importance has been caused by cut-worm. Water for irrigation has been sufficient.

Upper Egypt and Fayoum.—There is nothing special to report. The young plants are developing in a satisfactory manner, and, favoured by the suitable temperature experienced during the month of May, are, compared with last year, slightly more forward. Up to the present, worm has not made any appearance. Water has been sufficient.

At the request of Zaidi Imam Yahya of Sana, King Saoud has delegated three Wahhabi representatives to attend a conference at Sana for the purpose of settling frontier and other pending questions.

Dr. Koroshetz, the leader of the Slovene Clerical Party in Yugoslavia, who arrived in Sofia last week, was received in audience by King Boris on June 18.

King Alexander dissolved the Yugoslav Cabinet on June 15. On the same day a proclamation was issued ordering a general election on September 11 and convoking the new Skupstina for October 5.

The numbers are announced of bonds of the Piræus, Athens, and Peloponnesus Railway Three per Cent. bonds drawn for repayment at par on July 15 next.

The area sown in wheat in Bulgaria in 1926 was 1,047,138 hectares, the production being 1,117,583,000 kgs.; 595,121 hectares were under maize, the yield being 737,052,000 kgs.

Stock and Share Markets.

LONDON EXCHANGE		Prices on June 20
Government Stocks.		
Egyptian 4 p.c. Unified Debt ...	83	
Do. Pref. 3½ p.c. 1890 ...	72½	
Do. Turk 4 p.c. 1891 ...	86½	
Do. 3½ p.c. Eg. Trib. Bonds '94 ...	79½	
Greek 5 p.c. 1881 ...	56½	
Do. 5 p.c. 1884 ...	55½	
Do. 4 p.c. Rentes, 1889 ...	45	
Do. 5 p.c. 1890 ...	56	
Do. 5 p.c. Funding Loan, 1893 ...	54	
Do. 4 p.c. Rents, Loan, 1902 ...	53½	
Do. 4 p.c. Loan, 1910 ...	53½	
Do. 5 p.c. Loan, 1914 (Lon. issue) ...	67	
Do. 7 p.c. 1924 ...	96½	
Persia 5 p.c. 1911 ...	83½	
Roumania 4 p.c. Ext. ...	70	
Do. 4 p.c. Consolidation ...	44½	
Sudan 5½ p.c. Guar. Bds. ...	107½	
India 3½ p.c. ...	69½	
Do. 3 p.c. ...	59½	
Do. 2½ p.c. ...	49 13/16	
Do. 5½ p.c. ...	100½xd	
Do. 4½ p.c. ...	91	
Turkish 4 p.c. Unified ...	24½	
Banks.		
Agri. Bank of Egypt ...	7 3/16	
Bank of British West Africa ...	4½	
Bank of Roumania ...	80 7/8	
Barclays Dom. Col. Pl. ...	27 1/2	
Lloyds ...	62 1/2	
F. and O. Banking ...	9½	
Eastern ...	6½	
Chartered Bank of India ...	19½	
Ottoman Bank ...	9½	
Imperial Bank of Persia ...	10½	
Land Bank of Egypt Ord. ...	13	
Westminster ...	19	
National Bank of Egypt ...	34	
National Bank of India ...	49½	
Land.		
Kassala Cotton ...	6/6	
Sudan Plantations ...	4½	
Mines.		
Balaghat Gold Mining ...	4/9	
Burma Corp. ...	14/3	
Champion Reef Gold ...	12½	
Mysore ...	15/6	
Nuoddyroog ...	11/9	
Ooregum Gold Mining Ord. ...	15½	
Oil.		
Anglo-Egyptian B ...	13/32	
Anglo-Persian Ord. ...	47 1/2	
Do. 8 p.c. Cum. 1st Pl. ...	26 10/16	
Do. 9 p.c. Cum. 2nd Pl. ...	28	
Do. 5 p.c. Debs. ...	97	
Brit. Burmah ...	9/3	
Burmah Oil Co. Ord. ...	5½	
Do. 8½ Cum. Pref. ...	26/9	
Phoenix Oil and Transport ...	22/9	
Steamers Romana ...	13/3	
Railways.		
Assam-Bengal ...	84½	
Bengal Nagpur ...	93½	
Egypt Delta Light Rly. ...	44	
Southern Punjab ...	193½	
Rubber.		
Ceylon Para Rubber Ord. ...	11/6	
Doolgalla (Ceylon) Rub. Est. ...	20½	
Grand Cent. (Ceylon) Rubber ...	38½	
Hewagum Rubber Co. ...	21/3	
Keptigalla Rubber Estates ...	2 7/8	
Malayalam Rub. and Produce ...	38½	
Shipping.		
Anchor 5½ p.c. Prf. ...	7½	
Cunard ...	25 1/2	
Furness Withy ...	37 1/2	
Khedivial Mail Ord. ...	1	
P. and O. Deferred ...	285	
Tea.		
Assam Co. ...	2½	
Bengal United Tea Ord. ...	2 13/16	
Bramapootra ...	37	
British Indian Tea Ord. ...	3 7/16xd	
Cachar and Dooars Tea Ord. ...	3½	
Ceylon Tea Plantations Ord. ...	61/15	
Consolidated Estates ...	4	
Darjeeling Co. ...	29/32	
Dimbula Valley (Ceylon) Ord. ...	3½	
Dooars Tea Ord. ...	45/16	
Dooloogram Tea ...	123/32	
Doom Dooma ...	4 1/16	
East Assam ...	311/16	
Empire of Ind. ...	221/32	
Halem Tea ...	29/16	
Jhanzie Tea Association ...	417/32xd	
Jokai (Assam) Tea Ord. ...	4 11/16	
Lanka Plantations Ord. ...	2½	
Lungla (Sylihet) Tea Ord. ...	15/16	
Nuwara Eliya Tea Estates Ord. ...	5½	
Pabbojan ...	619.32xd	
Scottish Assam ...	2	
Upper Assam ...	2 13/16	
Insurance.		
General Accident Fire and Life (£25, £1½ paid) ...	7½	
London & Lancs (£25, £1 paid) ...	22½	
Royal Exchange (£1) ...	7	
Sun Fire £10 (£2 paid) ...	25½xd	
Trade Indemnity (£10) ...	12½	
Miscellaneous.		
Alexandria Water Co. ...	14½	
Associated Cotton Ginners ...	17½	
Egyptian Hotels ...	7½	
Do. Markets Ord. ...	24 1/2	
Do. Salt and Soda ...	21½	
Mortgage Co. of Egypt 5 p.c. Pref. ...	83/16	
INDIAN EXCHANGES.		
Government Loans.		
3½ Government Paper ...	77½	
Banks		
Imperial Bank of India ...	1,477½	
Bank of India ...	78	
Central Bank of India ...	29½	
Coal.		
Baraboni ...	24	
Bengal ...	462	
Burrakur ...	16½	
East Indian ...	22½	
Equitable ...	19	
Pench Valley ...	24½	
Raneegunge ...	30½	
Standard ...	51	
Cotton.		
Bengal Nagpur ...	25½	
Bombay Dyeing, etc. ...	946½	
Bowraah ...	360	
Buckingham and Carnatic ...	207½	
Cawnpore Textiles ...	41/16	
Century ...	445	
Central India ...	538½	
Elgin ...	92	
Khatau Makanji ...	117½	
Muir ...	292	
New Ring ...	275	
Phonix ...	427½	
Swadeshi ...	53½	
Jute.		
Alliance ...	338½	
Barnagore ...	246	
Budge Budge ...	585	
Clive ...	41½	
Dalhousie ...	485	
Delta ...	648½	
Fort Gloster ...	985	
Gourepore ...	756	
Howrah ...	47	
Kamachatty ...	70½	
Kankarrarah ...	535	
Khardah ...	533	
Kinnison ...	1,068	
National ...	32½	
Standard ...	470	
Union ...	685	
Miscellaneous		
British India Corporation ...	3½	
Bengal Paper Mills ...	33 1/16	
Bengal Timber Trading ...	29	
Burn and Co. ...	160	
Cawnpore Sugar ...	284½	
Champaran Sugar ...	12½	
Howrah Oil Mills ...	16½	
ALEXANDRIA		
<i>Prices on June 9, supplied by G. L. Mortera, Alexandria & Cairo.</i>		
Agricultural Bank of Egypt ...	£73/16	
Do. Food. ...	£630	
Alexandria Water Co. ...	£14½	
Assoc. Cotton Ginners ...	£1	
Behera Ord. ...	££15½	
Ciments d'Egypte ...	Frs. 125	
Do. Div. ...	157	
Comptoir Fin. & Com. d'Egypte ...	£ 5/16	
Credit Foncier Egyptien ...	Frs. 1,002	
Do. Fondateur ...	2,100	
Crown Brewery Priv. ...	Frs. 102½	
Filature Nationale d'Egypte ...	£5½	
Frigorifique d'Egypte ...	£6½	
Immeubles d'Egypte Soc. An. des. ...	£16½	
Land Bank of Egypt Actions ...	£13½	
Do. Parts de Fond ...	£149	
Menzaleh Canal Navigation ...	Pt. 300	

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*DEVANHA	8,000	June 30	...	Straits, China, Japan
*MALOJA	21,000	July 1	July 8	Colombo and Australia
Kaisar-i-Hind	11,500	July 8	July 15	Bombay and Karachi
*DELTA	8,000	July 9	...	Colombo and Calcutta
*MOI.DAVIA	16,500	July 15	...	Colombo and Australia
*MOREA	11,000	July 15	July 22	Straits, China, Japan

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† Calling at Southampton. ‡ Taking passengers (instead of S.S. Morea) for Gibraltar.

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*DOMALA.....	8,441	June 25	July 2	Bombay and Karachi
†MARGHA.....	8,258	June 25	July 2	Madras and Calcutta
MODASA.....	9,070	June 29	July 8	East African Ports
MORVADA.....	8,103	July 9	July 16	Madras and Calcutta
*GAMARIA.....	5,255	July 16	July 23	Bombay and Karachi
*MUNDRA.....	7,275	July 23	July 30	Madras and Calcutta
MATIANA.....	8,900	July 27	Aug. 5	East African Ports
°DALGOMA.....	5,950	July 30	Aug. 6	Bombay and Karachi

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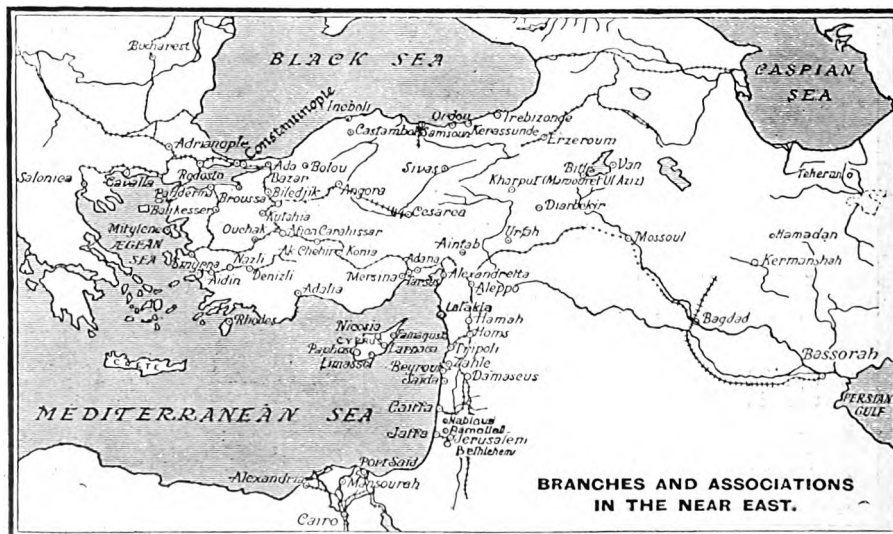
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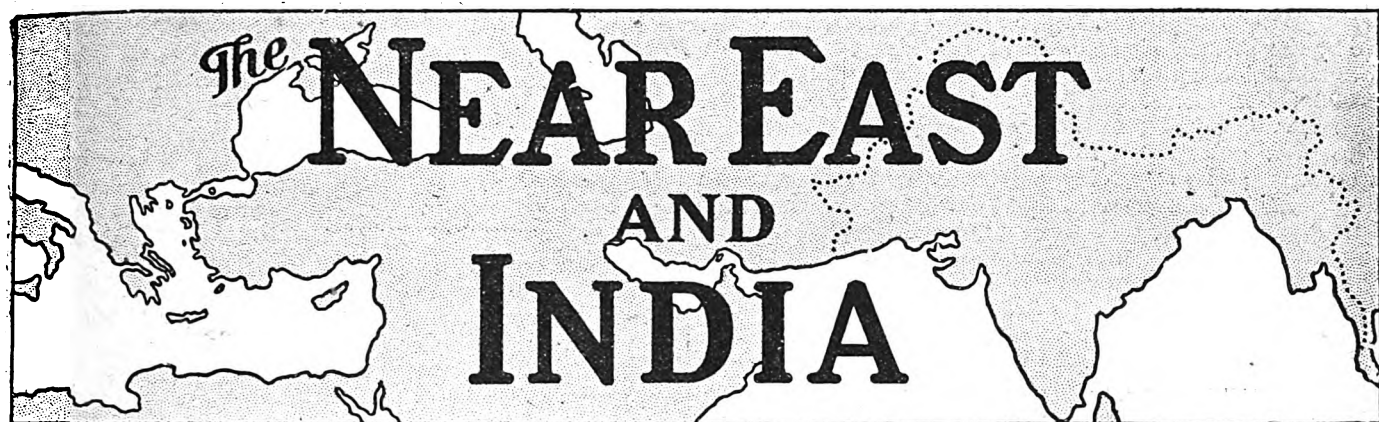
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No. 841.—VOL. XXXI.

THURSDAY, JUNE 30, 1927.

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Notes of the Week.

The New Roumanian Government.

The indications of a week ago that pointed to the resignation of the Stirbey Cabinet, as a result of the failure of the negotiations between the National Liberals and the National Peasant Party for co-operation in a new Government, have materialised. Prince Stirbey resigned and was succeeded immediately by M. Ion Bratianu, who was able to announce the composition of his Ministry within twenty-four hours of his predecessor's resignation. Several of the Ministers who had accepted office in the previous Cabinet have been retained, including General Angheliescu, who remains at the Ministry of War. M. Vintila Bratianu, as was to be expected, is again Minister for Finance. For British observers the most interesting appointment is that of M. Titulescu, hitherto Roumanian Minister to the Court of St. James's, as Minister for Foreign Affairs. It has long been a recognised fact that M. Titulescu could have had a Ministerial post in practically any recent Government, of whatever political complexion. Although identified with the party of M. Take Jonescu, it is as a politician of moderate views and pronounced ability that he has commended himself to a large section of his fellow-countrymen. In any other Cabinet M. Titulescu would probably have preferred the portfolio of Finance—a subject in which he is an acknowledged expert—but as this post was not available in a Bratianu Ministry, he will find full scope for his talent and breadth of vision in the Department of Foreign Affairs. When the last Bratianu Government went out of office, it had appreciated the necessity of modifying the financial policy which it had introduced with such conviction and insistence. It was left, however, to General Averescu to inaugurate the modifications that restored in some measure Roumanian credit abroad; and it may now be expected that the experience of the last year, as well as the advocacy by M. Titulescu of a financial policy which will conduce to a more rapid development of Roumania's resources by the encouragement given to foreign investors, will prompt the new Liberal Government to adopt a less rigid attitude on the subject of Roumania's financial requirements.

The Albanian Dispute.

The dispute that arose between Yugoslavia and Albania over the arrest of the dragoman employed at the Yugoslav Legation in Tirana has reached its obvious end after three week's display of injured innocence on both sides. The Note written by the Yugoslav Chargé d'Affaires to the Albanian Government has been re-drafted; the arrested dragoman has been liberated. This happy issue has not been reached however, without the intervention of the Great Powers; but at least the steam hammer of the League of Nations had not to be set in motion to crack this particular nut. The experience gained by both parties to the dispute will, we may hope, prove useful to the future relations between the two countries. Those who are conscious of a steady improvement in the conduct of Balkan international affairs will take heart from the smooth liquidation of the Tirana incident, even though it does not involve any improvement in the relations between Yugoslavia and Italy. A still more significant instance of self-restraint and correct procedure has been afforded by the attitude of the Yugoslav and Bulgarian Governments over a recent border affray. There is the usual discrepancy between the two accounts as to what happened and exactly where it took place, but, as the first communication on the subject between the two Governments has been described as a "courteous *démarche*," it is clear that a much healthier spirit prevails in the Balkans on which all the countries concerned may be congratulated.

Shaikh Mahmoud's Submission.

For many years past Shaikh Mahmoud, of Sulaimani, has been something more than a thorn in the flesh of the Iraq Government. Ravaging in or retreating from Southern Kurdistan, he has been a constant source of irritation, although it is doubtful whether he could so long have maintained his position had a consistent policy been pursued by the British and Iraqis in regard to the Sulaimani area. The Shaikh's story is a romantic one, and well illustrates the possibilities that still exist in the Middle East of defying civilised governments. His cap-

ture by the British, his banishment, and his re-occupation of Sulaimani constitute a fascinating tale; but the wily Kurd has, it seems, finally realised that the sands of fate have run against him. Last autumn, it may be recalled, he sent an agent to Baghdad to discuss terms of surrender. His agent accepted the Iraq Government's terms, which included stipulation for Shaikh Mahmoud to live in Persia with his family, for non-interference on his part in Iraq politics, and for the education of one of his sons in Baghdad. In return for this the Shaikh was to be allowed the revenue of all property honestly acquired; those estates taken forcibly when he was in control of Sulaimani were not to be restored. But these terms were considered far too stiff by the Kurdish insurgent. He imprisoned his agent, and all the past winter has been lording it in the mountains. Recently, however, the territories which he was wont to infest have been visited by the Royal Air Force and Iraq troops. Certain strategic points, moreover, have been strongly occupied, so that at last outlawry has ceased to be a paying game. On the whole, Shaikh Mahmoud is exceedingly lucky to be able to end his days in the Persian town of Marivan. In any case, his departure should signify the inauguration of a really settled mode of existence in the Sulaimani liwa, the inhabitants of which have surely had more than their share of the effects of an unwise or a vacillating policy.

Italy and the Yaman.

The pomp which attended the recent visit of the Duke of the Abruzzi to Abyssinia is finding a not wholly impertinent reflection in the attention given by Italians to the visit of the Said Muhammad Ibn Yahya to Rome. There is no question that, whether with an eye to immediate use or to future bargaining, the Fascist Government has set out to capture the affections of certain countries bordering on the Red Sea. The Zaidi Imam's mission was met at Naples on June 24 by Commendatore Gasparini, the able Governor of Eritrea, who signed the Treaty with the Imam last September; and by the time that these lines are printed the son of the Imam Yahya will have been received by the King of Italy and by Signor Mussolini. Italians, no doubt, will take the opportunity of convincing the Yamanite mission that "Arabia Felix" may become once again what it was in the time of their predecessors, the Romans; but it is also to be hoped that the occasion may be seized for emphasising upon the Yamanis the importance of peaceful progress in their country, and particularly the desirability of coming to an understanding with their northern neighbours, the Wahhabis of King Ibn Saoud.

Angora and Constantinople.

The decision of Ghazi Mustapha Kemal Pasha to visit Constantinople is a convincing indication of the progressive stabilization of the situation in Turkey. Relations between Angora and Constantinople have been showing a steady improvement for some time—an improvement which seemed to coincide with the gradual realization that work at the full pressure entailed by the lack of amenities in the capital could not be continued indefinitely. The city on the Bosphorus represents the chief centre of relaxation for the hard workers of Angora, and with the improved communications between the two towns there has been a steady increase in the coming and going between them. Until, however, the President himself had visited Constantinople the *rapprochement* could not be considered complete. There can be little doubt that the welcome awaiting the Ghazi will be as enthusiastic as any that he has received. Many indeed of those who will be glad to see him will hope that his stay on the Bosphorus will lead to a fuller appreciation of the Constantinople point of view in regard to many problems which Angora has found it easier to regulate by law than to solve.

THE PALESTINE EXPLORATION FUND.

The sixty-second annual general meeting of the Palestine Exploration Fund will be held to-day (Thursday) at 4 p.m. in the rooms of the Society of Antiquaries, Burlington House, W.1. Professor Sir Flinders Petrie will give some account, illustrated by lantern slides, of his recent excavations at Tell Jemmeh (the ancient Gerar), on the southern borders of Palestine. The latest reports from Mr. V. W. Crowfoot on the resumed excavations at Ophel will be read.

NEW ROUMANIAN CABINET.

Following the resignation of Prince Stirbey's Cabinet the previous day, M. Jonel Bratianu on June 22 formed a Roumanian Liberal Cabinet composed as follows:—M. Jonel Bratianu, Prime Minister and Foreign Affairs; M. Duca, Interior; M. Vintila Bratianu, Finance; M. Argetoiano, Agriculture; M. Angelesco, Public Instruction; M. Lapedatu, Public Worship; M. Stelian Popesco, Justice; M. Inculetz, Public Health; M. Loulos, Labour; M. Dimitriu, Communications; M. Nistor, Public Works; General Anghelesco, War; M. Mrazec, Industry and Commerce.

Antiquities found at Ur of the Chaldees are now on view at the British Museum.

Captain Alexander Milne Gardiner, R.N., retired, died, on June 21, at 8, Augusta Gardens, Folkestone, at the age of 78. He saw considerable service in the Sudan and Egypt.

An etching entitled "Dawn, Camel Patrol Setting Out," by James McBey, which represents a camel patrol of nine Australian soldiers setting out at dawn into the desert of Sinai towards Beersheba, has realised £440 at a London auction sale.

The *London Gazette* has announced the retirement, on half pay, of General Sir R. C. B. Haking. Sir Richard Haking, who has been General Officer Commanding the British troops in Egypt since 1923, is succeeded by General Sir Peter Strickland.

The death occurred last week in Dublin of Mr. Henry Philip Kerney, late of the Administration of the Ottoman Public Debt. Mr. Henry Kerney went to Constantinople in his early youth and became an authority on Turkish finance. He was in charge of the administration of the Salt Tax.

Before leaving Bulgaria, Dr. Koroshetz, leader of the Slovene Clerical Party in Yugoslavia, issued to the Press a message of thanks for the welcome extended to him in Bulgaria. He said that his stay in Sofia had filled him with hope for the achievement of a Bulgarian-Yugoslav *rapprochement*.

The death occurred last week of Mr. Percy Stewart Peache Handcock, who at one time held an appointment in the Babylonian and Assyrian Department of the British Museum, and lectured widely under the auspices of the Palestine Exploration Fund. He was keenly interested in Semitic studies. He published a valuable series of books, including "The Latest Light on Bible Lands," published by the S.P.C.K., and "The Archaeology of the Holy Land."

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THURSDAY, JUNE 30, 1927.

THE REBUILDING OF PALESTINE.

With the Permanent Mandates Commission of the League of Nations in session again at Geneva, when not only the Mandatary's report on the Administration of Palestine will come before it for consideration, but also communications from the Zionist Organisation and the Arab Executive, the more familiar side of the affairs of Palestine will be forced afresh on public attention. The Memorandum of the Zionist Organisation is in the form of a report on the development of the Jewish National Home in Palestine for the year 1926-7, and deals objectively with its subject. Indeed, the only reference to matters which have been under discussion between the Organisation and the Palestine Government appears in the covering letter addressed to the High Commissioner, requesting that the Memorandum may be transmitted to the Commission. In this letter it is stated that the Executive desire to place on record their grateful appreciation of the substantial increase in the grant-in-aid to Jewish schools and of the timely assistance afforded by the Palestine Government to Zionist efforts to alleviate unemployment, both by the provision of credit to certain municipalities, and by the execution of public works somewhat in advance of actual requirements. The petition of the Arab Executive may be expected to follow familiar lines, and it will be mainly with the political side of the Palestine question that the Permanent Mandates Commission will be concerned. There is, however, another side of the question—the more purely economic—which deserves attention in wider circles than those which have hitherto given it a thought. One effect of the politico-religious propaganda in which Palestine was enveloped immediately after the War—however inevitable it may have been in all the circumstances—was to destroy for the time being any chance that the country might have had of being considered as a business proposition. One of the advantages that most countries that are being newly opened to economic development have is that they offer a special attraction to capital on the look-out for profitable investment. Palestine, however, which at the end of the War was essentially a new country from the point of view of economic development, was an exception to the rule, and this shyness of capital, amounting almost to a boycott, would have been far more conspicuous if the country had not been able to rely on the very considerable sums of money which reached it as a contribution to the Zionist ideal.

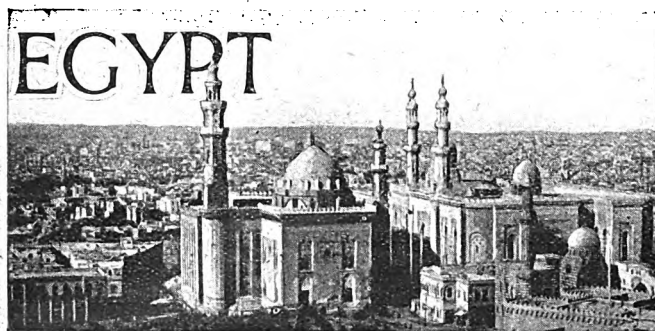
In the long run it will be the economic aspect which will determine the success or the failure of the Palestine experiment. Insistence on the importance of the politico-religious aspect has passed its zenith. It is noticeable that, although there has been a provisionally successful issue to the negotiations between the Zionist Organisa-

tion and the leaders of the American non-Zionist Jews, having for their object the ultimate enlargement of the Jewish Agency for Palestine, no definite steps in this direction are to be taken until a Commission has made a thorough survey and investigation of conditions in the country, including an expert study of the resources and of the agricultural, industrial, commercial and other economic possibilities of Palestine and neighbouring territory. This stipulation on the part of American non-Zionist Jews and its acceptance by the Zionist Organisation suggest a fairly general recognition in Jewry that business principles are to play a more important part than hitherto in the rebuilding of Palestine. It is on this point that the Economic Board for Palestine has taken its stand from the outset. At the fifth annual meeting, held earlier in the month, a report of which is published elsewhere in this issue, both the chief speakers emphasised the fact that the time had come to regard Palestine as a business proposition and not merely as "a reservoir for the receipt of charity." No member of the Economic Board—a body of prominent English Jews which was formed to promote the economic development of Palestine on sound business lines—is likely to allow his enthusiasm for the Jewish National Home to outrun his discretion and business instincts, and it is the Board's considered opinion that in the orange industry, in irrigation, in small industrial concerns manufacturing goods for consumption in Palestine, as well as in the tourist traffic and in other directions there is a considerable field for the profitable investment of capital in Palestine. It is to be hoped that with the admission of non-Zionist Jews to the Jewish Agency and the identification of the Zionist Organisation no longer with a policy which, in the words of one speaker, "had helped to create the impression that Palestine was a country to which money must be given," instead of one in which it should be invested, the country will be freed from recurring crises which are due to no small extent to the absence of working capital.

Some of the grievances that have been nursed against the Palestine Government in Jewry will be found to have an economic, rather than a political, basis. With its limited and backward population the task of establishing sound industries in Palestine must necessarily be attended by difficulties, and the principle of protection in such cases is generally accepted. The Government, as far as is known, is not averse from the principle, but would seem to hold that it has discharged its obligations when it offers fifty per cent. or less of what is demanded. If it is a question of disagreement among experts, the two parties should be able by joint discussion to arrive at a *modus operandi*. The success of a few industrial concerns in the country can be relied upon to attract further capital, and, as there can be no question of any form of Government support for other than objects of the soundness of which it is convinced, there would seem to be much to be said for a policy that will shorten the period within which a given undertaking can be made to prosper. Government, no doubt, has to take into consideration other points than those which are apt to enter into the philosophy of purely business men; but in view of the special circumstances of Palestine, where the future of the country is essentially linked up with the cordial and active co-operation of Jew, Arab, and Mandatary, the policy of laying all cards upon the table is one which should rarely, if ever, be departed from, least of all by the Mandatary. A line of action that commends itself to one party may not have the support of the others; but if it is publicly backed by an adequate show of reason, the ground will have been cut away from any grievance that might in other circumstances be nursed to the prejudice of the relations between the three parties and the general interests of Palestine.

The Near and Middle East*

From Our Own Correspondents.



Cairo, June 18.

Optimism Ascendant.

The Egyptian Stock Exchange, which, as I reported last week, maintained an optimistic tone in the midst of the prevailing pessimism, has been proved by subsequent events to have appreciated the situation correctly. The cables will have already advised you that the serious crisis which threatened a week ago is over, and that a settlement has been arrived at, which, for once in a way, seems to satisfy all parties.

Time, as has often happened in Egypt, came to the rescue of what appeared to be a dead-lock, from which it looked as if only drastic action on the part of the British Government could extricate the two countries. The Bairam feast, with its five-days' cessation of public business, provided an admirable opportunity for third parties, who had no other interest in the matter beyond preventing a crisis, to get to work and to try to devise the formula, which in Egypt is the panacea for all questions which in the minds of the Egyptians affect their *amour-propre*. And since there was at bottom goodwill on both sides the necessary formula was found.

Responsible Egyptians were brought to realise that the policy followed since 1922, and particularly since 1925, in the matter of the Egyptian Army, constituted a potential danger for their country, and that Great Britain, even if in their view she was not entitled to impose her will in this matter, certainly had the right to make representations which, since they were in reality for the good of the country in general and of the Egyptian Army in particular, should be taken into serious consideration. On the British side it was also realised that the Egyptian Note in reply to the British was unsatisfactory, not through lack of goodwill, but through force of circumstances, which made it exceedingly difficult for the Egyptian Government to accept right away the proposals in the form in which the British Government presented them.

Lord Lloyd, who throughout the seven months' discussion which had preceded the presentation of the British Note, had displayed the greatest sympathy with, and desire to meet, the peculiar difficulties in which the Egyptian Government found itself, readily entertained the proposal for mediation put forward by disinterested third parties, and it is undoubtedly due to the great firmness and courage, coupled with tact and patience, which he showed, that the Egyptian Government was induced to face the consequences of acquiescence in the British demands.

At the same time Sarwat Pasha and Zaghloul Pasha are deserving of the warmest recognition, the former for the statesmanlike manner in which he manœuvred, both during the negotiations and before the Chamber on Thursday, a situation which was exceedingly delicate, and the leader of the Wafd for the courageous manner in which, when it came to the point, he brought to bear all the weight of his personal influence to overcome the objections which certain elements in his party had raised. Both Sarwat Pasha and Zaghloul Pasha have on this occasion rendered to their country a service which only history will be able to appraise at its proper value.

It is now possible to reveal that the man who as intermediary played such a determining part in the last phases of the conversations was Mr. George Antonius, Assistant-Director of Education in Palestine. At the time when the recent crisis was most acute he happened to be in Cairo on his way back from Jidda, whither he had accompanied Sir Gilbert Clayton in connexion with the recent negotiations with King Ibn Saoud, and the success of his mission in the matter of the Egyptian Army question was due to the ability with which he managed to interpret the views of the two parties and thus remove the misunderstandings which stood in the way of an amicable solution.

Royal Visitors.

Their Royal Highnesses the Duke and Duchess of York passed through the Suez Canal this week on their way home from Australia. The High Commissioner motored down to Suez to greet them, but as the s.s. Renown had already entered the Canal, Lord Lloyd and his staff embarked on one of the Suez Canal Company's motor-launches and steamed northwards to catch her up. Lord Lloyd remained with the Duke and Duchess for about an hour, and then went again on board the motor-launch and proceeded to Ismailia, returning by special train to Cairo where very urgent business connected with the Egyptian Army crisis awaited him. The s.s. Renown stopped a short time at Ismailia. Here the Duke of York landed and inspected the Somerset Light Infantry but, owing to the lateness of the hour, no stay was made at Port Said, and the s.s. Renown passed right out to sea, where after receiving the mails for the Royal Party from the P. and O. Multane she sailed for Malta.

Parliament.

Parliament is still in the throes of the Budget. Despite the heat, members still find no end to say about the most trivial details, and certainly in no country in the world can the financial estimates be subjected to a more minute examination than is the case to-day in this country. Whether the actual saving in money which results from so close an examination justifies the immense amount of time expended thereon it is difficult to say, just as it is sometimes a moot point whether the economies thus affected are, in the long run, in the real interests of the country. However, the Chamber is gradually working its way through the Budget and, realising that, if it does not speed up the debate, it may find itself with a very short recess, it has at last decided to increase the number of sittings per week, and from now onwards until the Budget has been completed the deputies will have only Fridays off-duty.

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BANK MISR.

We have received the following telegram from the Managing Director of the Bank Misr, Cairo:—"Re letter published in your issue of June 23 from your Cairo Correspondent about Bank Misr, Bank Misr declared that since its establishment no European element has ever taken part in its management. Confidence of all Egyptians especially prosperous classes, unanimously and completely acquired. Government deposits in the Bank are employed in industrial loans, financing agricultural co-operative societies and other similar productive concerns.—FUAD SUITAN."

PERSONAL AND GENERAL

TO-DAY

June 30, 1927 (New Style).

June 17, 1927 (Old Style).

Julhigga 29, 1345, A.H. of the Muslim Calendar.

Sivan 30, 5687, of the Jewish Calendar.

Lady (John) Nuller, who has been spending the winter in India, has returned to 22, Mount Street, W.

Ex-King George and Queen Elizabeth of Greece visited the King and Queen at Buckingham Palace on June 25.

Princess Sophia Duleep Singh has been on a visit to the Dowager Lady Glanusk at Hay Castle, Breconshire.

The Greek Minister for Foreign Affairs and the Greek Minister of Finance arrived in London on June 27 on a short visit.

H.E. Monsieur Caclamano, Greek Minister in London, returned on June 23 to 51, Upper Brook Street, from the Continent.

Lady Lloyd has arrived at 5, Portman Place, where she will be joined by Lord Lloyd on his return from Egypt to-morrow (July 1).

The King and Queen inspected Professor Sir Flinders Petrie's Palestinian Exhibition during their visit to University College on June 23.

Mr. Sachchidanada Sinha, formerly Finance Member of the Government of Bihar and Orissa, arrived in England last week on a short visit, and is staying at 22, Jermyn Street, W.

Captain D. McCullum, of the British Legation Guard, Peking, has set out for Home by motor-car, his route being through Indo-China, Siam, Burma, India, Persia, and Constantinople.

The guests entertained by Field-Marshal Viscount Allenby and Viscountess Allenby at a luncheon at the Ritz Hotel on June 22 included Prince Mohamed Ali, the Earl and Countess of Stradbroke, Field Marshal Lord and Lady Plumer, General Baird, General and Mrs. Herbert and Major Hindley.

The Prince of Wales received their Highnesses the Maharaja Gaekwar of Baroda and the Maharaja of Ratlam; and also Air Chief Marshal Sir Hugh Trenchard, Bart. at St. James's Palace on June 21.

M. Nicholas Titulesco, Roumanian Minister in London, has accepted the Ministry of Foreign Affairs in the new Cabinet of M. Bratiano. He will continue, however, to act as Roumania's delegate on the League Council.

Previously to the Court held by the King and Queen at Buckingham Palace on June 22, the King received his Highness the Maharaja of Rajpipla, his Highness the Raja of Mandi, and his Highness the Raj Saheb of Vankaner. Colonel A. D. Bannerman, Political Aide-de-Camp to the Secretary of State for India was in attendance.

The examiners in Oriental studies at Oxford University have issued the following class list:—

CLASS 1.

None.

CLASS 2.

N. S. Doniach (Wadham) in Hebrew and Arabic; and W. S. de G. Rankin (Christ Church) in Sanskrit and Pali. Overstanding.—G. H. Rooke (Oriel), in Sanskrit and Pali.

King Fuad of Egypt is due to arrive in London on July 4. Ahmed Hassanein Bey journeyed to Paris yesterday to make the final arrangements concerning the Royal visit. He will be entertained at Buckingham Palace for 3 days. On the evening of July 4, the King and Queen will give a State banquet at Buckingham Palace; on July 5 King Fuad will be entertained at luncheon by the Corporation of the City of London, and to dinner at the Foreign Office. At the time of writing it is uncertain whether King Fuad will stay at Bute House or at Claridge's Hotel, but the State banquet to be given to King George will be held in Bute House.

NEAR AND MIDDLE EAST ASSOCIATION.

Lord Lamington presided at the meeting on "The Outlook in Persia" at which Sir Arnold Wilson and Mr. H. G. Hart spoke, held at the Hans Crescent Hotel and followed by a reception at 14, Hans Crescent on Thursday, June 23. Mrs. L. Cobham was the hostess. The following were among those present:—The Persian Minister and MM. Ardeshir and Sheybany, Count Los, Count Ostrorog, Orhan Halid Bey, M. E. Nelky, Major Ugula, Herr von Zeileissen, Viscountess Dupplin, Constance Lady Cozens-Hardy, The Dowager Lady Boyle, Sir James Heath, Sir Percy and Lady Cox, Sir Percy Sykes, Sir Harry Eyres, Admiral Sir Edmond Slade, Sir Graham and Lady Bower, Lady Barker, Sir Henry and Lady Burt, Sir William Clark, Sir Harry Foster, M.P., Sir John Foster Fraser, Sir Denison Ross, Sir Malcolm Stevenson, Sir Frederick and Lady Graham, Sir James Roberts, Sir John and Lady Stavridi and Miss Stavridi, Lady Tighe, Baroness de Knoop, The Hon. Mrs. Edward Feilden, The Rt. Hon. Noel Buxton, M.P., Monsieur Emile de Nagy, Brig.-Gen. and Mrs. Bateman Champain, Captain and Mrs. E. N. Bennett, Mr. and Miss Eckstein, Commander Kenworthy, Mr. Percy Molteno, Dr. Cloudeley Brereton, Mrs. Elliott Lynn, Mr. and Mrs. Leland Buxton, and Mr. and Mrs. Bruce Dick.

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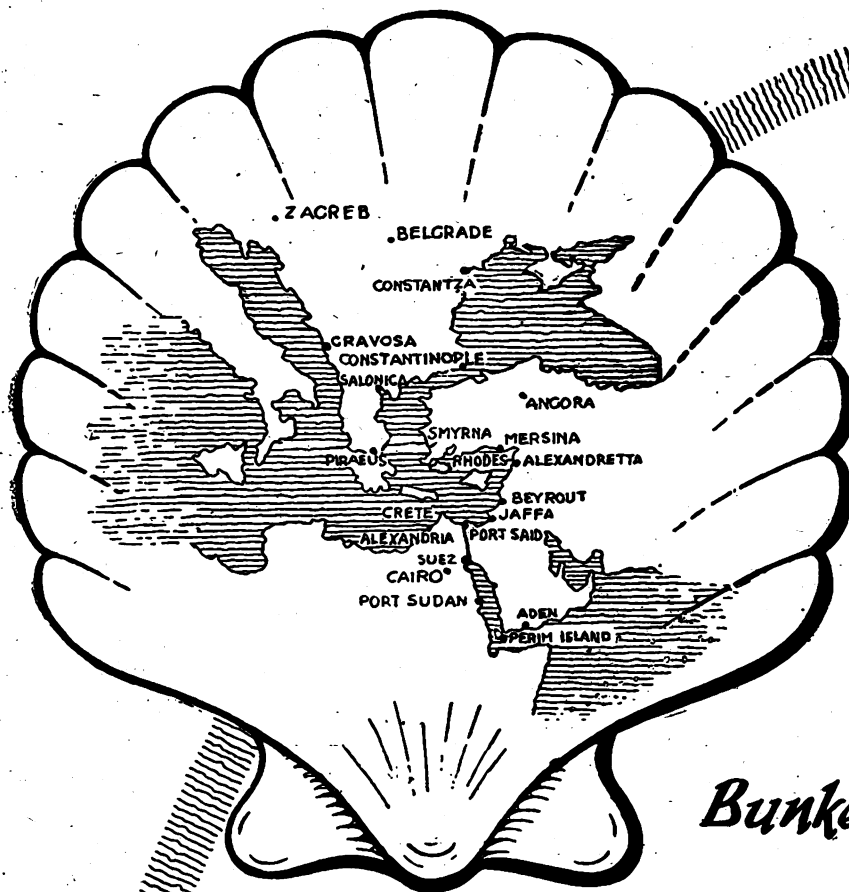
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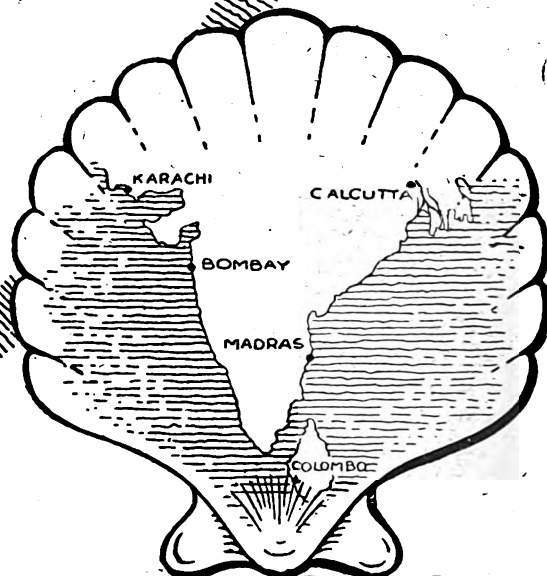
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THE OUTLOOK IN PERSIA.

By SIR ARNOLD T. WILSON, K.C.I.E., C.S.I.,
C.M.G., D.S.O.

When we in England discuss the affairs of other nations it is very necessary that we should do so with a sense of responsibility. Great Britain and Persia have very important mutual interests: our mutual interests, by whatever standard they are measured, are greater by far than those of any other nation. But we must remember that in the nature of things we can for the most part only play the part of spectators: whatever solid progress is achieved in Persia is due, as it should be, primarily to the efforts of Persians; we should be chary even of applauding what seems to us to be praiseworthy; our motives may be misunderstood, and we ourselves may be mistaken, for in the East, as in the West, only too often

"The fire is only fireworks,
The smoke is only steam,
Things are not always what they seem."

There is no lack of evidence of material progress in the last ten years, or for that matter in the last twenty years. The value and bulk of imports and exports have continued to increase. Net Customs revenues last year were eight times as great as in the first year of this century, when a regular Customs administration was first established, and now total nearly £2 million sterling, imports being valued at some £18 million and exports at £12 million sterling: the excess of imports over exports has been continuous over a long period of years and may properly be regarded as a sign of real prosperity, due to hidden exports which find no place in statistics.

Revenue from posts and telegraphs, from Crown lands, and from land tax is steadily rising: public order has never been better maintained: education and public hygiene are receiving greater attention than ever before. These aspects of the outlook in Persia are familiar to all who have taken the trouble to study the periodical reports of the Administrator-General of Persian Finances.

But the outlook in Persia in the eyes of the Persian townsman or tribesman who does not belong to the official class is very different from that indicated by the serried rows of progressive figures marshalled by Dr. Millspaugh. He sees the old local officials, born and bred in the district and province in which they spent their official life and generally of well-known local families, replaced by officials from Teheran, frequently changed, with few, if any, local attachments, and not seldom frankly out of sympathy with or contemptuous of provincial ways; the authority of local magnates replaced by that of military officers, sent as a rule from Teheran, and seldom kept in one place for long; and the familiar, if not always efficient, local forces of order replaced by soldiery from other provinces, whose ways are apt to be less sympathetic and more often misunderstood.

In past centuries the system of government in Persia was organised by provinces. The Shah was Shahin Shah—King of Kings: the central Government consisted of the Shah's entourage: the provinces were autonomous and the Provincial Governors supreme. In two provinces Turkish was the principal language; in another Kurdish, in another Baluchi, in another Arabic, in another Luri. But the Persian Empire maintained its independence, and its integrity was seriously menaced only by the Russian Empire, which in the last century deprived Persia of two provinces.

The provincial Persian recognises that a more centralised form of administration is to-day inevitable: but he feels vague misgivings at the local manifestations of the process: and he regrets the great increase of minor officials, mostly Teheranis, and he grudges the increasingly large sums which are sent to Teheran from every province.

For Teheran stands in some respects apart from the main currents of Persian political, religious and commercial life. "La Perse," said Pierre Loti, when he reached Teheran from the South, "finit à Islahan."

Teheran is situated far from the great Persian-speaking centres, and from the principal centres of population, both ancient and modern, and as a capital is not invulnerable to foreign influences. Thoughtful Persians have seen the capital of Russia shifted from Petrograd to Moscow, of Turkey from Constantinople to Angora, of India from Calcutta to Delhi. Some are beginning to wonder whether in the long run it will not be wise to revert to the capital of the Safavi monarchs, and go back to Isfahan, which was abandoned only at the whim of the Qajar dynasty. There, and there only, think some, will a Persian Government be able to control the destiny of the country free from all foreign influences.

Vested interests are strong: but Persians are certainly not inferior to Turks in patriotism and in determination, and, if convinced of the necessity of a move, would be capable of taking the decision.

But there are other and far deeper forces at work in Persia to-day. To quote the Psalms, "There is neither speech nor language, but voices are heard among them."

Unmentioned in the Press, and seldom heard by Europeans, there are at work, beneath the surface, spiritual forces, which are of greater import by far than the material and political matters which are apt to fill the horizon of the observer, whether in Persia or abroad.

I am confident that something approaching a renaissance is in process of realisation in the minds of the active minority, which, in Persia as elsewhere, controls all movements, whether Right or Left. It is only incidentally and occasionally anti-foreign, for Persia has less to complain of from Christian nations (a term which excludes the Russia of to-day) than any other country in the Middle East; it shows itself in increasing interest in Persian history, in a higher standard of probity amongst officials, and in a growing determination to make unity a reality and to purify the national tongue.

Persia was overrun by Arabs in the ninth century, by Mongols in the thirteenth and by Afghans in the eighteenth century; she has absorbed her conquerors so completely that only relics of their languages remain.

"Our country," said a Persian recently, "has had three things imposed on us from without by Arabs—a foreign government, a foreign language, and a foreign religion. We have long been rid of the first, we are ridding ourselves of the second."

What of the third? The Coronation of the Shah was celebrated by a widely circulated lithograph of His Majesty, supporting his country, and surrounded by the figures of Cyrus, Zoroaster, and other great figures of the past, but no Islamic prophet or symbol appeared in the whole picture. The fact is not without significance. But it is not new. The truth is that Persia has been from the first non-conformist and schismatic in its outlook on Islam: the Islamic shrines of to-day are the Zoroastrian fire temples or high places of yesterday, and in mysticism and philosophy Persians have led the way whether in Cairo, Damascus or Baghdad. Their national greatness dates long before Islam, which arrested rather than developed their civilization; their position, geographically, ethnologically and historically, has given them in the past a commanding position in the Middle East: the development of communication by sea between Europe and India deprived them of their geographical advantage for a time: but they will, I believe, again come into their own.

I know no race, whether Eastern or Western, with a higher general level of natural intelligence, or with greater ability to acquire knowledge and turn it to account. They

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have, like us, the advantage of mixed blood, of a climate generally temperate, of a higher standard of living than any Eastern race; of their military qualities I have written elsewhere: and Sir John Cadman has borne testimony to their industrial abilities: of Eastern poetry that of Persia is more widely known within the East and the West than that of Arab, Indian or Turk. The art of Persia is of another convention than ours, but flowing in a stream side by side—both streams from the same source, they are a divine gift to Humanity—the love and perception of the Beautiful. Of Eastern art that of Persia, whether in the design of carpets, or in the painting of miniature, is better known and more highly appreciated than that of any other Eastern nation, if we except the pottery of China, but even in this branch of art Persia has undisputed pre-eminence in the Middle East.

Dr. Hertzfeldt has recently shown that a great number of silk stuffs, preserved in Egyptian tombs, of great beauty, were products of the looms of Khuzistan, which from the 2nd to the 7th Centuries was, as it is to-day, industrially the most highly developed part of Persia.

The Persian language has been for centuries to the Middle East what French is to Europe, and remains supreme as a vehicle of literary expression. Almost alone of Eastern nations Persian currency and Persian credit have remained unimpaired during the past decade: exchange fluctuated with price of silver, and since the latter has been fairly stable Persian currency has fluctuated within narrow seasonal limits. It is officially announced from Persia that the establishment of a gold standard is in contemplation. As an aspiration towards the most modern form of financial stability this expression of intention compels admiration, but challenges criticism, which it will, doubtless, receive at the hands of acknowledged experts, such as Persian merchants with large dealings abroad and the Parsee community in Bombay, who probably know as much about currency questions as any community in the world.

Such are the grounds for the belief that is in me that the renaissance which I have referred may well come to pass. Action provokes reaction, and those who guide the reins of state in Persia are, doubtless, not blind to the danger of going too fast. Internal rather than external complications are likely in the future, as in the past, to be the principal danger to be feared by those who seek to establish a new order in Persia. We are all conservative at heart, especially when our pockets are touched, and low taxation is the greatest of all forces on the side of law and order and of reform. The pity is that the two so seldom go together.

King Fuad of Egypt left Alexandria in the Royal yacht *Mahrussa* en route for London on June 23.

The Times states that Sir Ronald Storrs, Governor of Cyprus, who, as Oriental Secretary in Cairo, was in very close relations with the Field-Marshal while he was British Consul and Agent-General in Egypt before the War, officially unveiled in Nicosia on June 24 a commemorative tablet on the house occupied by Lord Kitchener when, as Director of Survey and Head of the Land Registry Office in Cyprus from March, 1880, till February, 1883, he was making the first accurate map of the island. The occasion was the 77th anniversary of Lord Kitchener's birthday.

NEWS IN BRIEF.

The King of Roumania and the whole Court left Bucharest on June 23 for Sinaia.

Prince Stirbey, Roumanian Prime Minister, on June 21 handed to the King the resignation of the Cabinet.

Tzena Beg, Albanian Minister to Yugoslavia, arrived on June 21 in Tirana from Belgrade with the Legation Staff.

The British Government is reported to have agreed to the Turkish request that a number of badges and effects of Turkish prisoners of war should be restored.

The Turkish National Assembly has voted a tax of five piastres (about 1½d.) a metre on imported films, and also a tax of 25 piastres on gramophone records, and 100 piastres per pack on cards.

The Kurdish rebel leader, Shaikh Mahmoud, who has returned to Mariwan, has signed an agreement with the Iraq Government promising to abstain in future from all activities against Iraq.

M. Henri Ponsot, French High Commissioner for Syria, on his return to Beyrout on June 21 from abroad, proceeded direct to the Residency without receiving the deputations which were awaiting him.

The Egyptian Council of Ministers has approved the appointment of Rear-Admiral Tomlin to be Director-General of the Ports and Lighthouses Administration, in place of Captain Philip Streatfield, R.N.

The British Academy's archaeological mission under Mr. Casson, which has been excavating the site of the ancient Byzantine hippodrome in Stamboul, having finished its work, left Turkey last week for England.

The Athens police last week arrested three Communists on suspicion of attempting to blow up the Italian Legation there in circumstances resembling a similar attempt on the British Legation in March, 1924.

According to *The Times* Teheran Correspondent, a new contract has been presented for consideration to Dr. Millspaugh, of the American Mission (which has had control of the Persian finances since the end of 1922), by the Persian Government.

Lord Lloyd, High Commissioner in Egypt, left Alexandria on June 24 for Trieste en route for London. He was seen off by Lieutenant-General Sir E. P. Strickland, General Officer Commanding the British troops in Egypt, Spinks Pasha, the Inspector-General of the Egyptian Army, and a number of members of the British community.

The Right Hon. Lady Ermytrude Malet, of Eaton Square, S.W., and of Wrest Wood, Bexhill, a Lady of Grace of the Order of St. John of Jerusalem, who died on March 22, aged 71, younger daughter of the 9th Duke of Bedford, and widow of Sir Edward Malet, left unsettled property in her own disposition of the gross value of £20,232, with net personalty £5,540.

It is stated from Teheran that four officials of the Persian War Office were recently found guilty of tampering with important documents and codes, and were condemned to death. On the recommendation of the Prime Minister and the Minister of Justice, the sentence on one of them (a son of a member of the Majlis) was commuted to fifteen years' imprisonment, while the three others were executed.

Dr. Ernest Barker, M.A., D.Litt. (Oxford), Principal of King's College, London, has been elected Professor of Political Science at Cambridge University. The new professorship was founded for the development of teaching in the social sciences at Cambridge by the gift of 150,000 dollars by the trustees of the Laura Cpielman Rockefeller Memorial, made in October last. The stipend of the professorship is £1,200, to be paid from the income of the invested funds.

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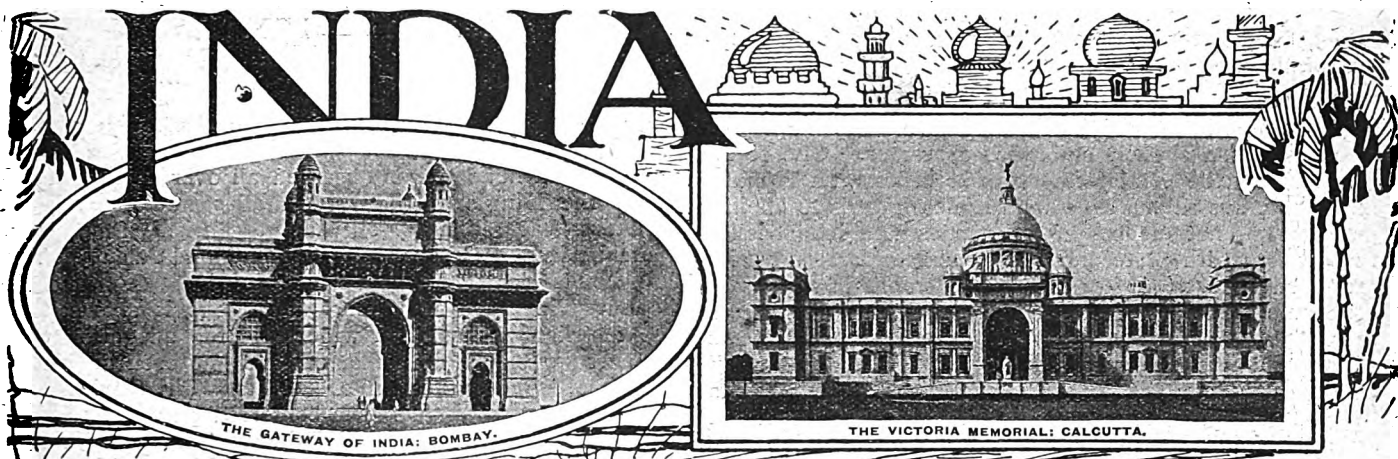
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OPIMUM AND THE INDIAN STATES.

The opium problem in India has entered on a new phase as a result of the conference recently held at Simla between the Government of India and 40 representatives of the Indian States. The outcome of the deliberations of the conference is found in the constitution of a committee, on which the States will be represented, which is to carry out local inquiries in order to make recommendations as to the possibility of replacing the cultivation of the poppy by other crops, and to consider the effect of such substitution upon the economic prosperity of each State concerned. In his exposition to the Simla Conference of the reasons which had impelled the Government of India to move in this matter, Lord Irwin naturally emphasised the sacrifices which British India has willingly made with the laudable object of minimising the evils arising from the abuse of opium, especially in China. But the adoption of measures which caused a loss of Indian revenue amounting to £4 millions annually failed to convert the Chinese opium-smoker into a virtuous citizen. On the contrary these well-intentioned measures gave a great impetus to opium growing and China itself, which now produces about 80 per cent. of the world's output of the drug. Still, the Government of India have continued to pursue a humane and enlightened policy in regard to opium, and there is no substance in the allegations made against them by ill-informed critics that they have sought to profit by the vices of smokers of opium. In India itself opium smoking is a rare practice. Opium eating, on the other hand, is not uncommon. The drug is often used for medicinal purposes by the people, and it is also used sparingly as a refreshment. The Royal Commission which made a careful investigation of the whole subject in 1893 reported that they found no evidence of any extensive moral or physical degradation from its use. A member of that Commission on interrogating a highly intelligent and physically robust Rajput as to whether there were any opium consumers among his neighbours was astonished when the Rajput replied that he himself consumed opium daily. Still, the Government of India have attempted to reduce the use of opium within the country by enhancing the price, and the measure of their success is found in the fact that while in 1910-11 the local consumption was 12,530 maunds, it amounted in 1923-24 to 7,406 maunds.

The position as it exists to-day was clearly described by the Viceroy and the Finance Member at the Simla Conference. The Treaty of Versailles, which was signed by the representatives of India as a whole, including a Ruling Prince, the Maharaja of Bikaner, pledged the country to the ultimate suppression of opium smoking, to the limitation and control of the export of the drug, so that none may reach other countries without the consent of their respective Governments, and to the prevention of smuggling to the Far East. By her ratification of the Geneva Dangerous Drugs Convention, India further pledged herself to prevent the illicit traffic in raw opium from presenting a serious obstacle to the suppression of

opium smoking in Far Eastern countries. As a matter of fact, the policy embodied in these pacts has been faithfully carried out by the Government of India. They prohibit the export of the drug to countries which forbid imports, and they allow no opium to be despatched to any country beyond the quantity certified by the Government of that country to be required for legitimate purposes.

The Indian States, however, are in a different position so far as checking the consumption of opium is concerned. They possess, as Lord Irwin pointed out at the Simla Conference, enormous stocks of opium for which there is no legitimate outlet, and the poppy continues to be cultivated extensively within their territories. The consequence is that opium is constantly smuggled from producing States to the seaports, as well as into British India and into other Indian States. The policy tentatively formulated by the Government of India to deal with this evil involves the ultimate discontinuance of poppy cultivation in the States and the supply of opium for their requirements by that Government at cost price, thus placing them in the same position as the Provinces of British India. The principle involved in this policy appears to have commended itself to the representatives of the States attending the Conference. Indeed, in his speech at the opening session of the Chamber of Princes in November of last year, the Maharaja of Patiala declared that the Government of India might rely on the co-operation of the Indian Rulers in what he described as the noble pursuit of an admirable ideal. The most formidable obstacle to be surmounted is the financial one. This aspect of the case was discussed at the Conference both by the Viceroy and Sir Basil Blackett. Lord Irwin cited the experience gained in the United Provinces, where drastic reductions of the area under the poppy, amounting to 50 per cent. in three years, had not caused any appreciable hardship. Again, between 1906 and 1916 the total area under opium cultivation in Central India and Rajputana was reduced from 244,000 acres to 10,000 acres; and so far as Lord Irwin was aware, the economic life of the States was not disorganised in consequence. In fact, notwithstanding the hereditary taste of the cultivator for opium growing, it was difficult to induce him to continue it owing to the profits he could make from other crops. The Finance Member, in his turn, reminded the Conference that out of the 34,644 acres under poppy in the States in 1924-25, some 24,000 acres were cultivated, not for internal consumption, but to produce opium for sale to the Government of India for Excise purposes. The reception accorded by the Indian Rulers to the tentative proposals thus laid before them seems to have been in accordance with their best traditions, and the labours of the Committee appointed will apparently be conducted in an atmosphere of good will. It is of especial interest that the Viceroy, who has practical knowledge of agriculture, stated at the Conference that the researches of Mr. Howard, Director of the Institute of Plant Industry, Indore, entitled them to hope that in Java sugar cane and in the improved variety of wheat known as Pusa 4, profitable crops could be found to replace poppy on the lands irrigated by wells that are now devoted to its cultivation.

CURRENT TOPICS.

Communist Party of India.

The "Communist Party of India," which has been holding a session in Bombay, has adopted a "minimum programme" of a slightly ambitious character. One of its proposals is the establishment of a democratic republic based on universal suffrage; and it also intends to abolish landlordism, nationalise public utilities and industrialise the country with State aid. In regard to foreign affairs the "Communist Party of India" has emphatic views. It condemns "the Imperialist designs on China," denounces the Anglo-Soviet rupture as one of the many attempts of Imperialism to drive Russia on (sic) the verge of war," and assures the working classes of Great Britain of its "fullest sympathy in their struggle against capitalist aggression." For the Indian Congress the party has nothing but contempt. "It is only the dynamic energies of the toiling masses that can bring Swaraj to India" whereas the present bourgeois leadership has been "gradually compromising with Imperialism" and is in direct opposition to the masses. That being so the Communist Party, in a fine outburst of confused rhetoric, calls on its members to enrol themselves as members of the Congress, and "form a strong left wing in all its organs for the purpose of arresting them from the present alien control." Some of these statements are singularly reminiscent of the advice given from Moscow to the men convicted in the Cawnpore conspiracy case, and although the Communist party is no doubt contemptible to-day, it may give trouble in a country in which the masses are exceptionally credulous and liable to be swayed by cunning and unscrupulous propaganda.

Local Self-government in India.

A deplorable condition of affairs in local government in the United Provinces is disclosed by the Government Resolution on the working of Municipal Boards. The audit for 1925-26 shows that of the 85 municipalities in the Province the accounts of 36, including almost all the important Boards, were distinctly bad or indifferent. There were embezzlements in Agra, Cawnpore, Muttra, Allahabad, Brindaban, Unao, Ghazipur, Mainpuri and Mirzapur. In some of the big cities the record of municipal administration is "not unencouraging"; but in the lesser municipalities it is too often most unsatisfactory. In the case of the Bara Banki Board, for example, little or no attempt has been made to supervise the administration. "The staff is uncontrolled and discontented, sanitation is disgraceful, collection is so bad that a number of contributions remain unpaid." Ghaziabad is in almost as discreditable a state. It has not repaired its roads, and it is reducing expenditure on education. In Tilhar "the late secretary and accountant are being prosecuted for embezzlement, and there can be no doubt that there has been very scandalous mismanagement." The Jhansi Board, again, has failed to realise its position as guardian of the public interest. "It fritters away its time, energy, and money on tennis courts, libraries and statues." A melancholy record, indeed!

CORRESPONDENCE.

To the Editor of THE NEAR EAST AND INDIA.

Sir,—In your issue of June 23 your Calcutta Correspondent expresses surprise at the discovery of Roman coins in the South of India. If he will look up Gibbon's Second Chapter, with Bury's note (i.55 of the edition of 1900), he will see that in the first century there was a persistent drain of the precious metals from Rome to the East, for the purchase, not of "apes, ivory or peacocks," but of diamonds and pearls, silk and spices. Ceylon was the entrepot of this trade, and there is no occasion for surprise in the reappearance in Southern India of a few of the coins by means of which it was carried on.—I am, etc.,

W. H. MORELAND.

CALCUTTA LETTER.

(From Our Own Correspondent.)

Calcutta, June 9.

The King's Birthday.

A general holiday was observed all over India to celebrate the King's birthday. Parades and fêtes were organised at Shillong, Darjeeling, Barisal, Bangalore, Ranchi, Madras, Ootacamund, Bombay, and Calcutta. The list of his subjects whom His Majesty "delighted to honour" in India is a long one. But it shows that the distribution has been wide, and the allegation that honours go mainly to Simla officials has been disproved this time. One of the Bengal knights is Mr. David Ezra. The Crown of India has been conferred on Lady Lytton, who during her five years in India took an active interest in the welfare of women and children. Mrs. Cottle gets a very well deserved bar to her Kaiser-i-Hind medal. Mrs. Cottle is a clear-headed lady with a sympathetic heart. The relief of suffering is her line of activity, if she cannot always do as much as she would like to do. Mr. James Donald must also be congratulated. The Finance Member in the Government of Bengal will henceforth be known as Sir James Donald.

Bengal National Bank Failure.

The latest development in regard to the Bengal National Bank is an application made to the High Court on behalf of the Imperial Bank of India for the appointment of three receivers to protect the interests of the Imperial Bank. The application was granted, and Messrs. Walker, Ashworth and Stanley of Messrs. Lovelock and Lewis, Chartered Accountants, were appointed Receivers. Thereupon the Receivers took possession of the premises and assets of the defendant, i.e., the Bengal National Bank. The amounts due and owing to the Imperial Bank for principal and interest, under debentures dated May 4, and August 1, 1927, respectively, were Rs.6,55,236 and Rs. 10,11,835.

The New Howrah Bridge.

The trend of local engineering opinion in recent years has been definitely in favour of the erection of piers in the river. The decision of the Port Authorities to have a floating bridge built, is finding support in few quarters. It has been suggested that the Port Authorities may have been advised at a time when the depth of water at the Strand Road jetties was of more importance than it is now, when the King George's docks are approaching completion. If the contractors are prepared to say that it is impossible to design a pair of piers, or two groups of cylinders, which will not seriously affect the traffic of the river, all controversy and all doubts regarding the advisability of and the necessity for, a floating bridge will be set at rest once for all. Otherwise there will be permanent grumbling and dissatisfaction.

Indo-Japanese Commercial Museum.

The opening ceremony of the Indo-Japanese Commercial Museum proved very successful and was largely attended. The Museum is located at 135, Canning Street. The representative of Japanese Trade here is Mr. Iwas Nishi. Samples and specimens of Japan and India made articles were on display. There will be a bureau to provide information regarding the economic conditions of both countries. The public are invited to visit the Museum, and inspect the latest novelties in toilet specialities, toys, glassware, rubber goods, aluminium and china, silks, paints and bicycles. Exports from India to Japan reach 394 million yen, whilst Japan's exports to India are 156 million yen, or only 8 per cent. of its total export trade. But India is now Japan's third largest customer, and Japan is the second largest purchaser of Indian goods.

The Cholera Peril in Calcutta.

Dr. C. A. Bentley, Director of Public Health, Bengal, in the course of a lengthy and interesting address on

cholera epidemics, at the meeting of the Rotary Club a few days ago, said that some hundreds of thousands of people in Calcutta were harbouring cholera germs, and that Calcutta heads the list of cholera-infested places. Dr. Bentley also stated that the continued existence of cholera in Calcutta is not only a danger to each one of us, but in the eyes of the world is now a grave reflection upon the whole community. Foreign countries will sooner or later take steps in regard to shipping from Calcutta. This may become prejudicial to the convenience of travellers as well as to the general trade and prosperity of the port. After giving appalling figures and trying to rouse wholesome apprehension among Europeans, Dr. Bentley put forward the example of Java, which formerly was a hotbed of cholera, and has been free of the disease for many years, thanks to anti-cholera inoculation. As a sanitary measure for the masses, this may be the best preventive way, but individually, especially among Europeans, it will be difficult to get people to submit to the treatment. Nowadays there are two distinct camps: those who believe in inoculation and those who do not, and when you hear or read their reasons, they appear to be both in the right.

The Proposed Chandernagore Race Course.

The people of Chandernagore, at a meeting presided over by Mr. S. N. Nandi, protested against the proposed race course in the French Settlement. All who spoke at the meeting condemned the idea. They dwelt eloquently on the immoral effect it would have on the inhabitants of Chandernagore and neighbouring towns. They would all, it was declared, take to gambling, and Chandernagore would become a hotbed of vice and crime. It is proposed to send telegrams to the Senator, the Minister, the Governor of Pondicherry and the President of the Council in Paris, in short to all those on whom depends the future of the proposal, so that they may know the opinion of those who are strongly opposed to it.

Hère and There.

The far-travelling Rabindranath Tagore is to visit Malaya and Java shortly, and will then rush back to be here to receive Mr. George Bernard Shaw, who is expected at the beginning of the cold season. This indefatigable traveller always said that he felt at home everywhere in the world, and that he had many homes abroad.

The Commissioner in Sind, speaking on the local problems of the Y.M.C.A., endorsed the wise words of the report on the rather burning question of the Association's politics. "As we all know," he said, "there has been a good deal of unpleasant publicity on this subject during the last few months, and much has been said on both sides that would perhaps better have been left unsaid. I am glad to know that no charge has been brought against this Association, and I am sure that no charge was deserved."

There has been a centenary in Simla; of the visit of Lord Amherst. He was the first Governor-General to visit the town that has become the summer capital of the Government of India. This visit took place ten years after Simla was handed over by Nepal to General Ochterlony, whose monument adorns (if one may say so) Calcutta.

The monsoon seems to have come to stay. It is considered as premature to have torrential rains and deafening storms before the 15th of June or so. But considering that these provide a well needed respite, one cannot complain, though the landlords of Calcutta have now an excuse for not having repaired the roofs in time. All who have lived in a top flat in Calcutta know how the monsoon damages everything and how all roofs leak, more or less.

The widow of the late Sir William Lockhart, Commander-in-Chief in India from 1898 to 1900, died at her home in London in March. Her remains have been brought here, at her express desire, to be buried in her husband's grave, in the Military Cemetery of Bhowanipore.

The Committee of the Indian Chamber of Commerce have made a representation to the Government of Bengal, Marine Department, with regard to the admission of Indians to the Bengal Pilot Service. There have been a certain number of appointments reserved for Indians, but it is alleged that no Indians were found suitable for the posts.

BOMBAY LETTER.

(From Our Own Correspondent.)

Bombay, June 10.

No Protection.

To say that Bombay is amazed at the decision of the Government of India on the Textile Tariff Board's report is to put it very mildly indeed. It is contended that the mill industry has been very badly let down. The industry, say the complainants, asked for bread—and the Board has made certain suggestions that might have proved sustaining, in the shape of either a four per cent. rise in the import duty or bounties as a stimulus to spin higher counts of yarn—and has been given a stone, in the shape of remission of import duty on mill machinery and mill stores. That a fight will ensue is inevitable. Whatever may be the shortcomings of the millowners, and no one will deny that these are numerous, the report amply shows that they have been hard hit.

The possibility of the mill-owners cutting the wages of operatives has been foreshadowed by Sir Victor Sassoon in the course of an interview granted to the Press in London, and he says such a step is implied in the Tariff Board's report. The implication is not easy to find, but it is the last thing that the millowners should contemplate. From what one can learn of their future plans, it is the last thing they are prepared to consider; but in the meantime a deputation is to wait on the Viceroy, and an agitation is to be carried on so as to gain public support for their demand for protection.

The Reserve Bank Bill.

With the close of the Bombay sitting of the Joint Committee of the Central Legislature on the Reserve Bank Bill, we are given time to speculate on what has happened—or what we believe has happened—at the meetings, and what looms ahead in the future. One outstanding fact is that Sir Basil Blackett has scored a victory where it was believed he had suffered defeat. The Currency Commission recommended the formation of a Central Bank on the basis of subscribed capital, and the arguments in its favour are too well-known to need recapitulation. The Swarajists and the followers of Sir Purshotamdas Thakurdas, however, preferred a State Bank, a suggestion opposed by the Hilton Young Commission, and by the resolutions passed at the International Financial Conferences of Brussels and Genoa. By force of numbers the opposition "turned down" Sir Basil's suggestion, but he persuaded them to allow their alternative to stand over. In the interim, it is to be hoped that the time allowed for consideration will produce a saner outlook before the Committee next meets.

Village Medical Scheme.

For the past three years the Government of Bombay has been struggling along in an endeavour to solve the difficult problem of providing medical relief for the rural areas. Success has not yet been achieved, but a means has been found which might well result, upon further development, in a permanent solution. The scheme consists in the training of school-masters in elementary medicine and surgery on "First Aid" lines, so that when they return to their villages they can give help to the villagers in minor ailments, sending on cases with which they are unable to deal to the nearest dispensary or hospital. Thirty schoolmasters have been at work during the past sixteen months, during which time 22,992 cases in Poona, 54,799 in Bijapur, 19,573 in Sholapur and 23,897 in Dharwar Districts have been dealt with.

Official opinion regarding the scheme is very optimistic, and it is a common sight to see a villager with a clean dressing to a wound instead of the usual dirty rag, leaves or feathers. It is hoped to further increase the number of these medical teachers and widen the area over which they operate in the near future.

Market Conditions.

There has been little of any interest in the commercial markets this week, the general tone, except in cotton, being quiet. Cotton has been very strong, and a small demand has arisen from Japan. Securities firmed up a bit after a decline at the opening of the week, while mill shares slumped owing to nervous operators unloading their holdings on the publication of the Government's decision on the Textile Tariff Board's report. The money market is quiet and trade demand is slackening, so that there is a prospect of the Bank Rate declining again unless the Government carries out further deflation. Exchange is quiet, as also is silver with a falling off in up country demand, while gold is inactive.

INDIAN MAIL.

The Viceroy and Farming.

Lord Irwin, writes the *Pioneer*, is a landholder and expert agriculturist as well as the Viceroy of India, so that anything His Excellency has to say regarding the interests of landholders and on the subject of agriculture should carry great weight. It may be hoped, therefore, that Indian landlords will pay heed to the appeal he makes to them in the foreword he has written to the "Journal of the Central Bureau for Animal Husbandry and Dairying." Lord Irwin emphasises what the Government is doing through the Imperial and Provincial Department of Agriculture to improve animal husbandry and dairying, but he pertinently points out that this is not enough and that the country must depend on other assistance if real progress is to be made. He cites the gentleman farmers of England who have taken the lead in stockbreeding. As a result of their efforts stockbreeding has become the mainstay of British agriculture and England the stud farm of the world. His advice to India's landed aristocracy to follow the example given by English farmers is to be heartily commended.

A Protection Puzzle.

In presenting the problem of the tea chest for the consideration of the Tariff Board, says the *Statesman*, the Government gives that body a typical protection puzzle to solve. Tea chests, plywood and the lead sheets used in their making are subjected to an import duty of 15 per cent., recoverable to the extent of $\frac{1}{3}$ of the tax when they are re-exported. Recovery involves identification and other troubles which are obstacles to business. On the other hand, India has a tea chest industry of its own that asks for protection, which must mean that tea chests will cost more. That extra cost will have to be carried by the tea exported in chests. The tea chest industry would like to get its raw materials duty free, while imported chests paid a heavy duty. The tea trade on the other hand wants its packing material at as low a price as possible and regards the completed chest as raw material. Between the two the Tariff Board is left to choose and we do not envy it the task of finding a solution agreeable to all.

Emigration of Indian Labourers.

In their order recording the emigration report submitted by the Labour Commissioner, the Government of Madras says the number of emigrants who went to Malaya was double that of the previous year owing partly to the active demand for labour in the country and partly to the bad season locally. The number of emigrants to Ceylon fell from 76,410 in 1925 to 56,722 in 1926. This gradual decrease seems to bear out the opinion of the Agent to the Government of India in Ceylon that Ceylon is slowly

reaching saturation point in absorbing Indian labour on estates. The question of enforcing the presence of medical officers among ships carrying more than 99 passengers by amending Section 184 of the Indian Merchant Shipping Act is under consideration of the Government of India.

The I.A.R.O.

We observe from the latest number of the Army List, writes the *Daily Gazette* of Karachi, that 650 officers have been obtained for the Army in India Reserve of Officers since the opening of the recruiting campaign. That is a very satisfactory beginning, but Army Headquarters are still anxious to secure a few more officers. Taking India as a whole, there must be many thousands of young Europeans of the age and type that would make good officers. The revised rules of the new scheme are generous in the matter of pay and allowances, and special consideration will be given to those with War or Auxiliary Force service. It should be noted that officers of the Reserve will only be called up in case of a general mobilization consequent upon a grave national crisis. We hope that those who served in the last War who are qualified to do so will join the Indian Army Reserve of Officers so that Army Headquarters may have a substantial number of reliable and experienced men to call upon should the necessity arise at any time in the future. There is plenty of material available in Karachi and other parts of Sind, and we believe that the above facts have only to be more widely known to induce a larger number of men to join.

"THE LONDON DRAGOMAN."

"The London Dragoman" is the appropriate title borne by a monthly guide-book devoted to "What to see, Where to go, and All you really want to know in London." A brief study of the book suggests that it has been compiled with care and thoroughness; (an Indian Restaurant is omitted on p. 92); it is wonderfully full of information and contains just what the visitor to London, and residents, want in handy form. In addition to recording what is "on" and where, the book gives times and prices, and details as to how to get there. In one respect there is room for improvement—the different sections are not well served in the type used for headings.

NEWS IN BRIEF.

The King of Afghanistan's personal Secretary is reported to have arrived recently in Teheran with letters to the Shah in connexion with a treaty between the two countries.

Sir James Lewis Walker, C.I.E., of Worpleston Place, Worpleston, one of the founders and for 25 years chairman of the Alliance Bank of Simla, formerly one of the proprietors and managing director in London of the *Allahabad Pioneer* and of the *Lahore Civil and Military Gazette*, who died on April 13, aged 82, left estate valued for the purposes of the English grant at £59,444 gross, with net personalty £33,313.

Colonel C. R. Bakhle, Indian Medical Service, has been appointed Honorary Physician to the King, in succession to Colonel J. H. McDonald, Indian Medical Service, who has retired.

The following will represent India this year at the Assembly of the League of Nations:—Delegates: The Rt. Hon. the Earl of Lytton, G.S.S.I., G.C.I.E., Lieut.-Colonel His Highness Maharaja Sir Jagatjit Singh Bahadur, G.C.S.I., G.C.I.E., Maharaja of Kapurthala, Sir C. P. Ramaswami Ayyar, K.C.I.E. Substitute delegates: Sir Edward Maynard Des Champs Chamier, K.C.I.E., Khan Bahadur Mian Sir Fazl-i-Hussain, Sir Basanta Kumar Mulick.

OBITUARY.

Mr. Julian James Cotton, of the Indian Civil Service, who died in Madras on Monday, was a member of a family which has served India for five generations. He was the second son of the late Sir Henry Cotton, formerly Commissioner of Assam, and a younger brother of Sir Evan Cotton, first President of the Bengal Legislative Council under the Reforms. Mr. Cotton joined the Indian Civil Service in 1892, and at the time of his death had been a district and sessions judge for about 17 years.

Commercial and Financial Section.

NOTES AND NEWS.

170, Strand, London, W.C.2,
Tuesday Morning.

Palestine's Needs.

Elsewhere in these columns will be found a report of the annual meeting of the Economic Board for Palestine, at which important speeches were made by Sir Robert Waley Cohen and Sir Alfred Mond. These speeches and the succinct report on the economic situation in the country in 1926 by Mr. Goldwater (a comprehensive survey of which is also given in this issue) give a very clear picture of the present conditions, and of the country's requirements if the hopeful future which has been prophesied for it is to be realised. The past year, as my readers are well aware, has been overshadowed by the economic depression which has resulted in unemployment on a large scale among the Jewish immigrants and has led to the development of an emigration movement from Palestine. Both Sir Robert Waley Cohen and Sir Alfred Mond, who expressed themselves satisfied as to the prospects, drew attention to two vital needs for the development of Palestine—the protection of young and promising industries against “dumping,” and the provision of capital. With regard to protection, the complaint is made that the Government of Palestine has hitherto failed to meet the requirements of the situation. Emphasis was laid on the point that there is no need to appeal for funds for Palestine, but on the contrary it must be shown what an attractive field for remunerative investment is offered by the country. Idealism has carried the Jewish development of Palestine to the point which has now been reached, and it is to the Jewish community in the main that the country will have to look for the capital that is required.

Palestine's Chief Asset.

A point which must not be overlooked in considering the position in Palestine is that the depression from which the country has suffered for so long is due in some measure to external causes, such as the adverse conditions in Egypt owing to the fall in the price of cotton. The situation in this respect has altered and Palestine may now expect to benefit once again by the Egyptian market. In one respect at least Egypt and Palestine are alike, as they each have one product on which they chiefly depend—cotton in one case, the Jaffa orange in the other, and Palestine has so far failed fully to exploit the possibilities of the cultivation of the Jaffa. Prudence dictates concentration in this direction, while, as pointed out elsewhere in this issue, ample scope exists in the country for the development of other branches of fruit farming, but the realisation of the prospects in this as in other directions depends on the provision of capital.

Free Zone at Constantinople.

The forthcoming establishment at Constantinople of a free zone for transit trade is an indication of the realisation by the Turkish authorities that something must be done to further the restoration of the pre-War position of the port as one of the world's great trade junctions. It is also of interest as a sign of the realisation in Turkey that a policy of insularity not infrequently has unpleasant and unexpected repercussions, and that in the modern world no nation can afford to live independently of its neighbours.

Ultimately this free zone will no doubt have efficacious results, but it is difficult to see grounds for overwhelming optimism in regard to its immediate effects, for the causes which have taken the transit trade from Constantinople are not even remotely concerned with Turkey. The date when normal conditions obtain in Russia will mark the resumption of shipping activity at Constantinople.

The Forthcoming Greek Loan.

The impending Greek Loan—the phrase is permissible for there is no doubt that the League of Nations will readily grant its sanction for the issue at its next session—lends special interest to the present visit to this country of the Greek Finance Minister, M. Cafandaridis. One of the purposes for which the loan is required is for the stabilisation of the drachma, and this important question for Greece will probably be the subject of important discussions during the Finance Minister's stay here. A loan of £9,000,000 is desired by Greece, one third being a supplementary loan for the refugees, one third being required to pay off the floating debt—an essential measure for stabilisation—while the remaining £3,000,000 is intended to serve as a support for the currency.

Ottoman Debt.

There have been further developments in regard to the Turkish debt negotiations since I last referred to the subject. It will be remembered that the previous negotiations came to a conclusion without any result being reached. Since then there have been discussions among the representatives of the bondholders, and an agreement was finally reached as to the terms of a Note to be dispatched to the Turkish Government. Since the Note has been sent there have been rumours that a provisional settlement has been arrived at, but while there is every reason to hope that that will be the outcome of the present development there is no reason for thinking that at present anything definite has been settled. The one thing that is certain is that it is the clear desire of the Turkish authorities to settle this outstanding question as soon as possible, for while it has been maintained that Turkey can do without foreign capital, it need not be supposed that this is seriously believed in official circles at Angora, and the one way to obtain assistance is to re-establish Turkey's credit, and that can only be achieved if Turkey meets her foreign obligations.

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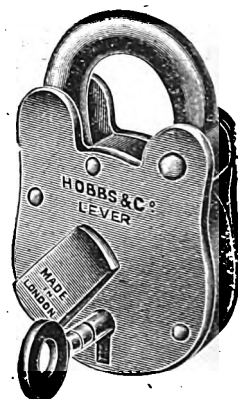
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THE ECONOMIC BOARD FOR PALESTINE.

Fifth Ordinary General Meeting.

The fifth ordinary general meeting of the Economic Board for Palestine was held at 7, Queen Square, London, W.C.1, on June 9, under the chairmanship of Sir Alfred Mond, Bart, M.P. As the Chairman had been delayed, Sir Robert Waley Cohen was voted to the Chair and declared the meeting opened.

Sir Robert Waley Cohen said: I beg to move that the report of the Executive Committee and the accounts for the period ended December 31, 1926, be adopted.

As I have recently visited Palestine with my cousin, Mr. W. S. Cohen, I think you may probably be interested to hear our impressions. I do not suppose that there was ever an easier, simpler, and more satisfactory colonising proposition than that which presents itself in Palestine. You have an industry which is practically a monopoly in the orange industry. You have an unlimited market growing up for large supplies of what can be made into a primary industry of the country and ought to be made into a primary industry of the country.

You have a population fired by an ideal, which makes them ready to sacrifice themselves for the need of the country to an almost unlimited extent, and you have conditions which are far more favourable than were to be found in any similar colonising proposition that I think has existed in the history of the British Empire.

But you have one serious obstacle which is standing in the way of the country and is producing a series of what are called crises, but which I think are nothing more than the natural consequences of the absence of capital from which the country is suffering. In all other new countries—which Palestine is in the economic sense—there has been a great shortage of labour, but so far as I know there have never been found wanting men willing to risk their capital in countries that offer promising futures. In Palestine there is no shortage of labour at all. On the contrary, there is rather at the moment an excess of labour, and that excess is only there because the country lacks capital. It seems to me, therefore, that this Board has more than ever a destiny carved out for itself by the circumstances of Palestine. The country has been over-developed in its political sense, and it has been under-developed in the only sense, I think, in which a country can lay up for itself a prosperous future. I think that Palestine is suffering from a number of quite divergent and different influences, which have hitherto apparently frightened capital from investing in the country in ways that are as hopeful and as attractive as a hundred other opportunities that capital has in other parts of the world, and of which it is taking very full advantage. I think that if this Board is to serve the elementary, fundamental purpose for which it was set up, namely, to further the economic development of Palestine, there is one very simple, direct and outstanding task that lies in front of it, and that is to improve the credit of the country, not in the ordinary sense the credit of the Government but to improve the appreciation by the world at large of the fact that here is a country which is not merely a reservoir for receipt of charity; it is a country that offers in a most extraordinary way an attractive field for capital investment. The day that we can persuade and explain and bring home to those sources of capital in the world which are accustomed to provide for the development of industry and agriculture, and all the other activities upon which prosperous countries depend, the day upon which we can convince them as Mr. Walter Cohen and I are convinced, that the country offers an attractive, reasonably safe outlet for capital, that day, I think, the future of Palestine will be assured.

The factors which we have to attack in order to carry out that which I think is a supreme and fundamental task are rather diverse. First of all there is the Government. One would have thought that the Government of Palestine would do its utmost to foster any sound industry that can be built up in the country. I am sure that if you ask them,

they would tell you that that is their desire. But if you go a little further than lip service and ask them for a reasonable measure of protection for capital; if you ask them to foster industries which can be proved to be profitable in the country and to offer a future both for the utilisation of the raw products of the country and for supplying the needs of the country; if you ask them to help by protecting those industries in the early days of the country's history, you are met with what I am bound to call very unsatisfactory replies.

Mr. Walter Cohen and I studied in particular two industries to which that applies. First, the Nesher Cement Company, an extremely sound and well-managed concern, which by the use of labour, largely Jewish labour, which is so anxious to work for the country, converts raw material lying there of no value in itself into a product of which the country has a constant need.

There is a temptation on the part of the great cement industries in the old established countries to dump their products into Palestine, and of course there is no new country which could have built up any industry at all against the free importation of dumped products of that kind. We have therefore done our utmost to persuade the Government of Palestine to put on a reasonable and proper protection to enable the Cement Company to fulfil its task for the country. They have expressed the utmost goodwill, but up to this moment they have not agreed to put on a sufficient protection to make the industry safe from the dumping of cement from the old-established countries. I think if this Board and all those who have studied the question exert all the influence in their power, we may succeed in raising the duty which has been proposed to a proper figure, and so establish in Palestine a splendid industry, well-managed on purely business lines, employing labour of the best kind, and turning out an absolutely first-rate product to supply the needs of the country.

Then there is the salt industry. The salt industry offers an exactly similar problem, with the addition that if that industry can be built up in the way that it can and ought to be built up, it will drain marshes that are not only of no value to the country but are harbouring harmful mosquito and similar sources of disease. That industry—if it is given the measure of protection which it ought to be given—can be made an absolutely paying business, and it can with the help of protection provide salt for the consumer in Palestine at a lower cost than Palestine has ever been able to obtain salt from foreign sources. I do not believe that there is any member of this Board who would say that if in those circumstances protection is required to create a new industry in a new country, it ought not to be given.

The history of the salt industry in Egypt is very much in point. I think we made an error in telling the Palestine Government that there is now a monopoly of salt in Egypt reserved for the local salt industry, but it is an error that I hope may be of value in bringing home to them the lesson of the Egyptian salt industry. At one time the Egyptian Salt Company was regarded as a derelict industry, bound to go to the wall. To-day they speak of the salt industry of Egypt as such a powerful concern that nobody can hope to stand against it. The whole difference between those two things was created by the Government creating a monopoly for salt in Egypt in the early days. That monopoly has been abolished. Why? Because entirely owing to the protection, the complete protection, that was given to the salt industry of Egypt in the early days, they have now a powerful supply of their own and do not need to have any artificial means of keeping out salt from other countries. The Egyptian Salt Company supplies the requirements of the country, and no one thinks of importing it there.

Exactly the same conditions can be established in Palestine. We are satisfied that even with the physical difficulties that now exist, a reasonable measure of protection would enable the Salt industry to be prosperous, to earn good profits and pay good dividends to its shareholders, as well as good wages to its workers. But again

we have not yet succeeded in gaining from the Government the promise that they will do it.

I think one cannot, in speaking of the influences which have frightened off capital, altogether leave out of account the great efforts which have been made to secure what I may call charitable help for Palestine. I do not, of course, use charity in any disparaging sense, but I mean that people have been impelled in very persuasive and very far-spread ways to give money to Palestine, and I think perhaps that has helped to create the impression that Palestine is a country to which money must be given; whereas I think the true fact is that Palestine is now a country in which money can render a greater service by being invested than by being given away. For every pound that is available in the world as a gift, there are many thousands of pounds available for sound investment. Therefore I feel that the greatest service that a man can render to Palestine to-day is to invest money there and make profits. That is showing the way to a permanent building up of the country which I think is the only way in which the country can build itself up on a permanent footing.

Of course, there is the labour question. The Jews who have gone to Palestine are idealist, and they come mostly from countries in which to be an idealist is to be—well, for want of a better term I think I must say a Socialist. I use it not as a political expression but as an economic expression. It is a disease that is very virulent and very widespread in the countries from which these men and women come, and I think one of the things that we have to try to teach is that you can be an idealist, and a much more practical and valuable idealist, if you are a constructive idealist, a capitalist idealist, than you can if you are a Communist idealist. I am using expressions such as Communism and Socialism which have rather sinister associations, but there is no sinister association with these things in Palestine. They are merely theories of life which have grown up in the minds of men possessed of a fine and splendid ideal which has been diverted into a false course, and I think that the Economic Board can render an enormous service, if its members will go to Palestine and will show that you can be an idealist and a much more valuable man to Palestine, if you invest your money there and do it in such a way as to build up the country and offer to it the future which, I believe, it can have on thoroughly sound economic principles.

Those are the views which impressed themselves upon Mr. Walter Cohen and myself as a result of our visit to Palestine. The time has come when the ideals of the Economic Board are the ideals that can render the greatest service to the country, and I believe that as we succeed in bringing home that fact to the large number of men and women of goodwill who are anxious on every ground to see Palestine built up into a prosperous country, worthy of its history, I believe that with their help we shall succeed in fulfilling the fine ideals upon which we were founded. (Applause.)

Mr. Leonard L. Cohen: I am sure we have been very much interested in the account which Sir Robert has given us of the conclusions at which he has arrived after his visit to Palestine. I am not competent to add anything to what he has said. I feel that if the Economic Board were capable of carrying out a propaganda campaign based on the views he has enunciated, we should be more successful perhaps in the future in attracting capital, of which we stand sorely in need, than we have been in the past.

I beg to second the adoption of the Resolution before us.

Mr. J. A. de Rothschild and Mr. Sigmund Samuel were re-elected as members of the Advisory Committee, and Mr. G. S. Engle was re-elected as auditor.

Sir Alfred Mond, Chairman: I must apologise for being so late. I am sorry that I did not hear Sir Robert Waley Cohen's remarks, though I know fairly well the line on which his mind is travelling, and I am sure that his visit to Palestine very much stimulated the work and the interest taken there. I think it is very important that we should try to get this body on a much larger footing. We

must take steps in that direction. That is why I welcome the suggestions made to-day.

We are in an extraordinarily difficult position in regard to finance in Palestine. Palestine is not yet looked on as a business proposition, and, as has been rightly pointed out, you cannot treat it as you can any ordinary promotion business. On the other hand, there is no doubt that money can be invested in Palestine, if properly administered, at very remunerative rates. Schemes have been put forward—three or four, probably more. A scheme for irrigation; a scheme for a good modern hotel; a scheme for developing orange culture: all schemes which have a good economic basis, and, if situated in any other part of the world, the money would be fairly easy to find. But I think, if we could get a larger nucleus behind us, we ought to be able to raise the small capital required, and if we could only get a few things started in a satisfactory way, the task would become very much easier than it has been.

A set-back has taken place recently, which is not unexpected to anyone who knows the fluctuations which must occur in establishing any new country, but has caused a certain spirit of discouragement. Personally I think it is unjustified, because since we were moving ahead at a speed which could not possibly continue, there was bound to be a certain reaction. At the same time, the complications and difficulties in Syria must very seriously affect the economic life of Palestine.

There is one thing, I think, we are entitled to say, and that is I do not think we are obtaining from either the Government there in Palestine or from the Government here, all the support which we are entitled to as pioneers in a difficult new country. I would like to refer especially to the position of the Salt Company, which was really founded in order to enable Palestine to become independent of Egypt in its salt supply, and to the cement factory which was started in a very public spirited way by Mr. Polak. We took an interest in order to develop the industry in the country. Given time for the market to develop, it would undoubtedly become a very first-class proposition. It is scarcely fair that a new enterprise of that kind should be severely cramped in its inception stages by the dumping policy of exporters to that market, who naturally are able to sell at very low prices in order to stop any competitor. I hope the Government will take some steps by raising the duty on cement to enable that concern to become a success.

It is, perhaps, curious that I, a Free Trader, should be advocating a policy of this kind, but even as good a Free Trader as John Stuart Mill, who was asked this specific question when Australia first started, in reply to a correspondent wrote to him and said that he thought it was a perfectly economic and right thing to help industries of this kind in new countries. Anyone who has studied the position in these countries, and especially in a country like Palestine, must feel that in view of the extraordinary difficulties of establishing new industries in countries which are entirely non-industrial, you cannot build up any form of industry, unless in their initial stages they have a certain amount of support of this character. It enables you to increase your population more rapidly; and to employ those among the immigrants who are used to industry. That is a consideration which anyone building up a new country should bear in mind, though Palestine will never be an industrial country on a large scale.

Then there is another point which is of importance and which, I hope, is at last going to make some progress, and that is the old question of the harbour. It is, of course, essential to the economic life of the country. Every scheme you examine, like the Dead Sea potash, could only be put into operation on any considerable scale, if you were in a position to ship your goods easily and cheaply.

The Economic Board will be glad to know that the Palestine Electric Corporation is making very good progress. Its finances are all in order. The technical part of the programme is now also settled, and the Company is earning quite a nice little profit on what it is already

doing, and, as far as that enterprise is concerned, we can now say with safety it is in very able hands, and there is no reason whatever to anticipate that its development should not be one of continuous improvement, and, I hope, finally very considerable financial success.

I think myself the one urgent matter is to increase the capital of the Palestine Corporation, which is really our active and executive body. If the turnover of the business were increased, the overheads would not necessarily go up by any considerable amount, and the balance sheet would show quite a different aspect as regards profit and loss. It is impossible really to decrease our overhead charges. We must be represented in Palestine by gentlemen of position, in whom we have confidence. We must have a certain office accommodation and a certain staff, small as it is. In reality, if we had a larger capital, I think we could within a relatively short time make the Palestine Corporation into quite a reasonably good dividend payer, and carry out many of the schemes which are being put forward, either by taking them altogether or by participating in them to a partial extent.

I would invite members of the Economic Board who are not shareholders of the Palestine Corporation seriously to consider whether they should not undertake to subscribe a certain amount of the ordinary capital which is at present unissued, very nearly £100,000. If members of the Economic Board could induce some of their own friends to find that relatively small amount of money, it would be a very great encouragement to Sir Robert Waley Cohen as Chairman of the Corporation and to myself and to other members of the Board. We Jews seem to be able to finance everything except a few hundred thousand pounds for Palestine.

Annual Report.

The following report of the Executive Committee was submitted at the general meeting:—

The Executive Committee submit their report and audited accounts for the year ended December 31, 1926, and also a report of their representative in Palestine, Mr. A. Goldwater, the General Manager of the Palestine Corporation. His survey of the economic conditions during 1926 shows that while the year has been prosperous in the orange and fruit industry generally, the conditions have been difficult for the newer immigrants in Tel-Aviv and Haifa. The almost complete cessation of building in these towns, due to the shortage of capital, has led to a large amount of unemployment and to a considerable decrease in immigration, the number of immigrants entering the country being under 14,000, compared with over 34,000 in 1925. The character of the immigration has also changed, about 85 per cent. of the immigrants being classed as wage-earners and less than 10 per cent. as having means, as compared with 47 per cent. and 34 per cent. respectively in 1925. Over 9,000, or about 66 per cent. of the total immigrants, emigrated during the year, leaving a net balance of about 4,500 immigrants, the lowest figure recorded since the year 1919, with the exception of the year 1923, when it was only 3,044.

There has been a fall in the Government Revenue of £E223,000 for the first ten months of the year, but, notwithstanding this, it is expected that there will be a surplus of over £E500,000 for the completed year.

Exports (Palestinian produce only, £E1,275,625) were £E21,934, and imports (£E6,513,331) £E1,090,592 lower than in 1925. To a small extent, as Mr. Goldwater points out, the decrease in imports was due to increased local manufacture. The orange industry was very prosperous, the export for the year being 1,887,510 boxes of a value of £E566,493, as compared with 1,868,291 boxes of a value of £E551,465 in 1925. It is estimated that a further 5,000 dunams (1,150 acres) were planted with oranges during the year.

The great need of Palestine is that capital should flow there on ordinary commercial lines, because only in this way can it be obtained on the scale which the country requires. This was the principal object with which the Economic Board was formed, and secured the co-operation of the other organisations working in Palestine. We hoped to be able to show that, with proper management, the conditions in Palestine are favourable to the investment of capital, and that good returns can be obtained. As the result of five years' work, we are now prepared to indicate definitely three main directions in which we believe a considerable amount of capital can be employed, with every prospect of profit to the investor and to the great advantage of the country.

The number of visitors to Palestine increases every year, but the hotel accommodation in Jerusalem has not kept pace with the demand and is still inadequate and unsatisfactory. At the request of the Palestine Corporation, who regard the provision of a good modern hotel as of the greatest importance to the country, Mr. Frank Goldsmith was good enough to visit Jerusalem at the beginning of 1926, in order to examine the commercial prospects of an hotel. His financial statement, which is entirely favourable, is forwarded herewith.

The Palestine Corporation made a net profit for the year of £E829, derived from interest and commission received on loans. These loans are for the most part in sums up to £5,000, for periods

of up to five years, and they have proved safe and profitable. In the opinion of the Board this form of business can be extended if further capital is obtained for the Corporation.

The whole of the capital of the Central Bank of Co-operative Institutions in Palestine has now been paid up, and stands at £E30,100 share capital and £E70,000 loan capital. The total amount issued in loans during the year was £E130,112, as compared with £E80,797 during the preceding year. There was a net profit of £E332 for the year, after providing for interest and sinking fund on the loan capital and £E943 as a reserve for contingencies, as compared with a loss of £E291 for the preceding year. The payments in arrear and bad debts at August 31, 1926, amounted to less than ½ per cent. of the outstanding bills receivable, a very satisfactory result in view of the difficult financial conditions prevailing in Palestine during the whole of the year.

THE ECONOMIC SITUATION IN PALESTINE IN 1926.*

By A. GOLDWATER.

(General Manager of the Palestine Corporation.)

The year 1926 in Palestine provided the anomalous coincidence of prosperity in many branches of industry and agriculture, coupled with a serious reduction in the Government Revenue receipts and an alarming increase in unemployment; and the country experienced what will probably prove to be the severest setback in its economic development since the establishment of the Mandated Government.

Yet it may be said that the foundations of the economic power of Palestine have been strengthened during the year. A number of industrial undertakings have increased their output and the quality of their products, rendering the country less dependent upon imported goods, and some have established trade with the neighbouring countries. Notable amongst these are the cement factory at Haifa, the salt works at Athlit, the hose and underwear manufacturers, and the match, chocolate and alcohol factories. There was also an increase in output from manufacturies depending upon agricultural products for their raw materials, including flour, matzoth (unleavened bread), dairy produce, tobacco, etc.

About 50,000 tourists visited the country, or about the same number as in the previous year. The majority of these came during the first four months of the year, but a satisfactory feature is the increasing numbers in the summer months during the past three years.

Orange growers had a very successful year; the production was high; the quantity exported was about equal to that of 1925 and prices were high. New groves everywhere were thriving. Good yields were obtained from all staple crops, both summer and winter, including barley, the yield of which had been extremely low for a number of years on account of droughts in the Southern district, where it is chiefly grown; but prices generally receded throughout the year and fell in some instances to as much as 20 per cent. below those of 1925.

With a decline also in the price of other commodities, the index figure of the cost of living fell during the first six months of the year to about 5 per cent. below that of 1925. But it rose to about 5 per cent. above the 1925 figure during the next three months, and stood at the 1925 figure for the last quarter of the year. This increase during the year was due to the outbreak of Rinderpeste in the neighbouring countries—Syria and Transjordan, as a result of which an embargo was placed upon the importation of cattle and animal products from those countries, and the prices of meat and other foodstuffs rose. When later the disease spread to Palestine, all cattle were quarantined and all possible measures were taken by the Government to combat the disease, so that by the end of the year it had practically disappeared. The list of villages declared as infected areas revealed the fact that the majority were Arab, and that very few of the Jewish settlements were affected.

* Summary of the Report presented at the General Meeting of the Economic Board for Palestine.

The total trade of the country at £E8,000,000 was approximately £E1,200,000 below that of 1925, but it is satisfactory that practically the whole of this amount is accounted for in the decrease in the imports of commodities for actual local consumption. The exports were about the same figure as for 1925.

The reaction from the apparent prosperity which the country enjoyed up to about October in 1925 is evident from the statistics of bankruptcies and unemployment during the year. There were 18 bankruptcies, of which all were registered during the first quarter. In 1925 there were no bankruptcies, nor had there been any prior to 1925.

Unemployment, which had already begun in October, 1925, had reached 3,500 by the end of that year, rose during 1926 to about 7,000, at which number it stood at December 31. This number, for Jews only, is taken from the statistics of the Jewish Labour Federation, and does not include those employed on part time only, probably one or two days in the week, which if added to the register would bring the number to about 8,000 (at which it is said to stand now—April, 1927).

There was a considerable decrease in immigration; the number of immigrants entering the country was under 14,000, compared with over 34,000 in 1925. The character of the immigration had also changed; about 85 per cent. of the immigrants were classed as wage-earners; and less than 10 per cent. as having means, compared with 47 per cent. and 34 per cent. respectively in 1925. Over 9,000, or about 66 per cent. of the total immigrants, emigrated during the year, leaving a net balance of about 4,500 immigrants, the lowest figure recorded since the year 1919, with the exception of the year 1923 when it was only 3,040. Nevertheless the unemployed figures demonstrate clearly that even at this low rate, immigration was far in excess of the country's capacity for absorption, and out of all proportion to the amount of capital that was brought into the country.

What that amount was it is of course impossible to state with any degree of accuracy; but it must evidently have fallen far below the amounts of previous years. The deposits in the various "people's" banks—the Credit Co-operative Societies financed chiefly by the Central Bank of Co-operative Institutions—showed at August 31 a decrease of over £E40,000 from the figure at August 31, 1925, when it stood as high as £E74,000, and a certain amount of capital was no doubt withdrawn from the country by emigrants.

There was also a noticeable decrease in the capital invested by private companies; the total registration having amounted to only £E800,000 or about one-third of 1925.

Government Revenue and Expenditure.

The financial depression which prevailed throughout the year caused a considerable shrinkage in the receipts of all revenue earning Departments of the Government. For the ten months (April 1 to January 31, 1927) of the financial year, the revenue was £E1,892,441 compared with £E2,116,110 for the corresponding period of the financial year 1925-26, or a decrease of £E223,559—as shown in the following details of Revenue, in which the figures for the year 1925-26 are calculated as ten-twelfths of the total revenue for the year.

	REVENUE.		Decrease.
	10 months ending January 31 1925-26.	1926-27.	
	£E	£E	£E
Customs	720,120	655,757	64,363
Licences and Taxes	652,080	594,818	57,262
Railways	327,000	293,048	33,952
Fees of Court or Office	244,000	194,623	49,377
Posts and Telegraphs	128,300	123,859	4,441
Revenue from Govt. Property	17,300	16,372	928
Ports and Marine	7,070	5,915	1,155
Land Sales	14,200	4,027	10,173
Miscellaneous	6,030	4,122	1,908
	£E2,116,100	£E1,892,541	£E223,559

The decrease in the customs revenue, which is derived almost exclusively from duties, must be attributed to (a)

the reduction in the volume of imports; (b) the exemption from import duties (granted under the Customs Exemption Ordinance) of all raw materials required for industries—such as seeds, olive oil, caustic soda for soap-making, cotton and woollen yarns and dyes for the textile industry, pipes used for draining agricultural land and for irrigation purposes; and (c) the abolition of all export duties on Palestine products.

Licences and Taxes include the tithe and animal tax. The abundant harvests should have helped to swell this item considerably, yet there is a heavy decrease; this may be due to the abolition of the Tobacco Land Tax of £E2 per dunam, and the decrease in revenue from animal tax, owing to the embargo placed upon cattle during the year.

Railway receipts were probably affected by the decrease in goods and passenger traffic, both subject to variation with the economic conditions prevailing; and also to some extent by the increasing use of the motor car.

Fees of Court or Office.

It is only natural to find a serious decrease in the revenue under this head, which includes, in addition to the usual Court Fees, Passport and Registration of Immigrants Fees, and Registration of Land Fees. Immigration fell considerably and land purchases were confined within very small limits, contrasting with the record immigration of 1925 and the large land purchases made during the boom period, the revenue from six months of which (April to October 1925) are included in the last financial year.

The expenditure for the ten months ending January 31, 1927, including the cost of maintaining the British Gendarmerie, was £E1,459,896, compared with £E1,524,500 for the corresponding period in the previous year, an apparent decrease of £E64,604. But as the grant-in-aid from the British Government for the Gendarmerie was reduced from £E199,755 in 1925-26 to £E44,850 for 1926-27, the ordinary expenditure provided from the Palestine Budget actually showed an increase of £E64,000 over the previous ten months, as follows:—

	10 months ending January 31	
	1926. £E	1927. £E
Total expenditure	1,524,500	1,459,896
Less grant-in-aid	166,500	37,400
	£E1,358,000	£E1,422,496

From the foregoing it will be seen that despite the financial depression, there will be a surplus of revenue over expenditure of about £E470,000 for the ten months, corresponding to about £E560,000 for the whole financial year to March 31, 1927.

Agriculture.

The older and well-established farmers and more particularly those engaged in the production of the citrus fruit had an exceptionally prosperous year, the prices generally having been higher than in the previous year; but cereal crops, although more abundant, were lower in price in some instances than in 1925.

Conditions in many of the newer settlements were far from satisfactory, having been established in some cases less than two years ago and in no case more than four years; they do not yet pay their way, and in almost all cases the capital charges for establishment have still to be met by the Zionist and other organisations under whose auspices these settlements have been created.

The outbreaks of cattle plague and typhoid and the unemployment, already referred to, reduced considerably the amounts available by the Zionist Organisation for the development work already undertaken, and in some cases, such as the Haifa Bay Lands and the settlement in the Kishon Valley (referred to in the report for 1925) work was actually suspended. To further the development of the various settlements already created much larger sums are required than the organization is at present able to dispose of, and until these are forthcoming there would seem to be little or no prospect of their forming new

settlements. On the other hand, there has been a further increase in the area of orange plantations, about 5,000 dunams having been developed during the year, bringing the total up to approximately 42,000 dunams.

The orange exports for the year amounted to 1,887,510 cases having a value of £E566,493 (f.o.b. Jaffa), for 1926 as compared with £E551,465 for 1925. The f.o.b. value, PT30 per case, is an arbitrary value placed by the Government upon oranges for the purpose of collecting the export duty, 1 per cent., but now that this has been abolished, the Government it is hoped, will report absolute values in its statistics in order to show the real importance of oranges to the country.

The prices realised for oranges exported during the year ranged from PT65 to PT110 per case for certain varieties, and averaged about PT85. This is equivalent to about PT60 f.o.b. Jaffa, and makes the value of oranges exported approximately £E1,100,000; shipments to England amounted to 1,147,000 boxes, or 63 per cent. of the exports; the greater part of the balance was shipped to Egypt, and small quantities only were shipped to European countries, which included Roumania, Russia, and for the first time, Germany.

The production of other fruits, as shown by the returns of the Department of Agriculture, was as follows (in tons):—melons, 25,571 (export 31,681); almonds, 302 (export 448); grapes, 6,735 (export 216); figs, 7,275; all other fruit, including raisins, 3,905.

These figures are the tithed yields only, that is the estimate of yield made by the Government estimator upon which the tithe tax is levied, and may therefore differ from the actual production. How great this difference may be is well illustrated in the case of almonds and melons. The almonds exported are 50 per cent. to about 90 per cent. higher than the "yield," and in the case of melons the exports for 1926 are about 25 per cent. higher than the "yield."

The reduction of the tithe from 12½ per cent. to 10 per cent. of the total crop in 1925 could only be a reduction in effect if definite standards of measurement or weight were adopted, but this it must be extremely difficult to do. There is no doubt that any benefits the Government had hoped to confer upon the farmers by reducing the tithe may be quite easily nullified by the vagaries and arbitrary decisions of the tithes estimator, although it would seem from the foregoing figures that the benefit of the doubt is always given to the farmer. It must be apparent also that the tithe tax falls more heavily on those farmers who use machinery and up-to-date methods for improving their crops than upon those whose methods are primitive and whose capital outlay for plant is practically nil. The Government, fully aware of the iniquity of the tithe tax and the abuses which accompany its collection, is now investigating the question with a view to replacing it by a Land Tax if possible.

The estimates of the yield (that is the tithe yield) of cereals and vegetables for the year were as follows (in tons):—wheat 99,000; barley 69,400; beans 2,700; peas 1,100; lentils 3,320; kersennah 8,000; durrah 24,000; sesame 1,800.

As in previous year, the fruit crops (oranges excepted) were shipped chiefly to Egypt and Syria, and the cereal crops chiefly to Syria.

Other Agricultural and Dairy Products.

Tobacco.—The area planted during the year was only 8,971 dunams, being 3,300 dunams, or about 25 per cent., less than in 1925; and the crop "estimated" at 550 tons (500 Turkish and 50 Baladi—Native) was also about 25 per cent. less than the crop for 1925. There were 13 factories engaged in the tobacco industry, the combined output from which totalled 489 tons—380 tons cigarettes, 27 tons smoking tobacco, and 82 tombac, as compared with a total output of 434 tons in 1925 from all factories. Two factories closed down, but a large factory, their second one in the country, was under construction in Haifa by Messrs. Matossian, the important Egyptian tobacco manufacturers.

As the consumption in the country is now at the rate of about 750 to 800 tons in the year, growers were able to dispose of part of their crops locally for the past two years, but they still have large stocks, approximately 1,400 tons, of various kinds of tobacco on hand and unsold.

The exports of wine declined from 1,637,000 litres in 1925 to 1,357,000 litres. The export price also fell from PT2.5 per litre in 1925 to PT2.3 in 1926. The wine industry has shown a gradual decline since 1922, in which year the exports reached 2,700,000 litres.

No wool was exported during the year, although the production in the country is estimated at about 750 to 800 tons. It is typically of the carpet variety, and is now being extensively used locally for the manufacture of carpets.

The milk supply of the country has been much improved. The Colonisation Department of the Zionist Executive provided a number of its settlements during the past two years with about 3,500 head of imported cattle, including thoroughbreds from Holland and Syria. Modern well-equipped dairies have been established in these settlements, and also in the settlement of the Palestine Colonisation. A central organisation was formed during the year for the distribution and sale of milk, and also for making dairy products, such as cheese and butter, practically the whole of the country's requirements of which are at present imported. Butter comes chiefly from Australia, cheese from Turkey.

Trade and Industry.

The value of the imports during 1926 for consumption in Palestine, that is excluding the import of specie and goods in transit, was £E6,429,245, and the value of exports of Palestine produce £E1,275,625, being an excess of imports over exports of £E5,153,620.

Compared with 1925, the imports of products for consumption in the country had decreased by £E909,246, and the exports of Palestine products had decreased by £E21,934. Too much importance should not be attached to the adverse trade balance of the country. As pointed out in the previous report, the values of exports are considerably higher than those given in the Government statistics, and the country's buying capacity is to a great extent dependent upon the amount of capital that is sent from other countries for the various institutions which are maintained in Palestine for religious and other purposes. Imports must naturally be high during the period of development in a country like Palestine, which must import all machinery, plant and accessories, and much of the raw material required for its industries, and no appreciable difference in the trade balance can be expected until the capital is made available for the development of the country's resources.

The imports in 1926 were lower than in 1925, chiefly because there were large stocks of merchandise in the country which had been imported during the boom period in 1925. The restriction of credits, which made it extremely difficult for merchants to place orders abroad, stimulates a demand for local products. Thus, the import of cement fell from 82,530 tons in 1925 to only 31,075 in 1926, the difference between this and the quantity consumed in the country having been supplied by the Cement Company at Haifa. Imports of hose and stockings fell by about £E13,000 in the last six months of 1926, or by about the same amount as was produced locally and sold by the Lodzia Textile Works. Imports of olive oil, unrefined, were down to approximately £E38,000 below the 1925 imports, due to the increased manufacture in the country, and the sale of salt manufactured in the country increased to 5,549 tons as compared with 4,794 tons in 1925.

On the other hand, the closing down of certain factories resulted in an increase in the import of such articles as soaps, leather goods, chocolate and confectionery, but these factories have since been restarted and further improvements in trade should result this year.

The output of the flour mills in the country is still much short of local requirements; 20,083 tons of flour were imported, having a value of £E353,016, compared with

16,339 tons in 1925, valued at £E306,165, being an increase of £E4,700, or 3,750 tons.

The exports at £E1,275,625 were £E27,000 lower than for the year 1925. There was a considerable increase in the quantity and value of cereals exported, but in other cases, although the quantities exported were higher than the preceding year, the prices realised were lower.

Orange exports showed a slight increase, but soap exports were 1,500 tons or about 30 per cent. below the 1925 amount. There was an increase in the tonnage of water melons exported, but a considerable drop in price from £E4.4 to £E3.3 per ton. Cereal exports, which included wheat, durrah, barley, were almost treble the amount exported in 1925. The export of tobacco was also higher, but almonds, grape wine and hides were down. Passover bread and cement appeared in the list of exports for the first time. The quantities exported were small, as both factories had only just completed the first year's work, but they indicated positively that Palestine manufacturers are able to compete in foreign markets.

Immigration and Unemployment.

Towards the end of 1925, when it was already apparent that the boom of the previous twelve months had given way to depression in trade and industry, and the number of unemployed was rapidly increasing, it was obvious that it would be necessary to exercise rigid control over immigration so long as there was no prospect of employment for the labour already in the country, and immigration was to some extent restricted as unemployment increased.

The total number of immigrants during the year was 13,910; except for the month of March, when over 2,000 entered the country, the number of immigrants fell off steadily throughout the year from 1,711 in January to 513 in December.

Emigration, on the other hand, increased throughout the year, and for the last six months it was almost double the rate of immigration; 9,419 people left the country, leaving a net gain for the year of only 4,491 immigrants.

The emigration figures for 1926 show that persons leaving the country consisted of 1,684 "emigrants," that is, people who had been residing in the country prior to August 31, 1920 (the date of the Palestine Immigration Ordinance), and 7,735 "returning immigrants," that is, people who had come to the country since that date and are registered as immigrants under the Ordinance. The latter were composed of 6,952 Jews (3,569 men, 1,734 women and 1,649 children), 635 Christians and 148 Muslims. Of the returning immigrants 21 per cent. were said to belong to the capitalist category, 75 per cent. labour and 8 per cent. dependents. Thus of the 6,935 immigrants, about 5,200 left the country, and of the 2,578 immigrants about 200 left the country; and there was a net increase of about 4,000 labour immigrants and dependents for the year.

Unemployment.

The returns for labour compiled by the Industry Department of the Zionist Executive show that the number employed in the industries in 1926 was about the same as for 1925. The figures made available by the Jewish Labour Federation which is concerned only with its members, show that on January 1, 1926, there were 3,600 members of the Federation out of employment. The number rose to about 5,000 by April, and to 6,000 by July. A slight reduction was noticeable by September when the Zionist Executive undertook road construction and other work in the Jewish quarters, but at the end of the year the number of unemployed was about 8,000. This large increase was due principally to the general stoppage in housebuilding and the allied trades, in which almost 50 per cent. of the members of the Federation were engaged.

The amount of private capital brought into the country for investment in new enterprises being inappreciable, and the capital at the disposal of the various land settlement and colonising organisations far from adequate for carry-out the works projected for their settlements already

established, or for the establishment of new settlements, the presence in the country of so large a number of unemployed taxed to their utmost the financial resources of the various public Jewish bodies such as the Municipality of Tel-Aviv and more particularly the Zionist Executive who bore practically the whole burden of unemployment.

As a temporary measure of relief, road construction and other improvements, financed by means of loans from the Zionist Executive, were carried out by the Jewish urban and rural settlements. But the amount of such work that could be undertaken was limited by the small amount of capital at the disposal of the Zionist Executive and the low borrowing power of the Jewish settlements. By June, when no further relief work could be undertaken, the Zionist Executive was obliged to institute a system of "doles" which it distributed through the General Federation of Labour, at the rate of PT25 per week for single men and PT34 to PT50 for heads of families. The amount of such doles rose progressively from £E800 in the month of June to £E1,800 in July, £E2,300 in September and to £E8,000 in December. This small sum, far from adequate for the maintenance of the recipient, was augmented by the levies voluntarily imposed from time to time on those members of the Federation who were in employment; and it is very largely due to the united effort of the Labour groups in co-operation with the Zionist Executive that so much was done to alleviate the conditions of the unemployed.

The amount of capital required to secure permanent employment for the present number of unemployed may be estimated at approximately £E8,000,000, based upon the assumption that an average sum of £E1,000 is required to establish an immigrant in Palestine in productive enterprise. Part of this £E8,000,000 will be provided shortly for the various enterprises about to be started. The Government will expend out of the Palestine Loan approximately £E2,000,000 for projects already under contemplation, such as the construction of harbours and other revenue producing public works, the improvement to railways, etc. The Rutenberg Concession Company will expend almost one million pounds for the construction of the hydro-electric power plant on the Jordan and the network of wires throughout the country, and the various colonisation bodies spend about £E1,000,000 annually, about 50 per cent. of which is for reproductive work (the remainder being public services, such as education, drainage, public health, etc.). But this still leaves the capital requirements unsatisfied to the extent of about four million pounds.

Shortage of Capital and Credit.

The shortage of capital and also of credit was one of the dominant features throughout the whole year, and no radical change in the present situation can be expected until private capital is made available for establishing sound productive enterprises.

That such capital, if provided, could be invested to give a fair return, there is little doubt. Amongst the enterprises recently established, two have already paid dividends; one, the Palestine Electric Corporation, has already paid its second dividend—8 per cent. for 1926 as against 6 per cent. for the previous year; and the second, the Levant Bonded Warehouses, paid its first dividend of 7 per cent. for the year 1926. Other industries, as already stated, have increased their output and they should also enter the dividend paying list within a reasonable time.

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To have developed these industries successfully in relatively so short a time is no small achievement. They were created in 1922-23, when the prices of all materials required in construction were at their highest, when transport facilities were extremely limited, and road transport practically impossible.

The success of these enterprises should give capital confidence in the future. There is room for considerable expansion in existing industries such as flour milling, cement, textiles, edible oils, tanneries, boots and shoes, furniture making, etc., the outputs from all of which fall very short of local demand, and there still remain large areas of most fertile land awaiting development.

By far the most productive enterprise in Palestine is the cultivation of citrus fruits; profits made by growers during the past four years ranging from £E60 to over £E.150 per acre has stimulated a lively interest in this industry, which is now attracting the attention it merits. The country possesses all the necessary climatic conditions favourable to the cultivation of citrus fruits, and it is estimated that along the coastal plain, where these are chiefly grown, there are available some 330,000 dunams (75,000 acres) of the most suitable land. The capital required for developing this area would be about 30 million pounds, assuming a conservative estimate of £E90 to £E100 as the cost of developing one dunam until the trees bear fruit.

The agricultural possibilities extend also to other varieties of fruits, including the almond, grape, apricot, fig, apple, peach and banana. Of these fruits so far only the grape has been developed on an appreciable scale, chiefly for the manufacture of wine.

Ranking equally in importance to industrial and agricultural enterprise is the business of catering for tourists. The amount of money spent annually by tourists cannot be exactly estimated, but it cannot be less than one million pounds, and is probably much more. The tourist traffic constitutes therefore a source of wealth production.

The economic development in many directions will be speeded up when cheap power will be supplied by the Jordan hydro-electric scheme (the Rutenberg Concession). One of the first works contemplated is the establishment of a central irrigation works on the Auja River, from which it will be possible to irrigate about 100,000 dunams (25,000 acres); and orange growers at present drawing their water from underground sources by means of wells will be enabled to reduce considerably their irrigation costs by using electric power in place of the expensive pumping plant now being used.

It should be possible also to establish mills for the purpose of utilising the eucalyptus trees from the vast groves in the various parts of the country for the manufacture of plywood, to be used chiefly for orange boxes. The boxes at present used in the country, about two million annually, are all imported. A start has already been made by establishing a small mill at Hederah, near Haifa, where there are extensive forests planted some 30 years ago, and the plywood manufactured is already being used by the flour mills at Haifa for exporting their matzoth (unleavened bread).

Cheap power should also materially improve the prospects for exploiting the Dead Sea on a large scale. This is, for the present, the only known mineral deposit in Palestine of potential value, but its inaccessibility, which makes transport a problem, may prove to be the

chief obstacle to commercial success. It should be possible, however, with cheap power, to establish an electric train service from the Dead Sea up the Jordan Valley to Haifa (*via* Beisan).

The successful development of the Dead Sea would undoubtedly be followed by other enterprises which would assist very materially to create greater economic stability in Palestine. The large tracts of land along the Jordan Valley which are at present fallow could be opened up once railroad communication, now lacking, is established, for growing many tropical products such as rice, sugar, flax and tropical fruits.

Credits.

While capital is required for opening up the country, there is a great need in Palestine at present for the long term credit, for the expansion of industrial enterprises already established, for farmers to enable them to develop additional land, and for land and building companies, and others whose capital resources have become immobilised in their assets and immovable property.

The shortage of credits for industries during the financial depression—that is since October, 1925, resulted in the elimination of a number of weak and unprofitable undertakings, their business going to the surviving concerns which have benefited greatly in consequence. The most notable examples are provided by the manufacturers of building materials, such as bricks and tiles made from cement—out of a total of 37 operating in the previous year, 25 have ceased to exist—and by the tanneries—the number has been reduced from 60 in 1925 to 31 in 1926.

But these surviving concerns and others are seriously handicapped by the shortage of credits. Their great need is a long-term credit at a rate of interest which can be earned without undue strain on the concern and which will enable the borrower to create his own working capital. A certain amount of caution is of course necessary in the selection of suitable concerns, but a number of them could undoubtedly be developed successfully if the requisite long-term credit were made available.

Long-term credits to farmers are practically unknown to-day in Palestine, and this probably accounts for the slow rate of progress in agricultural development. A large body of farmers has grown up in Palestine within quite recent years whose success is due in no small measure to the credits they were able to obtain from time to time, and more particularly immediately after the War for reconstruction purposes, from the various Zionist colonising organisations. The Government also came to the assistance of farmers immediately after the occupation of the country by making advances up to about £E560,000.

But credits from these sources are no longer available. The Zionist bodies have no further funds for the purpose, all their available resources being required for their fixed capital charges in acquiring and developing land for new settlements. The Government loan was in the nature of relief to farmers to enable them to restore their homesteads and generally make good the losses incurred by the War.

The development of orange groves requires a considerable amount of capital—about £E80 per dunam (£E320 per acre)—when efficiently and economically worked; to over £E100 in some cases. There are at present about 10,000 dunams of orange groves under development,

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ranging from one to four years old, and representing a capital investment of approximately £E500,000. To bring them into bearing a further amount of about £E300,000 to £E500,000 is required in the form of credit to enable growers to complete their development work. These figures embrace, of course, all growers, Arabs, Jews and others—it having been found on investigation that a large majority of Jewish plantations are able to supply about 60 per cent. to 70 per cent. of the required capital, and it has been assumed that this applies also to other planters—and they provide some indication of the credit that will be required for the expansion of the orange industry to its absolute maximum of over 300,000 dunams.

COMPANY NOTES AND REPORTS.

EGYPTIAN HOTELS.

The report of the Egyptian Hotels Ltd., for the year ending April 30, 1927, states that after providing for the charges payable in London and Cairo, the accounts show a profit of £100,955. The balance of undivided profit brought forward from last account is £6,770: £107,725. From this has to be deducted—depreciation of plant fixtures and fittings at hotels £6,321, leaving an available balance of £101,405. The directors recommend (1) the payment of a dividend of 5 per cent. per annum on the preference shares for the year to April 30, 1927, absorbing £5,750. (2) The payment of a dividend on the ordinary shares of 35 per cent. for the year £43,750 and a bonus of 4s. per share £25,000 which will absorb £68,750. (3) To place to special reserve £20,000. £94,500, leaving a balance to be carried forward of £6,905.

During the year under review, the Local Board have realised the company's holding in Egyptian Government securities, and the profit of £11,349 has been transferred to special reserve, which, together with the recommended appropriation referred to above, will make a total reservation for the year of £31,348, compared with that of the previous year of £30,000. At a general meeting of the shareholders of the company held in Cairo on April 20 last, a resolution was passed recommending that the capital of the company be increased by 25,000 ordinary shares of £1 each. In pursuance of this resolution the shareholders will be asked, at the general meeting, to authorise the increase of the capital of the company by the creation of 25,000 additional ordinary shares of £1 each ranking for dividend and in all other respects *pari passu* with the existing ordinary shares in the company. These additional shares will be available for issue by the board if and when required, to provide for considerable extensions necessitated by the increasing demands for accommodation at the company's hotels and for the general purposes of the company.

IMPERIAL BANK OF PERSIA.

The report of the Imperial Bank of Persia for the year ended March 20 last states that the profits, after making provision for expenses of management, general charges in London and at chief office and branches, income tax, royalty, and bad and doubtful debts, amount to £135,367, to which has to be added £33,968 brought forward from last account, making a total of £169,335. From this amount there has to be deducted £20,000, representing the interim dividend for the current year of 4s. per share, paid free of tax on December 18 last. The directors now propose to pay a final dividend of 6s. per share, and a bonus of 1s. per share, both free of income tax, which together will require £35,000; to add £50,000 to reserve, increasing the account to £520,000; to write off bank premises £30,000, and to carry forward the balance of £34,335.

FORTHCOMING SAILINGS.

The following are the sailings for the Near East and India, the ports of departure and closing dates for cargo being given in parentheses:—

Anchor Line.—S.s. Britannia for Bombay (Birkenhead, July 6). (For passenger sailings and dates see advertisement.)

Anchor Brocklebank Line.—S.s. Mangalore for Calcutta (Birkenhead, July 7).

Bibby Line.—S.s. Oxfordshire for Port Said, Colombo, and Rangoon (Birkenhead, July 13).

British India Line.—S.s. Domala for Bombay and Karachi (London, July 2); s.s. Margha for Colombo, Madras, and Calcutta (London, July 2).

Cunard Line.—S.s. Tyria for Gibraltar, Malta, Patras, Piræus, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza, also Algiers and Volo if inducement offers (Liverpool, Glasgow and Swansea, July 23).

Johnston Line.—S.s. Dromore for Piræus, Volo, Salonika, Bourgas, Varna, Constantza, Sulina, Galatz, and Braila (Liverpool, July 9); s.s. Avimore for Piræus, Volo, Salonika, Smyrna, Constantinople, Bourgas, Varna, Constantza, Sulina, Galatz, and Braila (Liverpool, July 30).

P. and O. Line.—S.s. Delta for Colombo, Madras, and Calcutta (London, July 9); s.s. Kaiser-i-Hind for Bombay (London, July 15).

Prince Line.—S.s. Lancastrian Prince for Tunis, Malta, Alexandria, Jaffa, Haifa, Beyrout, and Cyprus (London, July 6).

Ellerman and Papayanni Lines.—S.s. Roumelian for Malta, Patras, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza (Liverpool, July 2); s.s. Gerano for Genoa, Leghorn, Naples, Palermo, Messina, Catania, Bari, Gravosa, Ancona*, Venice, Trieste, and Fiume* (Liverpool July 9, Swansea July 14); s.s. Lesbian for Algiers*, Malta, Piræus, Volo*, Salonika, Smyrna, Constantinople, Bourgas, Varna, and Constantza (Liverpool, July 16); s.s. Mardinian for Malta, Alexandria, Jaffa*, and Haifa* (Liverpool, July 29). * Subject to sufficient inducement. Cargo taken on through Bill of Lading to:—Algerian ports via Algiers; Moroccan ports via Gibraltar; Tripoli (Barbary) via Malta; Syria and Cyprus via Alexandria; Greek outports via Piræus or other convenient port; Fiume via Trieste.

TENDERS INVITED.

Tenders are invited for the following contracts, and must be made by the dates mentioned.

(Particulars of tenders marked D.O.T. are to be obtained from the Department of Overseas Trade, 55, Old Queen Street, S.W.)

EGYPT.

Air Ejectors.—The Main Drainage Department of the Ministry of Public Works, Cairo, invites tenders for the supply of ejectors and accessories for Station No. 1. The contract comprises the supply of four 250 gallons (liquid capacity) ejectors for Station No. 1 and for the supply of ejectors and all accessories including platforms, platform girders and ladders inside the tubbing, and exhaust air piping, silencer and ventilation column, piping 12 inches diameter outside the tubbing up to valve chamber No. 1 of the 9 inches diameter rising main to be laid under contract No. 1 and for air inlet piping 6 feet clear of the outside of the tubbing. July 20. (D.O.T.)

It is understood that the Turkish Parliament has ratified an agreement with the Eastern Telegraph Company under which the company has been granted a cable concession for a period of thirty years. Turkey will thus once more be placed in direct communication with the rest of Europe and the world. Since the War Turkey has had to rely on land lines almost entirely. A cable ship is now on its way to restore the Odessa-Constantinople cable.

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THE WEEK'S FINANCE.

(By Our Financial Expert.)

London, June 28.

The general tone of the Stock Markets this week has been fairly steady and the volume of business shows some improvement. Gilt-edged stocks continue to resist fairly successfully the competition of a steady stream of new issues which bids fair to continue for some little time. Amongst the latest offers is the City of Danzig issue; while among impending issues are loans by Finland, by the City of Berlin and an issue of £2,000,000, of which £1,200,000 will be offered in London by the Municipal Mortgage Bank of Ireland. Some interest in industrial issues is also promised, including preference shares by J. Lyons and Co. A new investment trust company is also shortly being floated under the title of Second London Scottish American Trust, with a capital of £1,000,000 in £10 shares, which will be under the same direction as the successful London Scottish American Trust.

The feature of the industrial markets has been the spectacular movement of British Celanese shares, resulting from a battle between the "bulls" and "bears" in the Stock Exchange. There is nothing in the present position of the company to warrant the rapid advance which occurred on Tuesday, and it is open to question whether the shares are yet worth the figure to which they have since fallen. Rubber shares have taken on a firmer appearance, and there is more confidence in the outlook. We return to the subject in a later paragraph.

Bank Dividend Prospects.

In a short time the English banks will announce their interim dividends for the first half of 1927, and no changes are anticipated. From a banking point of view the past half year has probably been quite a satisfactory one, for although Bank Rate was reduced in April from 5 to 4 per cent., there has been a stronger demand for money owing to the improvement in trade, and the monthly statements of the Clearing Banks show that the total of loans and advances outstanding has risen to a new high record level. Since the greater proportion of the revenue of the banks is derived from interest on advances, it is to be presumed that the banks have increased their profits. It is, however, unlikely that any change in dividends will be made at the half-year, for surprises, if any, are

usually reserved for the January announcements. At present prices the yields obtainable from the shares of the great joint-stock banks are not very attractive, but as in the case of the insurance companies, to which reference was made in this column last week, holders of bank shares are looking to the future and to further plums in the shape of higher dividends on shares issued to shareholders at a price substantially below the market quotation. At present prices the yields obtainable on the shares of the "big five" range from $4\frac{1}{2}$ per cent. on Lloyds fully paid £1 shares to 5 11-16 per cent. on National Provincial £25 shares, £3 10s. paid; for the ordinary investor the potential liability on certain of the shares of the "big five" banks need not act as a deterrent, for shareholders are most unlikely to be called upon to meet it. For those who prefer the fully paid shares the most attractive yield obtainable at present is 5 per cent. on National Provincial £5 shares. Midland Bank fully paid shares yield less than 5 per cent.

The Rubber Outlook.

The price of rubber has steadily recovered from the lowest figure touched more than a week ago, and share prices have hardened in sympathy. The collapse of rubber prices is a reminder that, though values recently showed signs of reasonable stability, the unexpected can still happen in the rubber market. There is considerable uncertainty regarding the future. It is pointed out that the full effect of the maximum restriction will not be felt until September at the very earliest, while the world's visible supplies are on a generous scale. On the other hand, certain factors make for stability, among which are the Government's promise to continue the Restriction Scheme and the extension of the life of the American pool. Again, though it is admitted that the use of reclaimed rubber is increasing in America, it is stated that the foreign demand for rubber is of encouraging proportions; and the demand for the home market is also vigorous. But it is not easy to foretell how these forces will affect the price of the commodity. Despite the recent recovery, the quotation is still appreciably below the pivot figure. In these circumstances, it is not surprising that cautious observers are somewhat concerned as to the dividend outlook for the current year. The average price for the year to date is no better than 1s. 7½d. per lb., which compares with an average of 2s. per lb. for last year. The difference is substantial, and unless there is a material improvement in the price during the remainder of the year a number of reduced dividends seem certain. Nevertheless, the holders of rubber shares have shown good sense in retaining their shares: this is, of course, especially advisable in the case of good shares.

Reflections on the Rand Dividends.

Some three months ago we gave an explanation of new methods of working designed to secure improved results from the gold mines of the Witwatersrand. This was one of several factors responsible for the activity then prevalent in the shares on the Stock Exchange. No change has taken place in regard to the benefits arising from these new methods—although time is of course required for their more general application. But in several other directions disappointment has been experienced. One of the more important undertakings—the Robinson Deep—has found itself unable to pay any dividend at all upon the "B" shares, which for some time past have received 1s. 6d. each half year. This is due partly to reduced profits, owing to certain temporary difficulties in the operation of the mine, and partly to the need for spending such profits as were made upon additional plant, the benefit of which will now be felt. In somewhat similar circumstances City Deep has declared only 1s., as against 2s. for the June and 1s. 6d. for the second half of 1926. The chance of contingencies such as these does not usually suggest itself when the public is in an optimistic frame of mind. In common fairness it should be mentioned that a few of the companies increased their rates, particularly the New Modderfontein, which will pay the record amount of 6s. 6d. per 10s. share.

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& Co.
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LONDON—ANDREW WEIR & CO., 21, Bury Street, E.C.3.

NEW BEAN COMMERCIAL CHASSIS.

A demonstration was given at the works of Bean Cars, Ltd., at Tipton, on June 21 of the company's new 30 cwt. commercial model. It is now nearly three years since the concern put their 20-25 cwt. model on the market, and the new model incorporates all that the latest developments and a long experience could suggest.

Up to the present time Bean Cars, Ltd., who are now under the sole control of Hadfields, Ltd., the Sheffield steel makers, have had three works—body building and finishing shops at Dudley; mechanical engineering shops at Tipton; and the forge and stamping works at Smethwick in the Birmingham area. Now the works at Dudley have been sold and larger and better equipped shops are being erected at Tipton alongside the engineering works. Thus the whole car will now be assembled at Tipton; the Smethwick works will continue to deal with raw material. The transfer from Dudley to Tipton will be complete by the middle of August.

At the luncheon on the occasion of the demonstration an interesting speech was made by Sir Robert Hadfield, Bart., who presided. He said that the trader who did not want a heavy lorry of three or four tons, but who wanted a van, heavier than one ton, capable of going comparatively long distances with speed, safety, economy, while carrying large loads, had not been, he thought, very well catered for up to now. That was one of the reasons why they had introduced the new 30 cwt. commercial vehicle. It was a type of vehicle which, they believed, would eventually carry a substantial proportion of the ever-increasing quantities of manufactures and merchandise which were transported by road, as well as being widely used in various public services.

It was, at present, he added, the mode for carping and gloomy individuals to make diatribes against British manufacturers for what they call "ignoring their finest avenues for possible sales" and generally to accuse manufacturers of remaining indifferent to overseas markets. Now those people seemed to forget that a dozen years ago this country was very fully occupied defending the liberty of Europe; and one of the competitors was very fully occupied in establishing his goods in the overseas markets. When, therefore, the British manufacturer, who had given his factory over for the making of munitions, guns, tanks, or lorries, began to set it in order again to continue making, for example, touring cars, he had to start pioneer work in developing his own home market. After those struggling years following the War, after he had re-established his goods in the home market and had attained a sufficient production, then and then only had he time—and money—to turn his attention to the needs of customers overseas. That was what he was doing now.

To have re-established his goods in the home market alone must be recognised as no mean achievement when it was remembered that an American manufacturer could, and often did, sell here at a loss, this being possible because the market from his point of view was a very small one, the cars sold here representing perhaps not

more than one week's output from his factory.

Overseas the British manufacturer was faced with greater difficulties still, for some of his competitors had been in possession of the market for 12 or 14 years, had studied it at leisure, organised very thoroughly their sales management, and—a very important point—had accustomed the buyers to think of the names "America" and "motor-car" as being synonymous. Shakespeare had told them of "how use doth breed a habit," and overseas countries had, by the use of the only kind they could get, contracted a habit of buying foreign cars. Within the last year or 18 months that habit—partly because of the great efforts to push British products and partly because of the attention attracted by the brilliant performances of British cars—had been considerably weakened; and within the next few years, it was safe to say, that it would have disappeared altogether. That did not mean that nobody would buy foreign cars; but it meant that nobody would buy a foreign car simply because he did so the year before and the year before that; and it meant that he would have the choice—on equal terms—of a British car.

It was important, in his opinion, that if they were to break the foreign car habit speedily—that they would break it in the long run there was no doubt at all—they must set out to attract attention overseas by vigorous advertising and by convincing demonstrations. They meant to tackle the overseas markets with both their commercial and private vehicles, and he was sure they would find favour there.

THE LIVERPOOL COTTON MARKET.

Messrs. Reynolds and Gibson report as follows for the week ended June 22:—

Egyptian Spot.—The past week has produced a distinct broadening in the inquiry, and a somewhat improved business has resulted for Egyptian cotton. A very steady tone has been in evidence and prices, on balance, show practically no alteration. Fresh features of any kind have been absent and the demand has been met by the various qualities to which we have become so well accustomed during the past six months. Inquiries for Sakel 16.00d. to 18.0d.; 14.50d. to 15.50d., and (roughly) 10.00d. to 12.00d., have all figured prominently in the list each day. Strictly Good Fair cotton, with staple, has again been the mainstay of the Upper market. "Low" Egyptians at from 4.00d. to 10.00d. have been much asked for. Pilon has been in moderate request only at from 13.50d. to 14.50d., and other Egyptian growths have been neglected. The steady offtake for Sudan Sakel has continued unabated, and sales of this cotton have averaged over 1,000 bales per day. Prices have remained steady at from 18.7d., down to 16.50d. for the lower qualities. Tokar Sakel has been rather neglected this week.

The American seed variety of Sudan cotton has been in good request at from 175 to 300 points on, but buyers are apparently finding some difficulty in filling their requirements at price. Only cotton distinguished by its staple appears to find favour at the moment.

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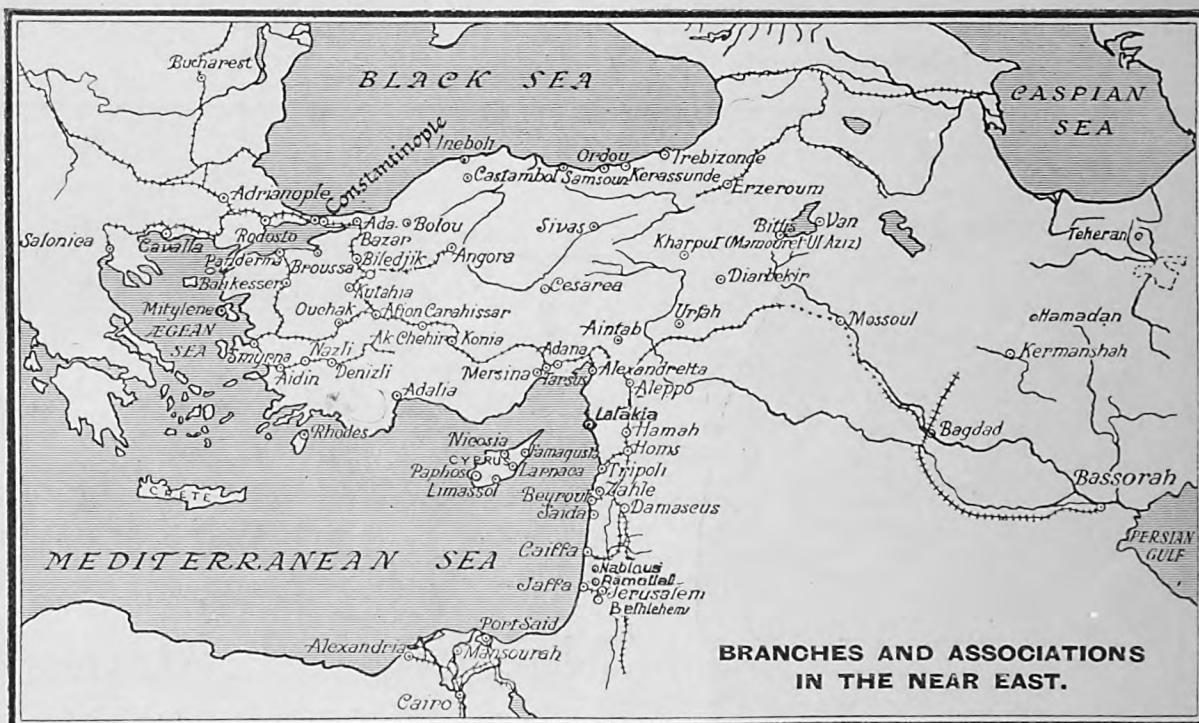


A view of Tel-Aviv.

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Palestine in the Making

AS Rome was not built in a day, there is no reason for surprise, still less for despair, if the task of making of Palestine all that it is capable of becoming should proceed slowly and occupy many years. It will not have been the first occasion on which an optimistic scheme of reconstruction has outdistanced the more prosaic facts of everyday life.

A country, however, benefits in the long run from having its foundations firmly laid, and Palestine will not be the loser, if those who are responsible for her development are compelled to test the soundness of each stone before they handle the next. For the earnest people who are spending freely of their enthusiasm and treasure it must be galling indeed to find that achievement falls behind the will; but nothing has so far shown itself to justify pessimism regarding the future of the country. The basic fact is that Palestine is a small country, with its resources still for the greater part undeveloped. It is as unpractical to hurry into it new workers for whom employment is not available as it would be to develop its resources beyond the capacity

of the country to deal with them, either for home consumption or for export. Accordingly when it is recorded that four or five hundred Jewish immigrants entered Palestine in one month and seven or eight hundred left, the failure of the Zionist movement is not implied. There are Jews in the world enough to provide Palestine many times over with the number of immigrants that the country can absorb; it may be all to the good that some of those who

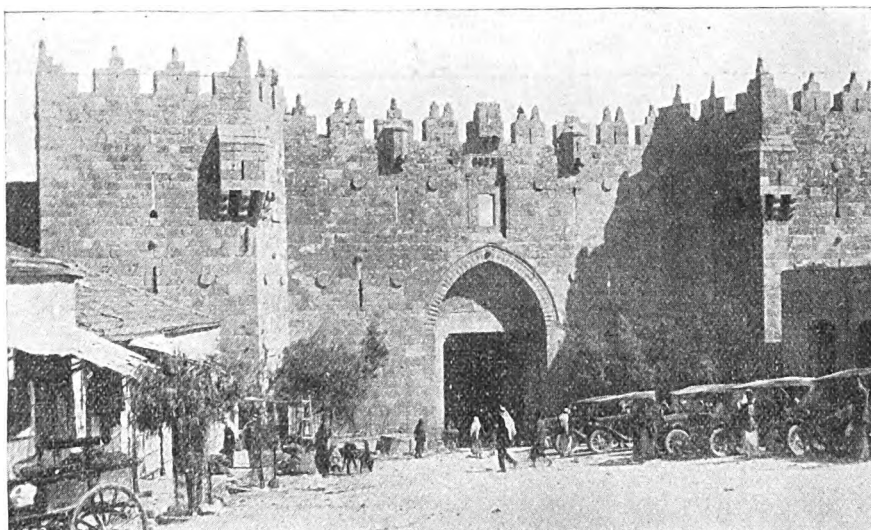
come to it shed their illusions and seek a home elsewhere. Those who remain are the more likely to be of the material of which successful colonists are made.

At the stage now reached it may be inferred that the supply of immigrants, which was one of the first concerns of the Zionist Organisation, has for the moment reached saturation point. The significance of the Palestine Economic Conference, held last October under the chairmanship of Sir Herbert Samuel, seemed to lie in the fact that it represented an appeal from political Zionism to economic Zionism to speed up its activities. In other words, it has been proved that all the immigrants required can continue to be supplied; but the need for the moment is to consolidate the position of those already in the country and to widen the scope for employment held out to those still to come. The Conference was naturally concerned with practical details, and to this end its recommendations dealt with the formation of an agricultural bank, with a view to the adequate provision of agricultural credits, and with the development of industries. The need for co-ordination of effort is the more urgent as the great project for the supply of electric power throughout Palestine is about to be carried into execution. In what is known as the Rutenberg scheme the country will have an important stimulus to industrial enterprise—cheap and abundant power—apart from the immediate help given by the employment of labour in the building of the dams and in the provision of power distribution. In the boom period that

has marked the steady expansion of Tel Aviv the existence of the trial power station at Jaffa has proved a valuable asset and its success is held to justify the adoption of the larger scheme.

It is inevitable in all the circumstances that the story of the development of Palestine in recent years should be largely a story of Jewish endeavour. The unique experience of a foreign community, with world-wide ramifications, devoting themselves unstintingly, from the highest motives, to the economic development of the country must needs work wonders in a backward land such as Palestine still is. Their efforts, however, would not have gone as far as they have done, if they had not been supported by an enlightened Administration, which within the inevitable restrictions has made itself responsible for necessary public works, such as the improvement of road and railway communications and water supply, and—no less important—for public security and general well-being. Those who derive the ultimate benefit of all these activities, it should hardly be necessary to point out, are the people of Palestine as a whole, five-sixths of whom are Arabs. If the latter

seem to be left out for the present from immediate participation in the schemes associated with Jewish enterprise, they can reflect that theirs is the advantage which comes from the material progress that is being made all the time by Palestine. By holding aloof from public affairs they have created the false impression in their own minds that progress is being made for the benefit of others and not for them. Let them abandon their mistaken



Damascus Gate, Jerusalem.

policy, and they will quickly experience the satisfaction of contributing their share in the advancement of the interests of a joint Palestinian nationality.

The time is particularly opportune for a revision of the attitude that the Arabs, or at least their leaders, have adopted towards the steady progress that Palestine has been making under the stimulus of Jewish colonisation and Jewish money. Although it is customary to talk of the blight of Turkish rule, there is nothing in the history of the country to show whether the former administration lagged behind the capacity of the inhabitants or was actually ahead of it. If the Arab leaders persist in their present tactics, they run the risk of letting the outside world infer that the people are incapable of benefiting under any administration, however progressive. Before that happens, however, it is to be hoped that the rank and file of the Arab population will have adopted a more practical line of their own. Already there are signs of a revolt against the short-sighted policy of the leaders, which has condemned the Arabs to lose at a most critical period half-a-dozen years' administrative experience. Palestine stands on the threshold of a notable development, but it rests with the Arabs whether this development is to have an exclusively Jewish character, or whether it will become identified with the country as a whole, so that Arabs no less than Jews can take a pride in a common National Home.

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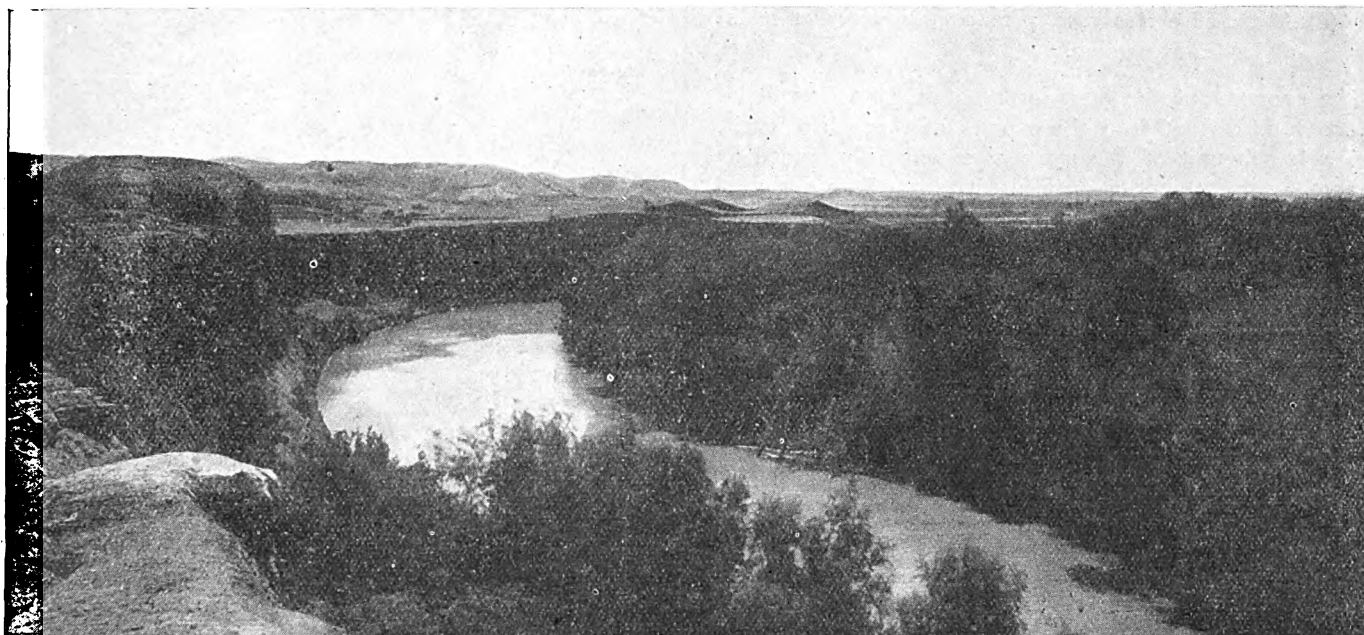
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Harnessing The Jordan



The River Jordan: Looking Down Stream.

THE ELECTRIFICATION OF PALESTINE

Topographically Palestine is divided into three main parts, viz.,

- (1) The coastal plain and Esdraelon Valleys.
- (2) The mountainous plateau.
- (3) The Jordan Valley.

and to this difference in topography is due the diversity in climate and rainfall. The climate on the whole is semi-tropical, and although the rainfall is quite large—an average of about 26 inches—it has the specific feature that the rains are concentrated mainly during the four winter months. This distribution of rainfall makes irrigation a necessity of primary importance for the agricultural development of the country.

The intense winter rains coupled with the very rapid run-off caused by the absence of forests and by the steep slopes of valleys render the storage of the winter waters a matter of fundamental importance for hydro-electric development. The comprehensive scheme for utilising the water resources of Palestine by Mr. P. Rutenberg deals very thoroughly with the matter of storage; by damming the rivers at the most suitable points, several artificial lakes will be formed for the efficient utilisation of the available water in the future, and in the first stage of the scheme the large natural reservoir of Lake Tiberias will be used for storage purposes.

The hydro-electric development of Palestine is connected with the Jordan—its largest river. At Baniyas this river is about 1,000 metres above sea level; at Lake Merom (Lake Huleh) it is 3 or 4 metres above sea level and then, about 12 kms. further along its course it passes through Lake Tiberias at 200 metres below sea level. Finally it flows into the Dead Sea about 400 metres below sea level.

On its way to the Dead Sea the Jordan receives several of its tributaries, the most important of which is the River Yarmuk, with a water catchment area of about 7,000 square kilometres.

The Proposed Hydraulic Works.

The main advantage which the utilisation of the River Jordan presents for the production of electric energy as already mentioned is the possibility of regulating the waters of this river in winter and summer by means of Lake Tiberias, which has a surface area of 170,000,000 square metres. The presence of this storage reservoir makes it possible to store all the excessive waters of the rainy winter months and to utilise the reserve during the arid summer months.

The first part of the projected development provides for the utilisation of the 50 metre fall between Lake Tiberias and Jisr-el-Mujamieh. The topographical and geological conditions render the utilisation of this fall most efficient and advantageous when divided into two steps with one power house near Jisr-el-Mujamieh and the other near Abadieh. The following works will be required for the first Jordan power house at Jisr-el-Mujamieh :—

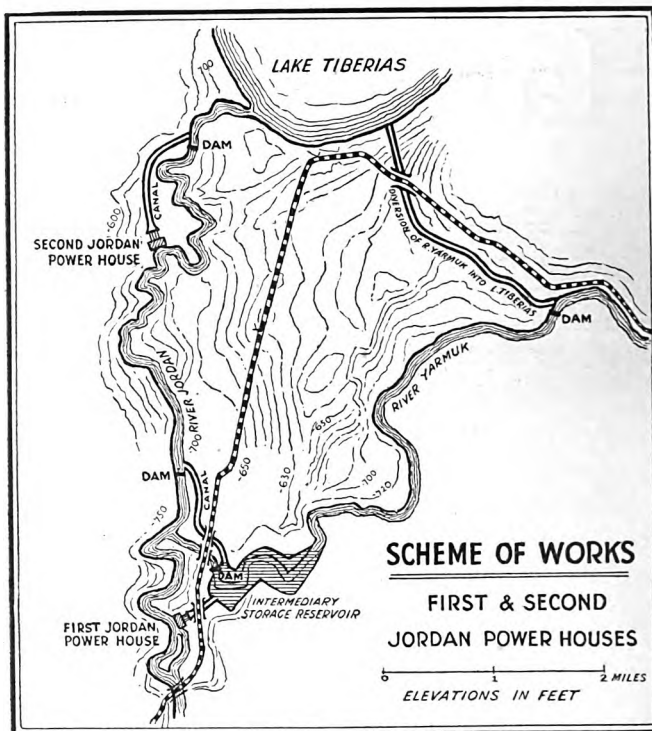
- (a) A dam near Delhamieh retaining water to a depth of 6 metres.
- (b) A dam of the Yarmuk waterfall retaining water to a depth of 8 metres and creating the intermediary Yarmuk reservoir, which together with the reservoir formed by the Jordan, will have a total surface area of over 1,000,000 square metres and serve as night storage of the Yarmuk waters.

- (c) A canal 1.9 kilometres long conveying the Jordan waters into the above-named intermediary Yarmuk reservoir.
- (d) A canal 400 metres long from the Yarmuk reservoir to the Jisr-el-Mujamieh pressure reservoir.
- (e) A pressure reservoir, penstocks and power house at Jisr-el-Mujamieh.

The capacity of the first Jordan power house will be 24,000 h.p. divided into three units of 8,000 h.p. each, and a fourth unit of the same size will be provided as reserve. All the civil engineering works will be designed for full capacity, the generating sets being added gradually with the increase of consumption of energy.

The Second and Third Power Houses.

The second hydro-electric power house on the Jordan will be erected at Abadieh when the requirements for power approach the maximum capacity of the first power house, and at this stage the Yarmuk waters will be diverted into Lake Tiberias. The second power house



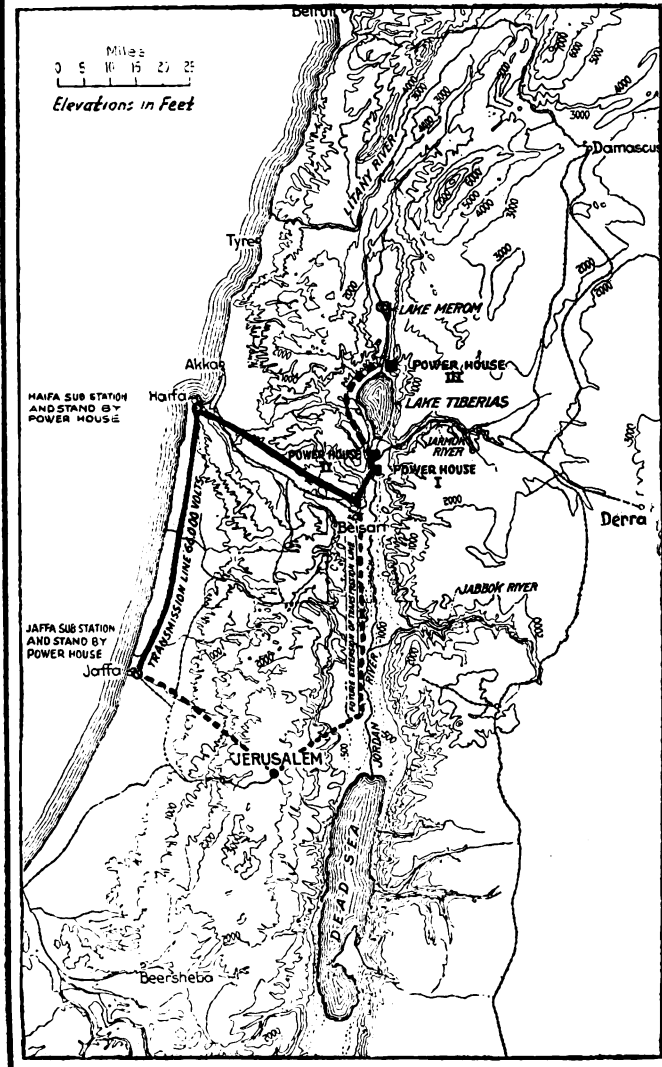
GENERAL SCHEME

FIRST STAGE

POWER HOUSE I-24,000 H.P.

" " II-24,000 " "

" " III-50,000 " "



will be equipped with machinery of the same type and capacity as the first, and both power houses will then utilise all the waters of the Jordan and Yarmuk rivers, the joint effluent of which will be drawn through Lake Tiberias and pass through the turbines of both power houses. The railway line from Haifa passes along the site of the projected works and makes the power houses particularly favourable for the transport and delivery of the machinery and requisite materials.

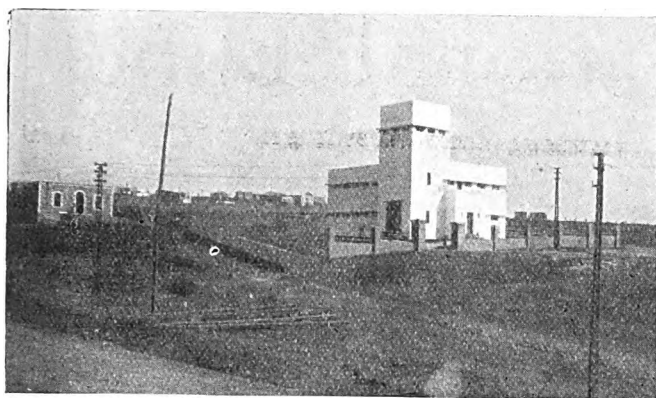
The third power house will be situated to the north of Lake Tiberias and will utilise the Jordan fall of 200 metres which occurs in the short distance between Lake Merom and Lake Tiberias.

The works described above will constitute the first stage of the project for the comprehensive electrification of Palestine. The total amount of power which can be made available by utilising the water resources of the whole country is some hundreds of thousands of horse power.

Transmission of Energy.

In order to transmit electric energy over long distances, the use of high tension is essential. For this purpose a step-up transformer station will be erected at the Jordan power house, where the electric current will be transformed to a pressure of 66,000 volts. The overhead transmission lines of this pressure will run from here to the main sub-stations at Haifa and Jaffa where the pressure will be stepped down to the values required for the distribution in the towns and corresponding districts. The second and third power houses will be at a later date inter-connected with the first one. The further development of the transmission scheme will go along the Jordan valley, as shown in dotted lines and will link on to the Jaffa sub-station from the East, thus giving the possibility of supply to any point from both sides.

The continuity of supply is secured by stand-by power stations at Haifa and Jaffa which are equipped with Diesel oil engines and generate current at 6,300 volts. These two stations as well as the Tiberias power station have been erected first, in order to satisfy the existing requirements for electric energy, and it is to a large extent due to the establishment of these power stations that the in-



The Tiberias Power House.

dustrial development of the country during the last few years has taken place on such a scale.

The Jaffa power house was completed in 1923 with a capacity of 1,000 h.p. and in 1924 an additional generating set of 250 h.p. was installed. The growing demand for power made a further extension necessary, and another set of 1,125 h.p. has now been added.

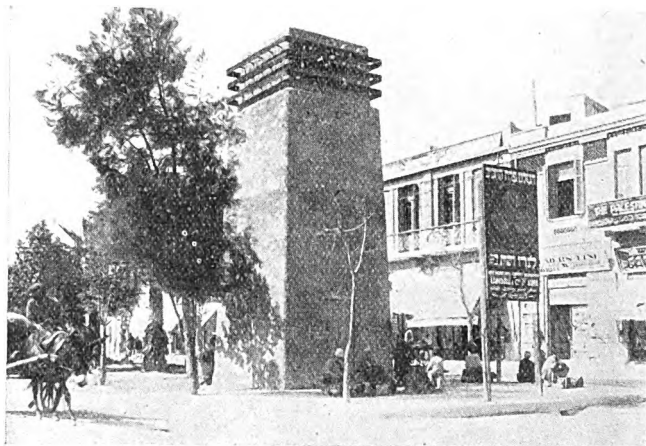
The development of industry in Tel-Aviv and Jaffa may be realised from the fact that, during 1923-24 160 motors were connected, while in July 1926 the number of motors was 510.

The Haifa power house which was completed in 1925 is equipped with a plant of 1,200 h.p. and during the first year of operation has shown very satisfactory results. The distribution from these two power stations is effected at 6,300 volts by means of high tension underground cables, terminating in transformer stations from which the town supply at 380 to 220 volts is derived.

Rural Electrification.

Great attention is being given to rural electrification. From the main sub-stations the overhead transmission lines of 22,000 volts will run throughout the countryside. A number of secondary stations for giving local supply to all the settlements and villages are fed from these high

voltage lines. The importance of this for the country is obvious. Cheap and abundant power supply will greatly help the agricultural development, at the same time stimulating the growth of various rural industries. A part of this work has already been done. Two high tension lines were built in the Jaffa district, one from the Jaffa power house at Surafend and Rishon-le-Zion, and the other from the same power house to Petach Tikvah, an important centre for orange growing.



Transformer Station, King George Avenue, Jaffa.

Such in bare outline is the great Rutenberg Scheme, on which high hopes are justifiably built for the future development of Palestine. The project, it will be noted, will provide that small country, on the threshold of its industrial development, with a commodity—cheap and abundant power—for which Great Britain can almost be said to be still awaiting the carrying into effect of the Government's electrification scheme. Not the least interesting feature of the enterprise is that it reverses the usual sequence of supply waiting on demand. The electrification of Palestine will have been possible only as the result of a happy combination—the technical skill of an expert engineer, the driving power of a convinced enthusiast, and the practical confidence of those who are financing the undertaking.



The Lake of Tiberias: Showing the Distribution System.

The Jewish National Fund

The Jewish National Fund, known in Hebrew as the Keren Kayemeth Leisrael, was founded by the Fifth Zionist Congress, in December, 1901, for the purpose of purchasing land in Palestine to be the *inalienable possession of the Jewish People*. The Fund was, however, obliged also to foster agricultural settlement on the land and to pursue other functions of colonisation. On the agricultural settlements which the National Fund founded before the War, many hundreds of Jewish workers were trained in horticulture, vegetable growing, dairy farming, etc., and thus the first foundations of nationally Jewish rural life were laid in Palestine. The Fund built houses for Yemenite and other working Jews, extended credit for building-construction and also agricultural credit. It granted the loan which made possible the founding of Tel Aviv, carried out afforestation through its Tree Fund, reclamation works, water supply, terracing, etc. At the close of the War it was recognised that a special colonisation fund was needed to relieve the Jewish National Fund of tasks other than its original purpose—land buying. In consequence the Keren Hayesod (Palestine Foundation Fund) was founded. The National Fund has since limited itself strictly to the purchase and amelioration of the ground.

Up to 1920 the National Fund had acquired some 22,000 dunams (5,500 acres). Now its land holdings amount to

200,000 dunams (50,000 acres) on which are established 34 rural settlements (in 25 of which it has also installed a water-supply), 4 residential suburbs, and public institutions in the towns as the Hebrew University, Bezalel Art Schools, Synagogues, Hospitals, and many other educational, medical, religious, and art institutions. Further, it has drained 20,000 dunams of swamp, planted nearly half a million trees, and laid roads, etc.

From £41,000 in 1904, the income of the Fund has been doubled and trebled, until in 1926, its *Silver Jubilee Year*, its total income has reached the figure of nearly £1,900,000. Its chief collecting means are the famous Golden Book of the Jewish people and the little Blue Money Boxes which are to be found in nearly a million Jewish homes in all parts of the globe. Other forms of help are endowments, bequests, insurance policies, the Tree Fund, Bazaars and Social functions, Synagogue offerings, and the JNF Stamp.

The policy of the Keren Kayemeth is dictated by the spirit of the Mosaic Law "The Land is Mine; it shall not be sold for ever." The land is allotted on hereditary lease. Rentals are based on 2 per cent. of the value of improved rural land, and 3 per cent. and 4 per cent. of the value of unimproved suburban and urban land respectively. As the community grows and public improvements are made, the new value which accrues to the land—the "un-earned increment"—reverts back to the public through periodically increased ground rents.

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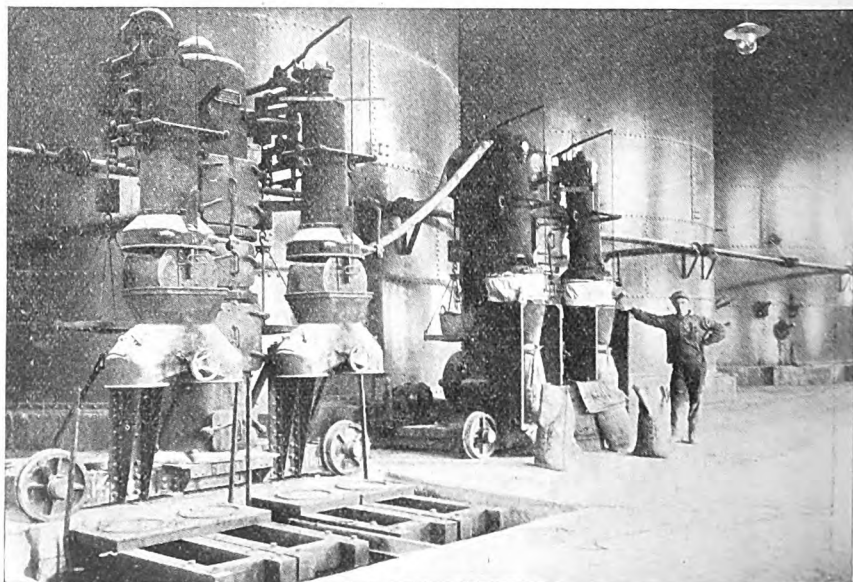
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Filling Sacks at Haifa Factory.

The Haifa Harbour Project



Haifa Bay from Mount Carmel.

THE harbour problem with which Palestine is faced is a relic of Turkish rule; for, if the region had been under more enlightened administration, it is beyond question that the need for improved port facilities would have been met decades ago by the construction of a modern harbour. Actually before the war the Turks did reach the stage of granting a preliminary concession for port works at Haifa, which were to be constructed at a cost far in excess of what would be sanctioned to-day, but the war stepped in to prevent the carrying out of this enterprise. The *laissez-faire* policy of the Turks may possibly be attributed to the knowledge that the trade of Palestine was small and to the belief that as traders had managed to carry on with the existing facilities they could be safely trusted to continue to do so. Apart, however, from the loss and damage entailed under present conditions, there is the inherent probability that the absence of a modern port was a hindrance to the development of the country before the war, even in circumstances that were certainly not conducive to progress. There is no doubt at all that that is the case to-day, for, while the construction of a port will not bring trade by itself, it is beyond argument that it is useless to press forward with the economic development of a country if the facilities for foreign trade are lacking.

When the British authorities took over the administration of Palestine it was quickly realised that at the first possible opportunity steps would have to be taken to give the country a port which would not only serve the development of trade that was to be expected in the near future, but would also leave an adequate margin for further expansion. While Palestine has a number of places where goods are landed, the choice of a site for a harbour lay only between Jaffa and Haifa, for all the other "ports," such as Acre, Gaza and Caesarea, are mere open roadsteads. The first two towns mentioned serve between them the great bulk of the external trade of the country. In 1925, 2,472 vessels of a total tonnage of 1,895,042 entered the ports of Palestine, the respective figures for Jaffa and Haifa being as follows:—

	Sailing Vessels.	Tonnage.	Steamers.	Tonnage.
Jaffa	734 ...	16,414 ...	504 ...	1,143,405
Haifa	542 ...	7,516 ...	250 ...	688,134

The volume of trade passing through these towns in the same year was as follows:—

	Exports.	Imports.	Total.
Jaffa	£854,323	£4,031,772	£4,886,045
Haifa	£133,371	£1,877,287	£1,143,485

On figures alone it might have been thought that Jaffa would be the chosen place for the necessary works of port construction; but in this case, as so often happens, figures are not everything, and here they reveal only half the

truth. To anyone who did not know the facts it might reasonably be assumed that Jaffa had obtained its present position owing to its supreme natural advantages, that it was in short the obvious gateway to Palestine, and that the development of a port elsewhere would mean a wholly unnecessary diversion of trade. Actually the position is far different, and it is worth while examining briefly the various advantages and disadvantages of the two towns from the point of view of a port.

It will be convenient to take Jaffa first. The port has hitherto served the most thickly populated and wealthiest part of the country, and with the rapid development of Tel Aviv and other Jewish settlements in the vicinity, there is no question that the region promises to gain greatly in wealth and prosperity. Jaffa also serves what has been up to the present the principal industry of Palestine, that of oranges. The part that the orange plays in Palestine's economic life may be gathered from the commerce statistics for 1925. The value of the total exports was £E1,297,559, and the contribution of the orange was £E551,465. Jaffa is, moreover the outlet to the sea for Jerusalem. These are the main points in its favour. On the other hand, there are two great drawbacks. In the first place, the area it serves is severely circumscribed. Secondly there are the disadvantages of the port itself. Jaffa has no protection from the winds, with the result that on from 80 to 100 days the work of loading or unloading vessels has to be suspended. Then there is the further point, of vital importance in regard to the expenditure that would be entailed by the construction of a port, that there has been no survey of the sea bed at Jaffa.

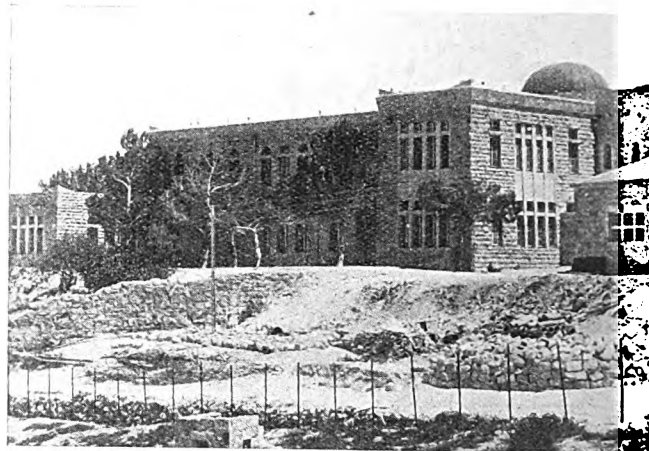
The facts with regard to Haifa can be told in a few words. In comparison with Jaffa it is a relatively new town, and in 1904 the population was no more than 10,000. It had risen to 25,000 by 1922, and to-day it is over 35,000, and of this total approximately one-third are Jews, the numbers of this community at the port having doubled in the past four years. The increase in population, it may be pointed out, is largely due to the establishment in recent years of important industries in the neighbourhood. Haifa is, of course, connected by rail with the H.az Railway, and serves Damascus and Southern Syria, and may not inaptly be described as a gateway to the East. It will thus be seen that Haifa is certainly in a much more advantageous position than Jaffa as regards the development of trade with the interior, and when one comes to the question of the harbour the advantage is all on the side of Haifa. The harbour is protected to the south by Mount Carmel, and there are only a few days in the year on which work is liable to be interrupted. An additional point, and one of some considerable importance, is that while the stone necessary for works at Jaffa would have to be brought a considerable distance, at Haifa it is at hand on Mount Carmel.

Such, briefly, are the elements governing the choice of a port for Palestine, and it remains to summarise developments in regard to the matter in the last few years. After Palestine came under the British Mandate a number of schemes for port construction were put forward; but it was felt that they were of too ambitious a character, and the Government of Palestine decided to invite Mr. Frederick Palmer, of the firm of Rendel, Palmer and Tritton, to visit Palestine in 1923 for the purpose of examining the various proposals which had been put forward. He came to the conclusion that a harbour and port were necessary at Haifa, and he submitted a scheme of which the estimated cost was well within £1,000,000. This scheme could not then be adopted owing, among other reasons, to lack of funds.

The question was also considered by Mr. Anthony in the course of the inquiry which he made in 1925 into the administration of the Palestine Railways. He recommended that a less ambitious and substantially less expensive scheme should be adopted at Haifa. This recommendation formed part of a general plan for capital expenditure on railway and harbour improvements in Palestine, including the improvement of port facilities at Jaffa. Mr. Palmer's advice has been taken on these alternative proposals, and the various considerations involved are now engaging the attention of H.M.'s Government and the Government of Palestine. No final decision regarding the exact scheme to be carried out has yet been reached; but it may be taken for granted that in broad outline the plan is likely to be followed of a long breakwater running from the spur of Mount Carmel, with a short breakwater running out from the existing jetty to protect the east side. A comprehensive scheme of port construction would result in the reclamation of a strip of land in the harbour, and this would be available for Customs houses, warehouses, railway lines, etc. Now that the question of the Palestine loan has been settled, a decision is likely to be taken in the near future.

SOLEL BONEH.

The University Buildings on Mount Scopus, of which an illustration appears below, are among a number of buildings erected in Palestine by Solel Boneh, a Co-operative Association of Jewish workers. The number of workers employed by this Association, which has become



Hebrew University, Jerusalem.

the largest employer of labour in Palestine, reached 3,196 at one time in last year, and among the works for which it has been responsible are the Power Houses of the Palestine Electric Corporation at Tel Aviv, Haifa, and Tiberias, bridges over the Jordan and Yarkon Rivers, several factories and over a thousand houses in various towns.

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The Development of Haifa Bay

AMONG the projects of improvement now in train in Palestine none is of more importance than that for the development of the land on, and in the vicinity of, Haifa Bay. The plain behind Haifa, which can be seen from Mount Carmel, has an area of about 60,000 acres, and this land for hundreds of years has lain undeveloped. There is an abundance of water in the plain, but instead of being enlisted in the service of agriculture it has produced nothing but marshy wastes with a serious effect on the health of the two towns on the Bay—Haifa and Acre, where malaria is very prevalent despite the efforts that have been made to cope with it. The solution, of course, lies in the development of the plain, which is one of the objects for which the Haifa Bay Development Company was founded.

The aims of this company are to carry out a comprehensive scheme of sanitation throughout the region, to render available for irrigation the abundant water supply, and to lay down roads in the hitherto impassable plain. The transfer of the land to the company was accomplished in 1925. Investigations were then begun to obtain the necessary data for carrying out the work of sanitation, and on the basis of these investigations plans of sanitation were drawn up by well-known experts. A beginning was made with the work in the spring of 1926. Considerable progress has been made in the region of the Kishon and the Fuwarah, and the sources of the Naaman have been rendered sweet, and regulated. The works in the southern part of the plain, in the Kishon basin, should, under normal conditions, be completed this year, whilst the sanitation of the Naaman region, which is more difficult and costly, may take a year or two longer.

Simultaneously the construction has been begun of the main roads of communication. This work has been greatly facilitated by the Government, which has been prevailed upon to lay down through the territory of the company the last part of the highway from Haifa to Beyrout. A second road to connect the centre of the territory with the coast was begun last summer. At the same time the company commenced the elaboration of plans for a scheme of building. The town planner was here afforded what is perhaps the most interesting task that Palestine has to offer in the sphere of town planning. An area of 15,000 acres is available and included in this territory is the hinterland of the future chief harbour of Palestine. Here is the obvious place where the future industrial quarter of Palestine must be developed. The expansion of the town of Haifa from a little coast town into a modern city had to be taken into consideration, and provision has had to be made for a modern sea bathing resort, while suitable places have had to be chosen for modern sports—golf, polo, tennis, etc. It has been necessary, too, to make provision for a flying station. The remaining territory has had to be divided into plots of 1-5 acres suitable for modern intensive cultivation. The result of this work has been the drawing up of a regional plan. The present-day town of Haifa stands at the foot of Mount Carmel and its only possibility of expansion is eastward into the plain where the development of any new urban centre must naturally take place. The land destined for the new town comprises in a semi-circular region the projected harbour and the industrial quarter. As is necessary in the planning of any modern city, the plans of the company naturally look far beyond the requirements of the immediate future. Obviously in the next few years only a part of the projects with regard to the harbour and the industrial

quarter can be carried out, and in the meantime the remaining land has to be held in reserve. In the middle of the bay, in the exact centre, the company has in view the laying out of a garden city. This suburb will be characterised mainly by the building there of the bathing resort.

The development of the remaining territory will require the building between Haifa and Acre of a new centre, which will serve local requirements. It will be rather in the nature of one of those satellite towns which are becoming more and more recognised by town planners to be necessary in the decentralisation of towns. This centre will bring within the reach of farmers, dwelling in its immediate neighbourhood, the possibility of obtaining the conveniences of the town more cheaply than they would otherwise be able to do.

A railway and a main road cover the territory lengthwise. At first they will connect the towns of Haifa and Acre, but later they will run from north to south and thus connect Palestine with Egypt, Syria and Asia Minor. Moreover, modern methods of communication will shortly bring places in the Middle East into convenient communication with Haifa.

Besides these plans which will affect Haifa in the near or more remote future, the company has for its chief and immediate object the agricultural development of the territory. There is no point at all in planning towns when the surrounding territory cannot be occupied by a population which can carry on its agricultural work on a sound economic basis. Here, too, the development of the Haifa Bay has brought into existence new tasks of a magnitude hitherto unknown in Palestine. A water supply of approximately 300,000 cub. m. daily, in addition to a quantity of underground water of a volume as yet unascertained—flows unutilised into the sea. This water must be collected, controlled, and applied to the irrigation of the soil. Properly utilised this water might have an invaluable effect on agricultural production, as yet scarcely imaginable. An eminent Egyptian expert of the French School, who last December investigated the soil, gave an extremely satisfactory report both as regards the quality of the soil and the work of sanitation already carried out. He expressed the hope that out of this territory a new Nile Delta in miniature might be made in the future. The question of the nature of the cultivation which may be carried on here is still under investigation, and for this purpose a number of eminent agricultural experts have been consulted. In all probability there will be a great number of small farms, and in these a great rôle will be played by dairy farming with the object of reducing the prices of milk and milk products which have hitherto ruled extremely high in this country. A great variety of vegetables will thrive in the plain and may even be produced for export.

Banana growing—and Palestine already produces one of the best kinds of this fruit—can be developed on a great scale. A very extensive part of the plain will probably also be devoted advantageously to the production of oranges, which is, of course, already such an important industry in Palestine.

In this development of the plain a leading part is being played by the Jewish National Fund. On the territory of this Fund, the object of which—as is well known—is to bring as great a part of Palestine as possible into communal ownership, will be formed, among others, settlements of urban and agricultural workers. For instance, in the immediate neighbourhood of the industrial and harbour territory it is intended to form a settlement of about 2,000 families of urban workers, each of whom will receive a plot of land of about $\frac{1}{4}$ acre for growing the agricultural products he needs. A settlement of small holders is also planned on a area of about 700 acres, and this scheme is being carried through by the Palestine Small Holdings Promotion Company Ltd.

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View of Bethlehem.

AS a traveller well acquainted with the Near and Middle East, I find that Palestine and its post-War position are remarkable because of the ease and rapidity with which it can be reached, because of the facilities for seeing the historic sights and because of the scenic and racial contrasts which exist in the country. In pre-War days the traveller was compelled either to drive or to ride across country for many days or to take ship to Beyrout, Haifa or Jaffa; and then, if he decided to land at either of the two first-mentioned ports, a lengthy journey over bad roads still separated him from Jerusalem and its surroundings. On the other hand, as was the choice of many a tourist, should he have preferred to go direct to Jaffa or to travel thither by sea from Beyrout his final disappointment was sometimes supreme, as there are many days in every year when disembarkation at Jaffa is impossible owing to the exposed nature of the port and to the poor facilities that exist for landing. The War and the establishment of the British Mandate have made these difficulties a matter of history, for in the present day the student, the politician and the tourist can reach Palestine in comfort and with a rapidity which compare favourably with first-class travel in any part of the civilised world.

Palestine, with an area, which is somewhat larger than that of Wales, and with a population, which more or less equals that of Liverpool, possesses a diversity of scenery, of climate and of population. There is the coastal strip bordering upon the Mediterranean and the plain of Jezreel running in a south-easterly direction from the neighbourhood of Haifa, there are mountains which ascend to several thousands of feet about the sea, and there are the Valley of the Jordan and the Dead Sea, which latter occupies the lowest portion of the earth's surface. One comes upon districts the picturesqueness of which it is impossible to describe, in spring one sees vast expanses of wild flowers the beauty of which cannot be exaggerated, and one gets views, such as that of the Dead Sea from the Mount of Olives and of the Mediterranean from a point upon the road between Jerusalem and Jaffa which may be equalled but which can hardly be surpassed elsewhere. Alternatively one passes through areas which remind one of Salisbury Plain, of the Kopjes of South Africa or of the lower slopes of the Rocky Mountains.

With regard to the inhabitants, very roughly 85 per cent. of whom are so-called Arabs and 15 per cent of whom are Jews, there are the Bedawin, who still live under the

conditions described in the Old Testament, there are the limited class who form the Arab intelligentsia, and there are the extremely modern and astute politicians, financiers and business men, who represent the interests of Zionism. The great majority of the population live in mud huts of primitive dwellings, but side by side with these are the new Jewish Colonies, which form oases in the desert, and the great philanthropic, religious and educational establishments supported by various countries.

Every language seems to be spoken or understood and therefore those who know only English need not fear that they will meet with any difficulty on this account. There are three official tongues, English, Arabic, and Hebrew, and all information, whether in the public offices or on the uniforms of railway or other officials is written in the three scripts. A very efficient telephone service connects up the various parts of the country and this is of great convenience to the traveller, since he can order rooms in advance, which is absolutely necessary especially at and close to Easter, and if he finds that any particular hotel is full, he can easily modify his itinerary and spend the night elsewhere. Equally well, whereas the average visitor will probably prefer to move from place to place by road, he may go from Jerusalem to Jaffa or to Haifa or vice versa by train. And then what is of vital significance to those who have not much time at their disposal, the roads, many of which were constructed by the Turks for military purposes have been improved and are maintained by the British authorities in such a way that an average of, say, thirty miles an hour can easily and safely be maintained in an ordinary motor. Moreover, at the present time the hiring of cars from one or more Jerusalem firms, who have excellent and varied types, is satisfactory. Thus, whereas people who desire to be economical can take one or more seats in motors, which can be found

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going to almost any part of the country, the better provided and those travelling in parties can make arrangements for special cars, which, if they are furnished by the right firm or firms, can be relied upon to take you out to dinner or to drive you to any part of the country at or within the exact time which has been pre-arranged.

It is useless even for an enthusiast to pretend that the hotels come within the same class as the better establishments of Egypt or that living in Palestine is cheap in



Palestine: The Old and the New.

relation to the comfort secured. Generally speaking the hotels of Jerusalem are not up to the expected standard in a world-famous city, their prices are relatively high, and they are extremely crowded at the busy season of the year. Elsewhere, however, and in places such as Jaffa, Nazareth, Tiberias, Haifa and Jericho there are really quite good simple establishments, and in many of the tourist resorts hostels, maintained by the various religious

orders, are available for the accommodation of the traveller. Moreover, most of the things which you do or buy, either as a resident or as a stranger, are comparatively expensive and, therefore, it is fortunate that the terms for car hire, especially for the longer distances and for tours extending over days or weeks, compare very favourably with those which prevail in most other parts of the world.

It is usual to regard the last half of March and the month of April as the best period for the Holy Land, but as it is not necessary to spend more than a few hours in the hot areas and as these can always be visited by day and left behind before night, it is possible to go to Palestine both later and earlier than the above-mentioned time, and it is quite pleasant to be there in the autumn. With regard to the countless points of interest which should be visited, it would be out of place here to suggest a detailed itinerary, for some tourists are compelled to "do" all Palestine in a day, whereas others can afford to spend weeks or even months in this entrancing land. In ordinary circumstances, the traveller coming from Egypt will do well first to visit Jerusalem. Here he will see the wonders of the Holy City with all the thoroughness for which he has time and from here he should make various excursions in Southern Palestine. Thus after visiting Bethlehem, with its mainly Christian population, with its feminine costumes, which are so famously picturesque and with its Church of the Nativity, which is to me by far the most impressive thing in the country, and some of the other places neighbouring upon Jerusalem, the visitor ought to drive to the orange-growing district, to Jaffa and to Tel-Aviv—the new and completely Jewish twin city, with its great power-house which forms part of the Rutenberg scheme—returning thence to Jerusalem, should he so desire upon the same evening. And then, if time and money permit, a longer excursion may be made to Hebron, where it was, and I believe is still, necessary

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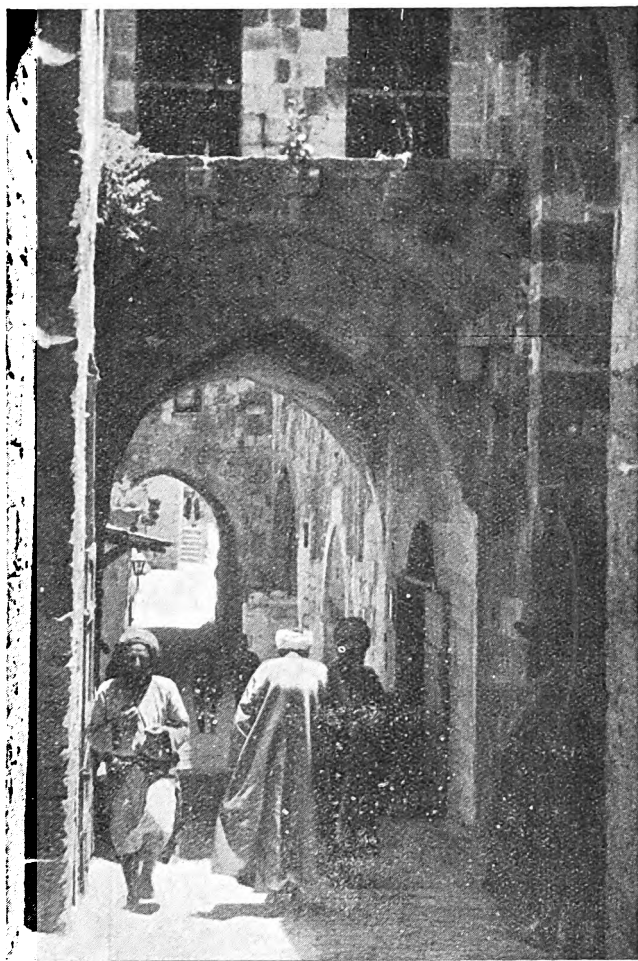
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to have special permission to visit the Haram, which is sacred alike to the Jew, the Christian and the Moslem. Lastly, no tourist should leave Jerusalem before he has driven to Jericho and the Dead Sea—a trip easily accomplished upon a spring day. Leaving Jerusalem, and its altitude of about 2,500 feet above the sea one passes Bethany and winding through magnificent scenery, reaches Jericho, located over 800 feet below the sea level, by a steep descent. Further on or a little more to the South, and standing at what is the lowest point of the earth's surface, and upon the edge of the Dead Sea one looks upon the forbidding, magnificent mountains of Moab to the east, and upon those of Judæa to the west. Again, should leisure and funds be available it is from Jericho that the traveller may prolong his journey to Amman, the capital of Transjordan, to Jerash and to



A Street in Jerusalem.

Petra each in its turn possessed of archæological treasures well worthy of the attention of all who are interested in such things.

The plan of a tour in Northern Palestine depends upon whether or not the visitor desires to go, and whether it is practicable for him to go, also to Syria. In either alternative, however, he should proceed by car from Jerusalem by way of Nablus (Shechem) Sebastieh (Samaria) and the plain of Jezreel, where he may inspect numerous Jewish colonies, to Nazareth, in which town it is interesting to spend a night. Hence the journey should be continued past Kefr Kenna (Cana of Galilee) to Tiberias and the Sea of Galilee, which lie nearly 700 feet below the level of the sea. Sleeping at Tiberias, seeing the new Rutenberg power-house and the curative bathing establishment and visiting the exit of the River Jordan from the southern end of the lake, one may or may not prolong the excursion to the site of the all important Rutenberg works a little further to the south. Afterwards having gone to Capernaum and to other places near the northern extremity of the lake the traveller may then proceed direct to Damascus, should political conditions permit of such a

visit. After a stay in that city he can pursue his way across the Anti-Lebanon to Baalbek, thence winding across the Lebanon range to Beyrout, the headquarters of the French Administration in Syria. From Beyrout a beautiful road follows the coast past Sidon, Tyre, the Franco-British frontier and Acre to Haifa. Alternatively, and if Syria is to be excluded, the tourist will retrace his steps from the Sea of Galilee to Nazareth driving from there direct to Haifa. From here he will ascend Mount Carmel, whence he will see the world famous view of the Mediterranean, here he will visit the Rutenberg powerhouse and some of the Jewish industrial undertakings, and here he will catch a comfortable and well appointed train which will convey him to Cairo or to Port Said in one full day of travel.

The average tourist has neither the time nor the inclination to enter into the details of the political situation. Sufficient, therefore, be it to say that public security and law and order now exist throughout the country, that whilst the Government is direct and unrepresentative, it is carried on in the interest of the people and that the present condition of the country is incomparably better than anything which existed in Turkish times. One may sympathise with the Arabs in their dislike of the Balfour Declaration, and of the Jewish immigration, but that Declaration has been definitely accepted by the British Empire and by the League of Nations and that immigration means a great deal to the prosperity of Palestine. Consequently, whereas the traveller will do better to study the situation for himself rather than to base his opinions upon information acquired from what are usually partisan sources, the Arabs will be well advised to devote their attention, as they are now beginning to devote their attention, to the interpretation and working of the Mandate instead of to futile attempts to get rid of arrangements which have received the assent of the civilised world. Unjustified complaints are merely vexatious. Constructive and reasoned criticism may have its results.

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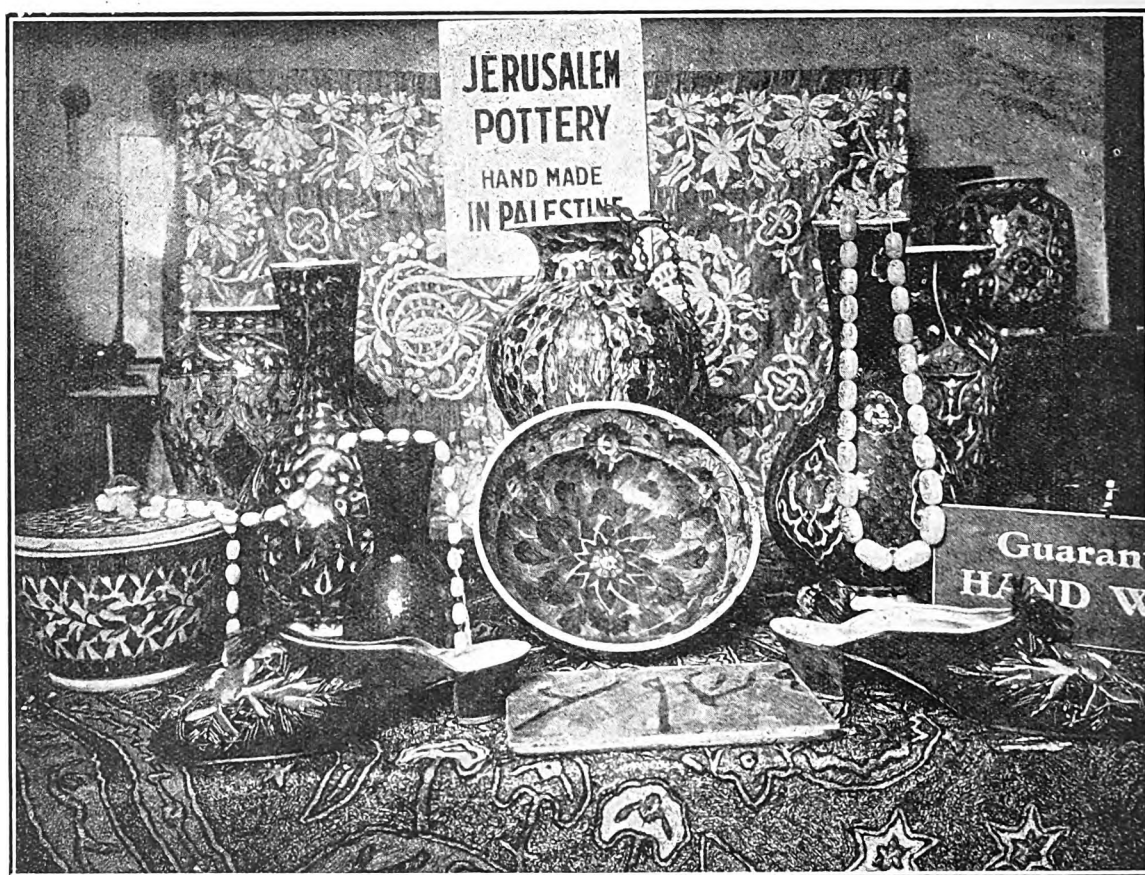
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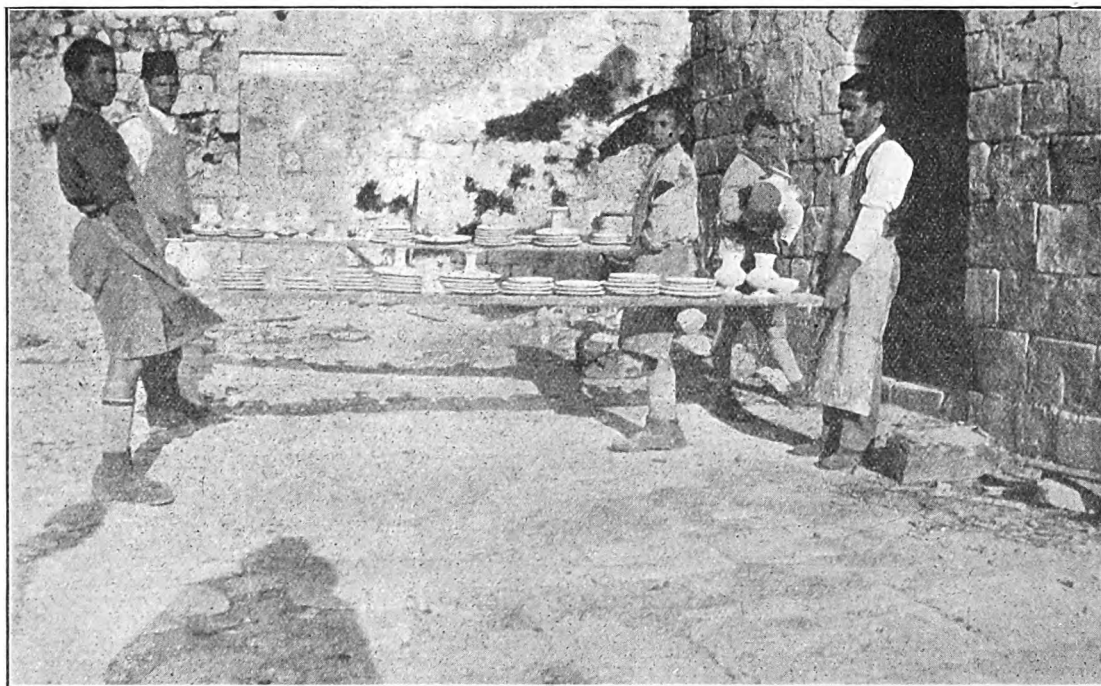
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The Arts and Crafts of Palestine



THE mention of the Holy Land conjures up instinctively the vision of the many native arts and crafts which are inseparably associated with that country. It would be passing strange if a country like Palestine with its age-long traditions, which have laid so indelible an impress on the history of the world, had failed to develop through the centuries an indigenous art of some kind, especially in view of its constant intercourse with neighbouring countries with a high standard of civilisation. It is not so surprising, if one looks back at the troubled history of Palestine, that these minor arts and crafts have not loomed larger in the economic records of the country than they have. The real wonder, perhaps, is that native craftsmanship should have managed to survive at all in the disturbed conditions that have obtained in Palestine in the past centuries. Whatever might be laid to their charge, it could not be said of the Turks that they were unduly careful in preserving the culture of the regions over which they ruled. In the circumstances, we should be grateful that Palestine craftsmanship has survived sufficiently to promise, under the favourable conditions of the Mandate, a new renaissance of Palestine art.

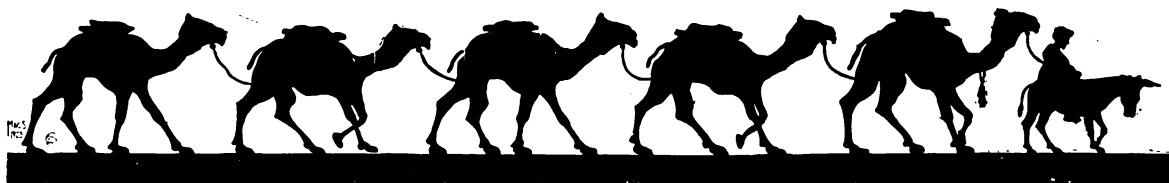
Some of these minor arts and crafts are very old, dating back to the dim mists of antiquity; others are relatively new, and owe their presence in Palestine to the arrival of migrants from neighbouring countries. But whether old or new, the work of the craftsman has a *flair* which seizes the imagination. The work in some cases may lack the painstaking accuracy that one looks for in pottery; it may be rough and perhaps even crude workmanship, but one cannot deny it a form and style peculiarly its own. And if something may be lacking in outline, colour and artistic effect provide compensation. One does not condemn a Cubist impression simply because it does not conform to established custom, nor, to give an example more familiar to many of our readers, does one criticise Indian art because to the uninformed eye it seems crude and bizarre, and the work of the potter and glass maker must be judged on its merits and not by the standards of production in other countries. The main point is that Palestine art is indigenous and is artistic. It would be surprising were it otherwise, for in an atmosphere so saturated with the glories of a remote past artistic endeavour should surely find a soil specially favourable to it. Certainly it is a

known fact that surroundings affect the artist of whatever type, and so it doubtless comes that the work of the Palestine craftsmen is quite distinctive in type, attractive in appearance, and of a charm essentially its own.

Anything in the nature of a catalogue is tiresome, dull, tedious, and it is not proposed here to give a detailed survey of the lesser industries of Palestine. It must suffice to say that they include pottery and glass making, weaving, embroidery, jewellery, and stained glass window making. They cover, in fact, just the ground that might be expected in a country dependent on agriculture and largely devoid of natural resources. Jerusalem is the seat of the old pottery industry—probably the most ancient craft in the country—which, it is of interest to record, is to be found in the Via Dolorosa on what is supposed to be the site of the house of Pontius Pilate, hard by the Mosque of Omar. This pottery, which represents a revival of the old Persian ware, is notable in design, colouring, and in the fact that no two pieces are alike. It is impossible not to be impressed by the skill displayed in the floral and geometrical patterns; they are the product of leisure and inexhaustible patience, and would only be conceivable in a country where time is a consideration of no importance. The principal charm of this pottery lies in the colouring, in the deep, restful, fascinating blues and greens which make the pieces a delight to the eye. It is interesting to note that the work is done entirely by hand, and no mechanical process is employed apart from the potter's wheel.

The glassware of Hebron is noted for its beauty, delicacy of craftsmanship, and fascinating colouring. Glass making at Hebron was in existence before the time of the Romans, and it has been suggested that this ancient city was the original home of this industry, but there is no evidence to support this and in the circumstances there cannot be any. The glass is made by Arabs in that town, and the secret of its manufacture is known only to one Arab and his two sons. This industry has been peculiarly affected in recent years by external circumstances. Before the War it was beginning to be seriously influenced by competition, while the War brought the industry practically to a standstill. The glass is made in a beautiful blue tint, and in the same shapes as centuries ago. Another characteristic industry, that of the manufacture of mother-of-pearl objects, is almost too well known to need more

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than a passing reference. This industry is carried on in Bethlehem, and the large shells are brought from the Red Sea. The mother-of-pearl is made into necklaces, beads, bracelets, etc., and the finished articles are delightful examples of what can be done by the native craftsmen in this direction.

Weaving is another very old industry, for in the time of Christ eighty looms were working in the little town of Migdal in Galilee. It is still carried on as a cottage industry, providing an occupation for the natives during slack seasons. In spite of the primitive conditions the products are distinctly good. The manufactures include wraps, sweaters, and knitted ties. Of the relatively new arts and crafts of Palestine, mention must be made of the Yemenite silverwork. As the name suggests, this industry came to Palestine from the Yemen, and was installed in the country rather over twenty years ago, when a number of Jewish gold and silversmiths arrived from that region, though, as a matter of fact, some thirty years before some filigree workers came to Palestine. The filigree work now being produced can only be described as exquisite, and for sheer beauty of workmanship is unexcelled.

Another notable product of the country is olive soap. This was prominent among the Palestine exhibits at the British Empire Exhibition, and the demand for it was then considerable, which is not surprising, for it is a soap of

THE ZIONIST ORGANISATION.

THE Zionist Organisation in its present form came into being in 1897, when the first Zionist Congress was convened at Basle by Dr. Theodor Herzl, the founder of the Organisation. That year marked a turning-point in the history of the Jewish people. The Zionist idea was not new; the Jews had never given up the hope of returning to the land of their ancestors—a hope which helped them to preserve their national identity and to endure untold sufferings throughout the centuries. But the assembly at Basle converted pious wishes and passive hopes into an active and organised movement. The Basle Congress laid it down that "Zionism strives to create for the Jewish people a home in Palestine secured by public law." To this end, the Congress decided to promote, on suitable lines, the settlement of Palestine by Jewish agricultural and industrial workers, to organise the whole of Jewry and to strengthen the Jewish national sentiment and consciousness.

Since then the Zionist Organisation has become the largest and most representative body in Jewry, with branches in almost every country in the world. A powerful impetus was given to the movement by the Balfour Declaration of November 2, 1917, by which Great Britain



Some excellent examples of Jerusalem Pottery.

excellent quality and of a variety calculated specially to appeal to the ladies. There are in addition, of course, many other crafts ranging from the production of olive wood objects, etc., to such things as soya bean necklaces, fashioned as they have been made for centuries, and charms. These things only cover, it goes without saying, one of the two aspects of the traditional industries of Palestine. The other—the purely utilitarian—covers such objects as ploughs of the ancient type, carts, saddlery, and tents, and does not come within the purview of this article.

Sufficient has been said here to show something of the survival in Palestine of the spirit of the past in the shape of small industries which provide a link between ancient history and the modern period. In the new Palestine, now more truly a land of promise, as in the old, they will continue to play their part, and while their influence on economic developments may be small, they will none the less be valued as the arts that the centuries have handed down in a land of age-long tradition. It remains to add that those who wish to see something of the range of the crafts of Palestine should pay a visit to "Palestine Arts and Crafts" at 5, Harrington Road, South Kensington, S.W.7, where they will see a delightful display of the industries of the country, in particular of the pottery and glassware and mother-of-pearl objects. "Palestine Arts and Crafts," it may be recalled, was founded by Mrs. H. C. Kelly, M.B.E., who introduced Palestine pottery and glassware to Great Britain. About a year ago Mr. T. B. Bruton took over the enterprise, and considerably extended its scope, and his belief that there is room in this country for an enlarged range of Palestinian products has proved to be fully justified.

engaged herself to facilitate the establishment in Palestine of a national home for the Jewish people. This opened a new chapter in Zionism, and indeed, in Jewish history. The movement spread enormously, and since the War steady progress has been made both with the practical work of colonisation and with the development in Palestine of a distinctive and many-sided Jewish life. The main responsibility devolves upon the Zionist Organisation, which is recognised by the Mandate as the Jewish Agency, authorised to advise and co-operate with the Government in matters affecting the establishment of the Jewish national home. The financial burden is born by the Jews themselves, who have sunk about £10,000,000 in Palestine since the British Occupation.

The main financial instrument of the Zionist Organisation is the Palestine Foundation Fund (Keren Hayesod), which was formed in 1921. Up to November 30, 1926, its receipts reached a total of £2,692,550. The largest contributor is the Jewish community of the United States, but the Keren Hayesod has supporters throughout the world wherever Jews are to be found. Its activities embrace educational and medical work, the control of immigration, and—above all—agricultural colonisation, which accounted for nearly half its expenditure in the last financial year. The Jewish National Fund (known as the Keren Kayemeth) was founded twenty-five years ago for the purpose of acquiring land in Palestine as the inalienable property of the Jewish people. Two other institutions are the Jewish Colonial Trust, founded in 1899, with headquarters in London, and its subsidiary in Palestine, the Anglo-Palestine Company, which was founded in 1903, and has since played an important part in the economic development of the country."



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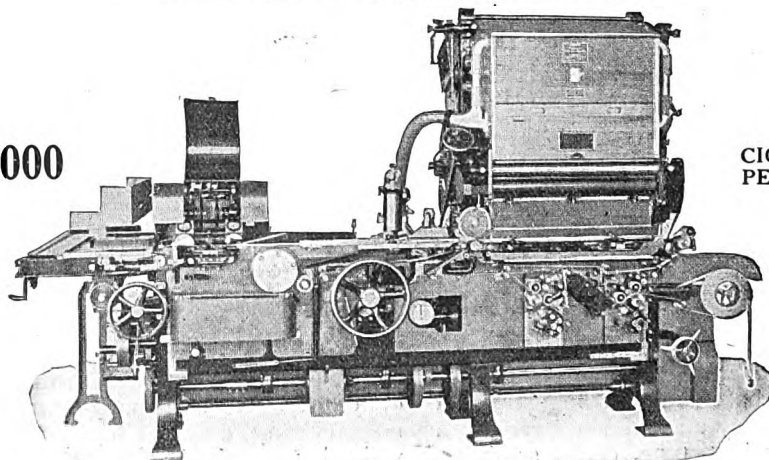


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THE history of the cultivation of tobacco in Palestine can be said to date only from 1921 when the Government abolished the monopoly. Under the Turks the crop could be grown only on a very small area, though during the War tobacco growing was permitted in the northern part of the country to supply the requirements of the Ottoman troops, and it is understood that considerable quantities were produced for this purpose. The abolition of the monopoly, which meant that there was no longer any restriction in the cultivation of, and trade in, tobacco, affected the country in two different ways. It gave a great stimulus to tobacco growing, and it further led to the development of cigarette manufacture in Palestine.

The rapid development of the cultivation of tobacco in the four seasons after the abolition of the monopoly is very striking. The enthusiasm for the crop can easily be understood, for tobacco is a popular and a remunerative branch of agriculture, and, as is well known, has proved a veritable boon to many Near Eastern countries; but it was eminently desirable that in Palestine there should be no undue haste to develop the cultivation of a this crop. Experience has shown that some districts in Palestine are very much more suitable for the crop than others. Then there is the question of the most suitable type, a consideration of vital consequence, and finally the very important matter of outlets for the tobacco, for it is of no use producing unlimited supplies of tobacco if there is no possibility of disposing of it profitably within a reasonable time. The result of the great increase in the production of tobacco was a crisis in 1924, in which year the output was roughly seven times the total for 1921. The following tables illustrate the position:

Year.	Area (In dunams*)	Production (in tons.)
1921	1,779	265
1922	4,832	694
1923	5,122	645
1924	27,137	1,845

* 1 Dunam = 1,099 sq. yds.

The effect was witnessed in 1925, when the area fell to 11,676 dunams, and the output was estimated at 678 tons. The main reason for the problem of over-production with which the industry has been faced is the fact that the country itself can only utilise so far limited supplies of the home-grown tobacco. It resolves itself into a question of the quality of the tobacco, and in the early years the crop produced was distinctly inferior to tobaccos produced elsewhere. Extensive experiments have been carried out with a view to determining the most suitable varieties of tobacco for the country, and it is significant that since 1921 the tendency has been for Turkish varieties to represent a constantly increasing percentage of the output. It is worth while giving the

figures. The crop of 1921 was composed entirely of the local "Baladi" types ("Baladi," it may be pointed out, is a coarse type of tobacco in favour with the fellaheen). In 1922 Turkish varieties represented 3 per cent., in 1923 14 per cent., in 1924 65½ per cent., and in 1925 80 per cent. Concurrently with the growth in favour of the Turkish varieties a tendency may be noted to develop the cultivation in the Northern District, where investigations have shown that a number of areas are suitable for Turkish tobaccos. Thus the crop of 1925 was mainly grown in the Northern District, the area under tobacco there being 8,599 dunams, and the output being 506 tons out of a total of 678 tons. The output in the chief regions in 1925 was: Acre, 198 tons and Semakh, 148 tons.

With the passing of 1924, the industry would appear to have survived its worst period. In that year the exports of tobacco in the form of uncut leaves amounted to only 43 tons of the value of £10,195. On the other hand, the internal consumption of manufactured and unmanufactured tobacco for 1924 was estimated at 600 tons. Between these totals and the output was a wide margin. The improvement which has taken place may be gauged from the fact that in May last year 178 tons of tobacco were exported of the value of £27,095. It will be noted that the average of the prices obtained is appreciably lower than in 1924, and that simply illustrates the difficulty in disposing of the tobacco at the present time. It would not have been easy in the last year or so to find a market even if the tobacco had been of the finest quality, for the world output of tobacco has been considerably above the visible requirements, and Bulgaria and Greece, to mention two outstanding cases, have found it essential to curtail production in order to dispose of the existing stock of tobacco. It is so much to the good that Palestine tobacco is now finding a modest market abroad. The future of the industry depends, as has been already pointed out, on quality. Given consistent production of a good Palestine tobacco there will be no difficulty in finding a market.

The abolition of the monopoly resulted in the opening of many cigarette factories in the country. At the beginning of 1924 there were over twenty factories in existence, and the number is tending to increase. A number of them are small concerns, but there are a few large factories, which are equipped with the most up-to-date cigarette-making machinery, the use of which, it is scarcely necessary to remark, has been the great factor in the advance of this industry. As in 1925, the value of the imports of cigarettes was £40,328, it will be realised that the industry has plenty of scope for development. It must, of course, provide the principal market for Palestine tobacco, and it is satisfactory to know that the percentage of this tobacco utilised has risen to 40.

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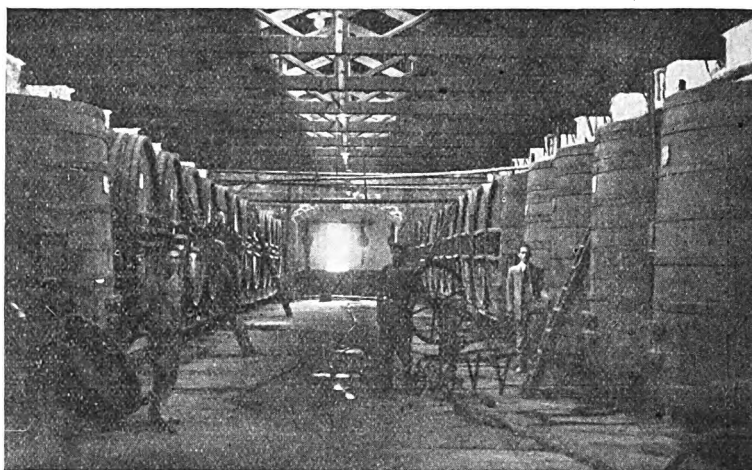
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Prominent Industries of Palestine

The Wine Industry



RISHON-LE-ZION: The Famous Cellars.

IN an age of which it would not be far from the truth to say that nothing succeeds but advertisement, it is perhaps not surprising that until the hoardings in Great Britain began to pay their tribute to the virtues of Palestinian wines, the ordinary citizen in this country scarcely associated Palestine with the wine industry. Wembley was a great educator in this respect, and it is probable that we are as yet very far from an adequate appreciation of all that the Exhibition silently accomplished in showing the potentialities of the various regions which were represented at it.

Actually, of course, the production of wines and spirits is one of considerable importance among the industries of Palestine. It does not yet bulk large in the export trade like the golden orange, it is true, but then the Jaffa orange is at present on a plane by itself among the country's industries, and while it has long been famous as a product of Palestine, the wine industry as it exists to-day dates back only a few decades. In view of that fact, it is significant that the value of the exports in 1925 was £E41,012, and that it ranked fourth in the list of exports.

The development of the industry, or, to be quite correct, its revival, dates back to 1882, when the colony of Rishon-le-Zion was established by Jewish colonists, and Baron Edmond de Rothschild, who was closely concerned in this undertaking, dispatched some experts to report on the possibilities of viticulture in Palestine. The prospects were favourably reported upon, and large acres of land round Rishon-le-Zion were planted with vines. Varieties of the best vines of other countries were grafted on American types, while in addition the best varieties of the vine in Spain were also introduced. It remained to be seen how the vines would do in the Palestine soil, and it may be said at once that the results have been fully in accordance with expectations. The grapes produced are of the finest quality, and it has been possible to make from them wines and spirits whose excellence is such that they are fully capable of holding their own in the world's markets.

The cultivation of the vine on an extensive scale naturally brought about an immediate demand for presses and other facilities for the manufacture of wines and spirits, and the construction of the vast cellars at Rishon-le-Zion was commenced. The cellars, a visit to which is a most interesting experience, are the largest in the Near East, and are regarded as being among the finest in any part of the world. The building itself has two storeys with an extensive cellar. The presses and the large vats for the fermentation of the wine are in the upper part of the building, while the lower storey contains receptacles to receive the wines after fermentation, each having a capacity of 100 to 125 hectolitres. The cellars contain upwards of 100 huge vats, each of which has a capacity of 300 hectolitres.

The cellars were under the control of Baron Rothschild

until 1911, but in that year their administration was handed over to the growers on the condition that a co-operative society was organised by them to look after their interests and the "Co-operative Society of Rishon-le-Zion and Zikhron Jacob Cellars" was the outcome. The society is administered by a council of ten, and the colonies controlled by it include Rishon-le-Zion, Rehoboth, and Zikhron-Jacob. Of these Rishon-le-Zion, as already pointed out, was established in 1882, when 3,300 dunams of land were acquired by ten colonists near Jaffa. It is strange to relate that for the first year the colonists devoted their attention wholly to cereals, and the fact that the crops were a failure doubtless made the pioneers very willing to turn to the cultivation of the vine instead, as offering a much more hopeful prospect of gaining an adequate return from the soil. The success of the experiment from the commencement led to the rapid extension of the area under cultivation, and while in the early years the colony concentrated on viticulture, it now possesses, in addition to great stretches of vines, large plantations of almond trees, to say nothing of orange groves and olive and other plantations. Of the two other colonies mentioned, Zikhron Jacob, which lies south of Haifa, dates from 1883, while Rehoboth, which is on the Haifa-Kantara railway, was established in 1890. The total area at Zikhron Jacob is about double that at Rishon-le-Zion, but only a fraction of it is devoted to viticulture, cereals, olive and almond tree plantations, etc., taking up the greater part of the area under cultivation. Both at Zikhron Jacob and at Rehoboth there are small wine presses. The area at Rehoboth is very similar to that at Rishon-le-Zion, and the only pronounced differences in cultivation at the two places is that at Rehoboth vines take second place to almond trees, while the orange groves are much more extensive.

It remains to say a few words with regard to some of the wines that are produced in Palestine. The industry has not yet, of course, distinguished itself by the production of a vintage that will name a year; it is too young for that, though it is a development, it may be hoped, of the future. But it does produce sound wines and spirits of a quality quite as good as the productions of the more famous wine producing countries. There is, for instance, a very excellent red wine which claims to be soft, with admirable bouquet, and deserves a high place among the clarets on the market. Another wine worthy of note is similar to a Sauterne, dry, and of a most delicate flavour. Then the port of Rishon-le-Zion is another wine which deserves well of the public. In addition to the wines mentioned, the productions of the industry include a sound sherry and a brandy of excellent quality. It may be mentioned that the sale of Palestine wines in Great Britain is in the hands of the Palestine Wine and Trading Co., Ltd., which trades under the name of "Palwin."

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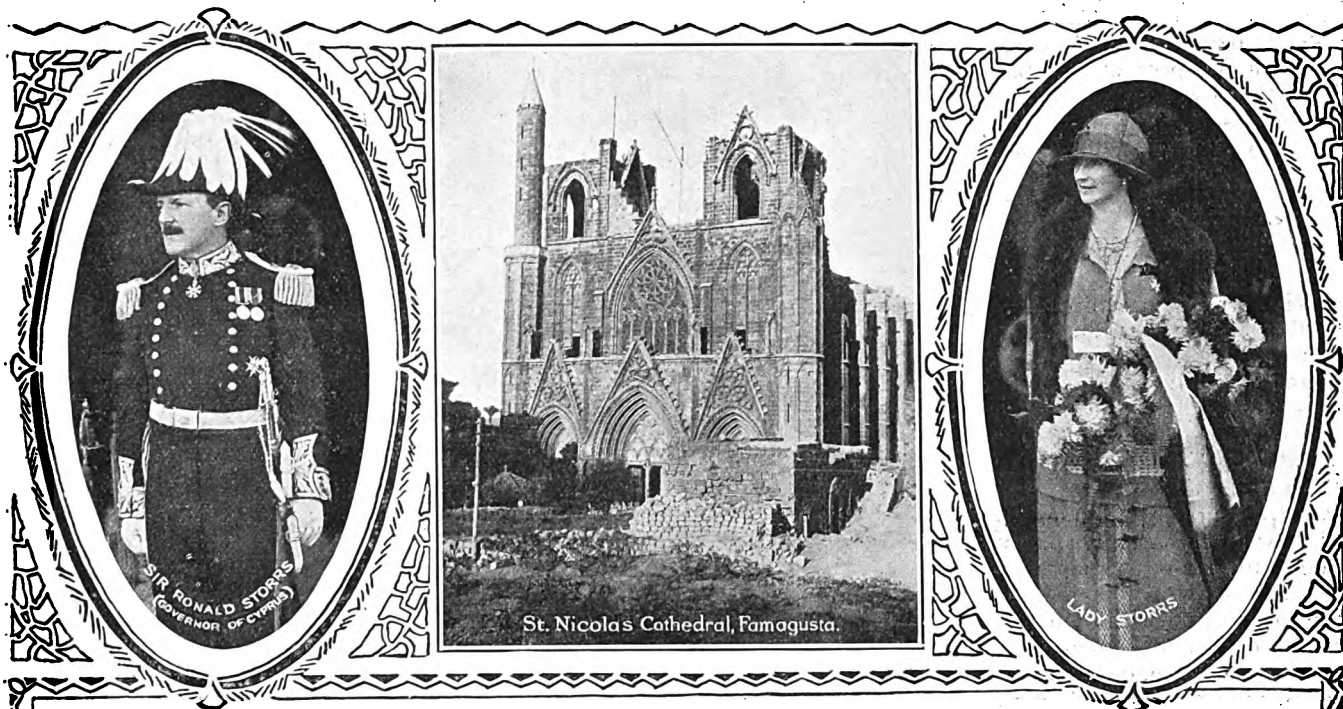
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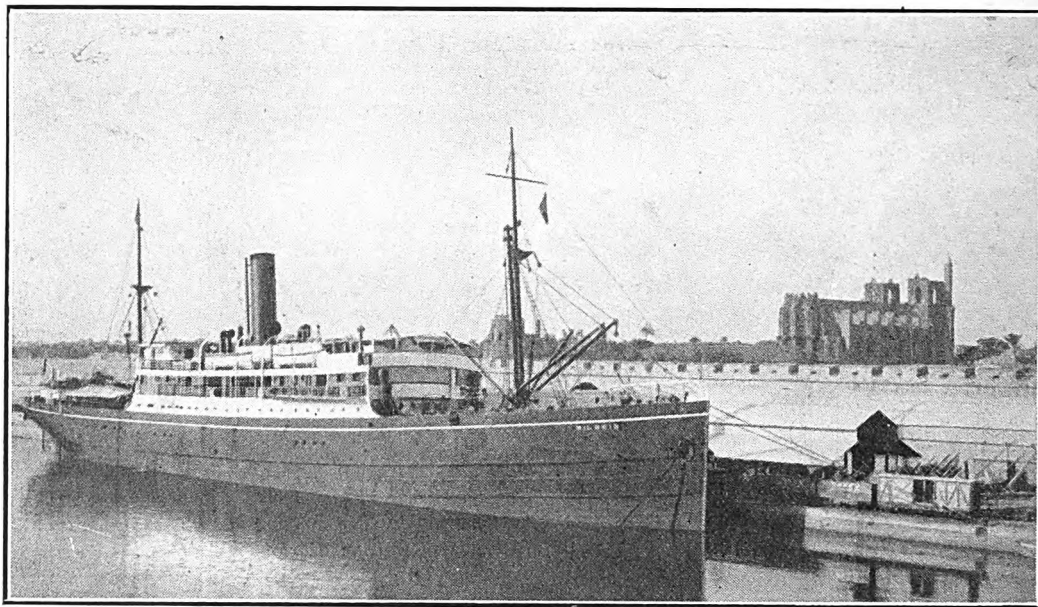
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History of the Island*

Definite history in Cyprus begins with the establishment of the first Egyptian dominion over the Island, *circa* 1450 B.C. Prior to this date our knowledge is largely derived from conjecture and legend. Of the aboriginal inhabitants few traces remain, although it is fairly clear from antiquarian research that the pre-Phœnician inhabitants were Aryans with a language, written as well as spoken, distinct from both Phœnician and Greek and resembling in its caligraphy the ancient Lycian alphabet. This pseudo-Lycian writing and the Phœnician existed side by side and both ultimately disappeared.

Greek settlers came in large numbers to Cyprus in these early days and seem to have fused so completely with the Aryan or pre-Aryan Cypriots as to be indistinguishable from them. The Phœnician colonisation is noteworthy in that it was the peaceful penetration of the trader rather than the descent of the conqueror, and their settlers seem to have had a ready welcome.

From the reign of Thotmes III. a succession of Phœnician, Assyrian and again Egyptian rulers held sway for some centuries, all leaving their imprint on the life and culture of the inhabitants. Some of them, like the Phœnicians, left their mark on the countryside in the shape of enormous slag-heaps, the *débris* of ancient mines.

Cyprus came under Persian domination in 525 B.C. Later, about 411 B.C., arose Evagoras, King of the coast settlement of ancient Salamis, who had been previously banished from Cyprus and for whom descent from Teucer is claimed on somewhat shadowy grounds. He it was who, himself a vassal of Persia, gave asylum to Greeks fugitive from ruined Athens and founded and fostered the Hellenic culture which has survived all the vicissitudes of the Island. From the time of his death, about 374 B.C., the old Cypriot inscriptions vanished from the coinage, giving place to Greek or Phœnician.

With Persia, Cyprus came into the all-conquering grasp of Alexander the Great. On his death in 323 B.C. it was allotted to Antigonos, one of his generals, but was recaptured for Egypt by the Ptolemaic dynasty in 296 B.C. While she herself remained neutral and to some extent a pawn in Near Eastern politics, the trading communities of Cyprus, and especially Salamis, destined afterwards to become the *Constantia* of the Romans with an *agora* claimed to be the largest in the world, profited by the demand for supplies from the neighbouring countries, then continually at war.

A Trading Centre.

"There is no surer test of the art and wealth of an age than its currency, and the later coins of Evagoras and those of Nicocles (*his successor*) are the finest which Cyprus produced. Their workmanship is in the best Greek

style, and the prevalence of statues in gold attests the general wealth of the population."

With brief interludes of re-conquest by Antigonos,, Cyprus remained Egyptian territory until about 58 B.C., when it became a Roman province. Towards the close of the fourth century A.D., on the partition of the Roman Empire, it was appropriated by the Byzantine emperors, who retained it, in the face of numerous Arab invasions, until 1184, when Isaac Comnenus, Governor of Tarsus, established himself as despot.

During the eight centuries of Byzantine rule Cyprus became a haven for refugees from religious persecution in neighbouring countries. Many of these were agriculturists and artisans and the Armenians and Syrians among them engaged in industry and trade. During this period the silkworm was introduced and with it the mulberry tree.

Following the defeat of Isaac Comnenus by Richard Cœur-de-Lion on his way to the Third Crusade, Cyprus became a British possession and remained so until sold by Richard to Guy de Lusignan, titular King of Jerusalem. It is here worthy of record that King Richard first disposed of the Island to the Knights Templar, but the Order found itself unable to spare men and money from its other activities for its upkeep and thus, by a series of fortuitous events, Cyprus was made a Latin kingdom and an outpost of Western chivalry.

A Period of Prosperity.

For three hundred years Lusignan kings ruled the Island, though the republic of Genoa held sway over portion of it for a considerable time. During these three centuries it was renowned, not only as a model of feudal administration, but as a country of vast wealth and magnificence. Its revenues were no longer strained by providing tribute payments to absentee sovereigns, but were utilised for the development of the arts and crafts. Great mediæval buildings, many of which remain to this day, survivors of earthquake and invasion, uprose at the bidding of its Latin kings. Scholars and soldiers flocked to this feudal Utopia. Agriculture flourished, though the once luxuriant forests were depleted to build ships. The country, indeed, appears to have been entirely self-supporting; even sufficient sugar cane, no longer an Island product, was grown to satisfy the needs of the inhabitants. Cyprus wines acquired a European reputation and the weaving of silk and velvet fabrics received new encouragement. Cotton, introduced during this period, became an important export.

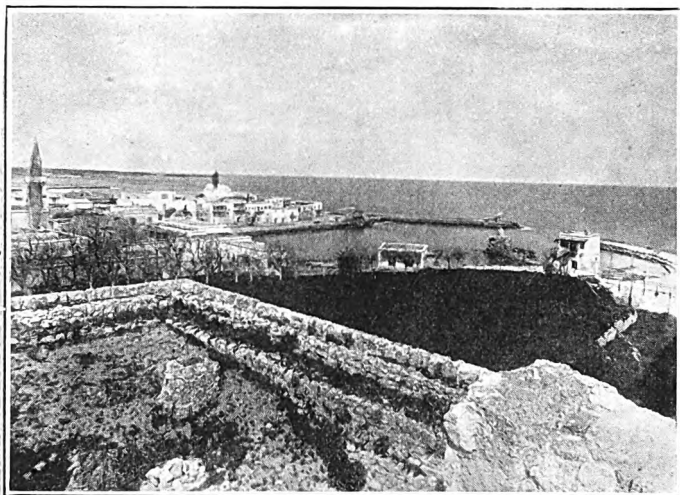
This apparent prosperity is remarkable when it is remembered that differences of religion and customs between the Frankish ruling caste and the Greek Orthodox populace fixed a great gulf between them.

* Abbreviated from Major W. H. Flinn's "Cyprus: Its History."

+ Hamilton Lang, "Cyprus," London, 1878, p. 119.

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Kyrenia.

In 1489 Cyprus came definitely under Venetian rule through the abdication of Catherine of Cornaro, a daughter of a wealthy citizen of Venice and widow of James II. of Cyprus, and once again its revenues went to fill the coffers of an alien race. Trade diminished and a military occupation supplanted the spacious Lusignan autocracy.

Gradually during Lusignan times the centre of the Island trade had moved westward, and Famagusta, from being the "Emporium of the East," sank to a mere fortified stronghold of the Serene Republic, while Larnaca came into prominence as the resort of those who bought and sold. This was not, however, the first appearance of Larnaca as the trading headquarters. Both it and Amathus, an ancient port near the modern Limassol, must have at one time been the channels for much of the commerce of the Island in Egyptian days. The latter was the shipping place through which the ores mined by the Phoenicians were exported.

The Coming of the Turks.

In 1571, after an arduous and protracted campaign, Cyprus was conquered by the Turks, who, then at the zenith of their power, were surging westward over the ruins of the Roman Empire. Henceforward, for three hundred years, its record is one of decline or of stagnation at best. Neglect and apathy paralysed the trade and agriculture established by the Lusignans and no attempt was made to revive the energies of the people, already moribund. The only industry which seems to have survived the general depression was cotton, 770,850 lb. of which were exported in 1871, but, for its production, the manufacture of olive oil, a necessity to every Cypriot, was largely abandoned. The forests were denuded, not wholly for the laudable object of shipbuilding, but for firewood, and no replanting was done; goats and sheep pursued their ravages unchecked and the way was paved to a gradual change in climate due to increasing drought, and to the now almost insurmountable problem of the irrigation of cultivable lands which is the unenviable inheritance of the Government of to-day. But little of the revenues were devoted to works of public utility and most of what remained after the payment of tribute to the Sublime Porte found its way to the pockets of the local officials.

On the final submission of Cyprus to the Turks, local governors were established in Famagusta and Paphos, and in Nicosia a Pasha of high rank was installed as Governor-General. A census of the population and property revealed that there were then 85,000 taxable inhabitants between the ages of 14 and 50, excluding women and children. Land and the power to alienate it was granted to these persons, and a poll tax and probably a religious tax were imposed. Slavery, from which the Island had not been free for centuries, was abolished and in general the coming of the Turks was hailed with pleasure by the Greek inhabitants. 20,000 Turks remained, more as settlers than as a garrison; the Island,

having been laid waste by war, being unable to bear the expense of maintaining a large and unproductive body of men.

The current of Turkish administration was disturbed at various times: by revolt of the Aghas in 1680, by the assassination by an infuriated mob of a Governor in 1764 and by the frequent outbursts of disaffection due mainly to grievances against taxation.

Writing in 1788 the Archimandrite Kyprianos says:—"... the Island pays yearly and inevitably to its masters more than it paid under the Venetians. Yet it is scourged by locusts and often wasted by drought: it is deficient in the inhabitants, farmers, artisans and merchants, adequate to its extent, and necessary for the development of its soil. As regards its administration, ... if anyone would compare the conduct of the former authorities, albeit Christians, with that of the rulers of to-day, conquerors and aliens in faith and race, he would find both equally oppressive to the people under them."

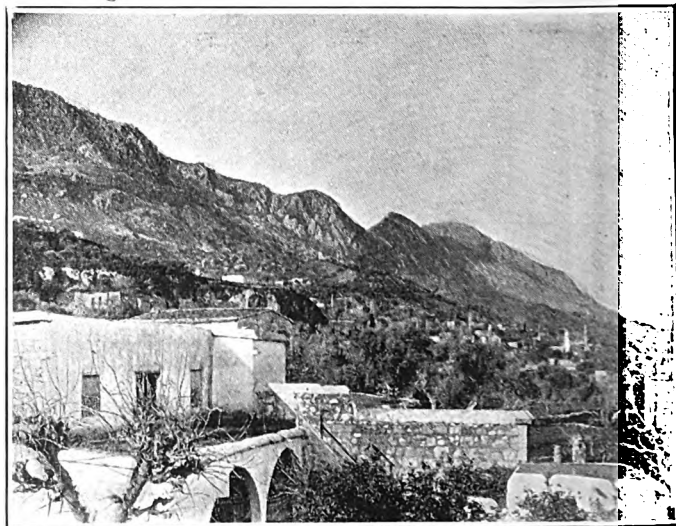
From the concluding portion of this extract it is evident that the historian had forgotten the undoubted liberty restored to the Church by the Turks on their arrival and the general tolerance extended to the Orthodox Christians which in time brought their prelates into the position of chief advisers to the Government. Under Lusignan and Venetian rule the Orthodox Greek Church had been completely subordinated to the Latin Archbishop and compelled to acknowledge him as its ecclesiastical chief. Even until after the assumption of the title of Caliph by the head of the house of Osman the absence of religious bigotry was a characteristic of Moslem rule.

The facts, based on the testimony of unbiased observers, are that it was through the agency of the bishops that the Turkish Governor was enabled to collect his taxes from the Greek Orthodox inhabitants. The latter, whose numbers and tax-paying capabilities were known only to their clergy, paid what sums were demanded of them and the bishops in turn satisfied the rapacity of the Government. So long as the administrator of Cyprus was not in receipt of a fixed salary, but permitted to extort what taxes he could, so long this practice continued; it flourished indeed, until the beginning of the nineteenth century.

Their knowledge of the country and of its inhabitants and their usefulness as tax gatherers made the bishops indispensable to the Turkish rulers. So great was the power ultimately acquired by them that the growing discontent of the Turkish people culminated in the political massacre of 1821.*

In 1821 the opportunity arose, through the outbreak of the Greek War of Independence, to weaken the ecclesiastical influence on the pretext that Turkish rule was endangered by allowing potential, if not actual,

* There had previously been a rising against the hierarchy in 1804 which, strangely enough, was suppressed by the arrival of Turkish troops from Asia Minor at the request of the bishops, who paid for them largely by loans from the Foreign Consuls; soon afterwards the bishops had recovered their prestige, if not their freedom from debt.



The Mountains behind Kyrenia, as seen from Lapithos.

sympathisers with Hellenism to exercise so much power. Accordingly, having obtained the tacit consent of the Grand Vizier, Kutchuk Mehmed, the Governor of Cyprus, arrested the Archbishop and other prelates who were subsequently assassinated. Shortly afterwards many of the leading Greeks were put to death in the palace precincts and the throwing of their bodies into the street started a general massacre of the Orthodox. These events ended the political influence of the bishops.

From the time of the accession of Abdul Mejid the Island entered upon a phase of tranquillity and, in theory at any rate, good government. A memorial of greeting* prepared by the Greek-Christian community in 1859 for presentation to the Sultan gives a fair idea of the conditions of life and the grievances of the people. While somewhat fulsome in its tributes to the recipients, it calls attention to the uncombated locust plagues, to the lack of Government measures to oppose the spread of vine and silkworm disease and to the rapacity of certain tax-collectors.

The British Occupation.

The Russo-Turkish War of 1877-8 led, by the "Convention of Defensive Alliance" between Great Britain and Turkey, to the occupation and administration of Cyprus by England "in order to enable England to make the necessary provision for executing her engagements," which were, in certain eventualities, to assist the Sultan in defending his Asiatic possessions. Under an annexe to the Convention certain rights appertaining to the Sher' or Moslem religious courts, the administration of property, etc., in the hands of Evkaf or the Board of Pious Foundations (a Turkish synonym for mortmain) and the power to alienate Crown and State lands were reserved to Turkey, and an annual payment, based on the average excess of revenue over expenditure, was fixed as a contribution by England to the Porte. Two supplementary agreements gave power to the English administration to make laws for the government of the Island and fixed an annual payment of £5,000 to the Porte in commutation of the rights of sale and lease over Crown and State lands. The Convention was terminable, should Russia restore certain Turkish possessions then in her hands.

On July 12, 1878, Vice-Admiral Lord John Hay, who had arrived off Cyprus some days previously, hoisted the British flag at Nicosia, the capital of the Island, and took over the administration from Bessim Pasha, the last Turkish Governor. Ten days later Sir Garnet Wolseley landed at Larnaca and became the first High Commissioner and Commander-in-Chief.

In 1880 Cyprus was transferred to the sphere of the Colonial Office.

Though the Turks did nothing to increase Cyprus trade, it must be admitted that they did not deliberately hamper the exertions of the foreign commercial community, who, moreover, benefited by the Capitulations until the cession of 1878, when their disappearance removed the disability under which the native merchants had been at a disadvantage compared with the "Frankish" settlers.

The taxes imposed from time to time, uncertain in their amount and incidence, varying with each new and often fantastic notion of state finance and levied almost entirely on the agriculturist, did not encourage prosperity or thrift.

Larnaca continued to be the chief port and the residence of the Consuls, as it is to this day. Here also were established the Commercial Tribunal and the head offices of the Customs, Quarantine and Sanitary Departments.

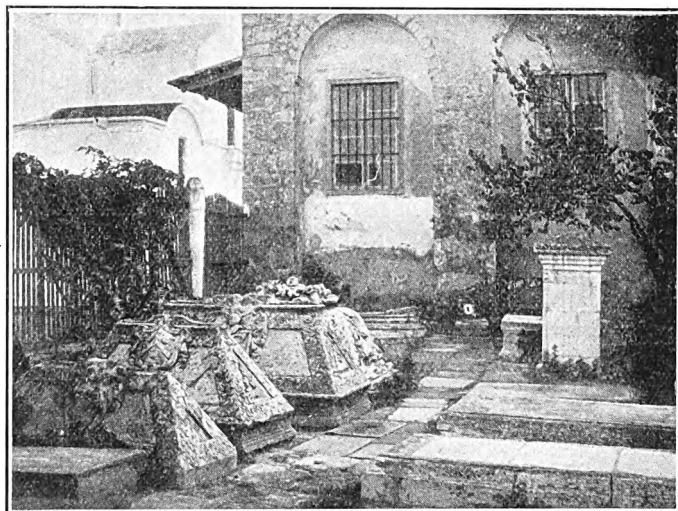
The first mention of a British Consulate in Cyprus occurs in 1626, but Consular records are very incomplete prior to 1750 and, these and Kyprianos' history, published in Venice in 1788, excepted, there is no early source of information now available but travellers' tales of not unimpeachable veracity.

British trade with Cyprus during the years 1581 to 1825 was represented first by the Turkey Company and later by the Levant Chartered Companies of London

merchants. The latter Company appointed and paid the British Consuls during these years and looked after the welfare of British subjects in general and British merchants in particular. They took charge of the provisioning of such British vessels as put in to the ports and amongst them, it is worthy of record, one or two of Nelson's ships then operating against Napoleonic designs in Egypt.

"The English Levant Company was the pioneer of all the great undertakings associated with British Colonial enterprise and development. It preceded by twenty years the formation and incorporation of the first East India Company, and may perhaps be considered the parent of that mighty undertaking. The English merchants whose bones lie in the little cemetery of Larnaca were representatives of commercial interest of considerable importance in Cyprus during the seventeenth century, and serve as interesting historical links in the succession of events leading up to the present British occupation of the Island.

"In the older 'Factories' of the Levant Company stringent regulations were enforced for the orderly life of the merchants constituting the community. In addition to the elaborate regulations affecting the transaction of business, nature of exports and imports, terms of credit, etc., each member of the factory was bound to conform to the religion of the Church of England, and in any case



[Photograph by Mantovani Tourist Agency.]

Graves of Members of the English Levant Company, at Larnaca.

he was not permitted to attend to secular affairs on Sundays, nor during the preachings on fast-days."

Annexation.

On November 5, 1914, when Turkey ranged herself against the Allies in the Great War, Cyprus was formally annexed to Great Britain by Imperial Order-in-Council. No changes were made in the administration, and matters in the Island went on much as before; the Turkish population loyally stood by their new country and accepted the turn of events with Oriental placidity.

One of the most important results of the Annexation was that it conferred British nationality on Ottoman subjects then resident in or temporarily absent from Cyprus. Provision was also made for the retention of Ottoman nationality by such persons as did not desire to become British subjects, and for the acquisition of British nationality by persons born in Cyprus but not ordinarily resident there at the date of the Annexation.

In 1925 a further step was taken and the Island was declared a Crown Colony.

Freed from the uncertainty which so long clouded the future of Cyprus, the administration is now in a position to feel that its work will endure and that every endeavour to improve is a step further along the road leading to the solidarity of the Empire. But there is still hesitancy on the part of investors to sink their capital in an Island whose past has been subject to so many turns of the wheel of fortune.

* cf. H. C. Luke, "Cyprus under the Turks," Oxford, 1921.

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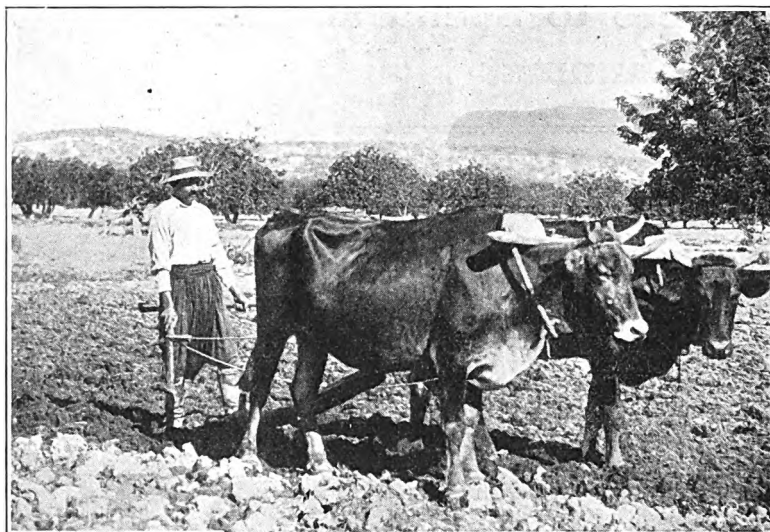
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Agriculture in Cyprus



Cyprus is eminently an agricultural country, and the land provides a livelihood for a large majority of the people. For the most part the peasant cultivates his own land; but both the leasehold system, entailing the payment of a fixed rent, and a system of partnership, in which one partner supplies the land or stock and the other the labour, also exist. The number of large landowners is not great.

Among the chief products of the land are cotton, barley, wheat, oats, carobs, flax, grapes, olives, oranges, tobacco, fruits and vegetables. From the fourteenth to the sixteenth century the sugar cane was cultivated in sufficient quantities for the needs of the inhabitants. The carob, or locust tree, grows wild, but all cultivated trees are grafted; the fruit, in the form of a pod containing from six to ten beans, is exported mainly to England, France and Egypt, for cattle food and for use in the preparation of sweets. Olive trees are both wild and cultivated. Silkworm-rearing is an important industry, the white mulberry tree being grown for the purpose.

Cotton Cultivation.

Cyprus has been famous since the days of antiquity for its cotton production and its cotton fabrics. In its suitability for the cotton plant the soil is, in fact, equal to, if not better than, that of Egypt.

The area under cotton cultivation—both dry and wet cotton—in 1925-6 was 10,500 acres, and the production 1,328,122 lb. as compared with an average for the five years, 1921-25, of 6,100 acres and a production of 830,000 lb.

The available area for cotton may be estimated up to 50,000 acres, the only drawback which hampers the extension of cultivation, and affects also a great deal the annual production as well as the quality, being the lack of water for proper irrigation.

In old days there was only one variety of cotton grown in Cyprus, *Gossypium herbaceum*, which still exists in the Island in very limited areas, where it is grown as a perennial plant. The life of this cotton extends up to 15 years, the plant being cut back every year. This variety has now, however, been displaced by the American varieties, which are giving very good results. The following American varieties have been tried from time to time:—Triumph, Durango, Allens' Long Staple, Sea Island, Mebane, Culpeper, Griffin's Sunbeam, Simpkins, Peterkin, Fruitt's, New Orleans, Webber, Brown Hartsville, Acala, Long Star, etc. The cotton now produced in the Island is thus a mixture of the above varieties, in which predominate the Sea Island, New Orleans, Allens' Long Staple, and Triumph.

The following Egyptian varieties have also been tried:—Sakellaridis, Zagora, Pilion, and Assili.

The best results are obtained from Sakellaridis. This shows clearly that the cultivation of Sakellaridis is worth consideration, provided that arrangements are made to sell the cotton produced at better prices and that the cotton is marked as Sakellaridis and not mixed with other varieties, as has happened in the past. Although the production of Sakellaridis is less than the production of the American varieties, the higher price obtained compensates the grower. Encouragement of cotton cultivation in Cyprus requires on the one hand the improvement of the water-supply for irrigation purposes and on the other hand the scientific grading of the cotton produced.

Orange Growing.

The cultivation of oranges in Cyprus is not of very long standing. During the occupation of the Island by the Turks, and at a time not much prior to the British occupation, citrus trees generally were very rare; oranges were imported from Palestine and sour pomegranates or unripe grapes were used for cooking purposes instead of the juice of lemons.

The cultivation of citrus trees began after the British occupation. Lemons were at first the most favoured, as there was at that time a great demand for them in Russia, Roumania, etc.—a trade in which merchants from Greece acted as middlemen. The cultivation of lemons, however, has since fallen off, owing to attacks of scale pest, which caused most of the lemon plantations to be uprooted, and secondly as a result of the low prices realised by lemons in recent years.

Considerable impetus has now been given to the cultivation of oranges. Thousands of trees are planted out every year, and there is not the least doubt that orange growing will soon become one of the leading industries of the Island. The fruit is not only of very good size, but possesses an excellent flavour.

The further cultivation of orange trees would be helped considerably by better transport facilities with overseas markets and by the erection of factories in the Island to utilise bitter oranges for marmalade, and lemons for lemonades, etc., the present price of lemons being as low as from 2s. to 3s. per 1,000. A start has been made in the preparation of lemon-oil and citrate of lime, and there is every prospect of a development of these industries.

The extension of orange cultivation depends upon the amount of available water for summer irrigation, and thus upon the development of irrigation schemes.

All trees belonging to the *Hesperideæ* do very well in the Island. At present bitter and sweet oranges, mandarins, and lemons are the leading citrus plants cultivated.

Citron trees were cultivated some years ago at Akanthou, where fruits of immense size used to be produced. These have now disappeared as a result of scale disease.

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The production of citrus fruits during the years 1921-25 was as follows (total numbers):—

	Oranges.	Lemons.	Mandarins.
1921 ...	2,323,904	15,880,630	10,395,735
1922 ...	25,377,560	15,391,778	1,439,410
1923 ...	20,058,400	9,590,460	936,361
1924 ...	25,968,355	10,293,975	1,570,600
1925 ...	23,081,580	11,852,526	963,850

The leading varieties of sweet oranges grown in Cyprus are the Jaffa and the round orange.

Out of the Jaffa variety there has been created, through soil and climatic conditions, two distinct sub-varieties, the Famagusta orange of larger size with a thick, rough skin, and the Levka orange of smaller size, with a smooth, thin skin. The former, being cultivated in the Famagusta district, ripens earlier and is the first to be exported from the Island, while the Levka variety ripens later and keeps for a long time during the summer season.

With good direct communication with England and proper packing, Cyprus oranges and mandarins would be among the best on the English market.

Flax.

The cultivation of flax (*Linum usitatissimum* Linn) in Cyprus can be traced to the oldest times, but until recent days no fibre was exported and therefore little was known about it.

The Cyprus flax belongs to the Mediterranean variety, to the species *macrosporea* and may be classed botanically as an *intermedium* between the European long fibre flax and the Asiatic shrub flax.

Two distinct varieties can, however, easily be recognised; the Messaoria and the Morphou. Both are indigenous to the Mediterranean seaboard, and belong to the species "*macrospereae grandiflorae*," but whilst the Morphou is a very typical *intermedium* approaching sometimes the *elongatae*, "*Messaoria*" is nearer the *brevimulticaules* and never approaches the *elongatae* although single plants may reach the height of 40 cm.

The tillering does not appear to be a varietal characteristic, although it is frequent. A varietal characteristic is the large seed capsule; this contains 6 to 9 grains, and the average number of capsules per stem is 9 to 11; as many plants have 4 or 5 tillers, the aggregate number of seed capsules per plant frequently amounts to 50. Plants with as many as 15 tillers are not rare.

The diameter of the dry straw for "*Messaoria*" is round about 2 m.m.; for "*Morphou*" 0.8 m.m., the length is 40 and 65 cm. respectively.

The percentage of fibre is round about 16 per cent. long fibre and 8 per cent. tow.

The grain is of a light brown colour, flat, plump and of large size. One gram "*Messaoria*" contains 100 grains, one gram of "*Morphou*" 80 grains.

The chemical analysis of the "*Morphou*" variety shows that 100 grams air-dry seed contain: moisture 8.05 per cent.; oil 45.70 per cent.; albumina 27.53 per cent.; carbohydrates 6.67 per cent.; woody fibre 6.60 per cent.; ash 4.45 per cent. The "*Messaoria*" variety contains usually 2 per cent. oil less.

The fibre is very strong, although usually pretty hard, if compared with Belgian flax; the degree of softness appears to be in direct proportion to the number of waterings. All the flax is sown as winter crop; the time of sowing is November; in Morphou district all the flax gets at least one or two waterings; in the Messaoria it is dependent solely upon the rain.

In the Messaoria, the straw is abandoned altogether; in Morphou it is water-retted and worked as a home industry into a 30 or 40 leas yarn, which forms the basis of the beautiful "*Levaritika*" embroideries. The tow is worked into cord, sacks and saddlebags of great durability. Until 1924 only small quantities of half-worked straw used to be exported to Turkey, from 500 to 1,000 cwt. per annum.

In 1924, under the auspices of Government, a modern scutching plant was established in the Morphou District; the fibre produced here was well appreciated on the Dundee market, and prices up to £130 per ton were realized.

In the following year, two more factories were built by private enterprise, and large plantations were laid out; in the Paphos District these are extending every year.

Experiments were made with Belgian seed; this was proved to grow well and to give good results; but it was found to have no drought resistance whatever, and under failing irrigation large crops were lost.

The highest percentage of fibre in relation to dry straw was found to be 22 in long fibre and 5 per cent. in tow. The yield in dry straw at its best was found to be 2 tons per acre, and the highest yield in fibre (long) has been 7 cwt. per acre.

The flax industry is well capable of development; 114 tons of long fibre and tow have been exported in 1925 at an average price of £100 per ton; the figure of 500 tons per annum should be reached shortly. Most of the land in Cyprus is suitable for flax, and flax is a very safe and remunerative crop. The difficulty lies in the transport, which compels all the flax growers in the Messaoria simply to abandon all the straw on the field; only the seed being made use of.

The Wine and Brandy Industry.

Cyprus wines may be said to have been famous for all time, for their praises have been sung through the ages by the early Greek authors as well as by the poets of later days. According to an old French belief the champagne of France owes its origin to Cyprus. Cuttings of the best vines of Olympus were brought as an offering to the Count of Champagne, and, as they multiplied on the chalky cliffs of the Marne, gave the wine of champagne to France.* A less fortunate result of the fame attained by Cypriot wine—the Comanderia produced from vineyards which once were part of the Grand Commandery of the Knights of St. John in Cyprus—may be found in the circumstance that Sultan Selim the Sot was so enamoured of it that he "determined to annexe to his dominions a land which produced so magnificent a beverage, and in 1570 dispatched an expedition to Cyprus," which fell under his sway.

The chief wine-growing regions are Kalochorio, Zoolpighi, Trimiklini, Lania, Ayios Mamas, Kapilio, in the Limassol district, and the Siroumbi region in the Paphos district. The wines of these centres possess the necessary flavour, bouquet and finesse which render them, when matured, comparable with the better known European wines.

The best table wines of the Island are:—Comanderia, prepared from half-sundried grapes, resembling the best Spanish, Portuguese and Sicilian dessert wines; a kind of port wine without any additional alcohol in it; and Xynisteri, a white wine, particularly the wine of the Kalochorio-Zoolpighi region, which will stand comparison with French and Italian wines.

Recent years have witnessed an increased willingness on the part of cultivators to adopt improved methods of viticulture, and to seek the advice of the Agricultural Department with a view to the manufacture of wines of pure and standard quality suitable for export to countries outside the Levant. Several companies at Peraedhi have made a start with wine-making on an industrial basis and are meeting with success. One company in particular is paying special attention to the production of wine for export, and has introduced up-to-date machinery for the handling of large quantities of grapes.

The production of brandy is also a flourishing industry. One of the notable results of the Cyprus Pavilion at Wembley was to call attention to the superior quality of Cyprus brandy, which was found to be able to hold its own with the better French cognac. The oldest established firm at Limassol is that of Messrs. C. Haggipavlu and Sons, who in addition to being the recipients of a number of the highest awards and of medals at international exhibitions have secured a contract for the supply of brandy to the British Army.

The Silk Industry

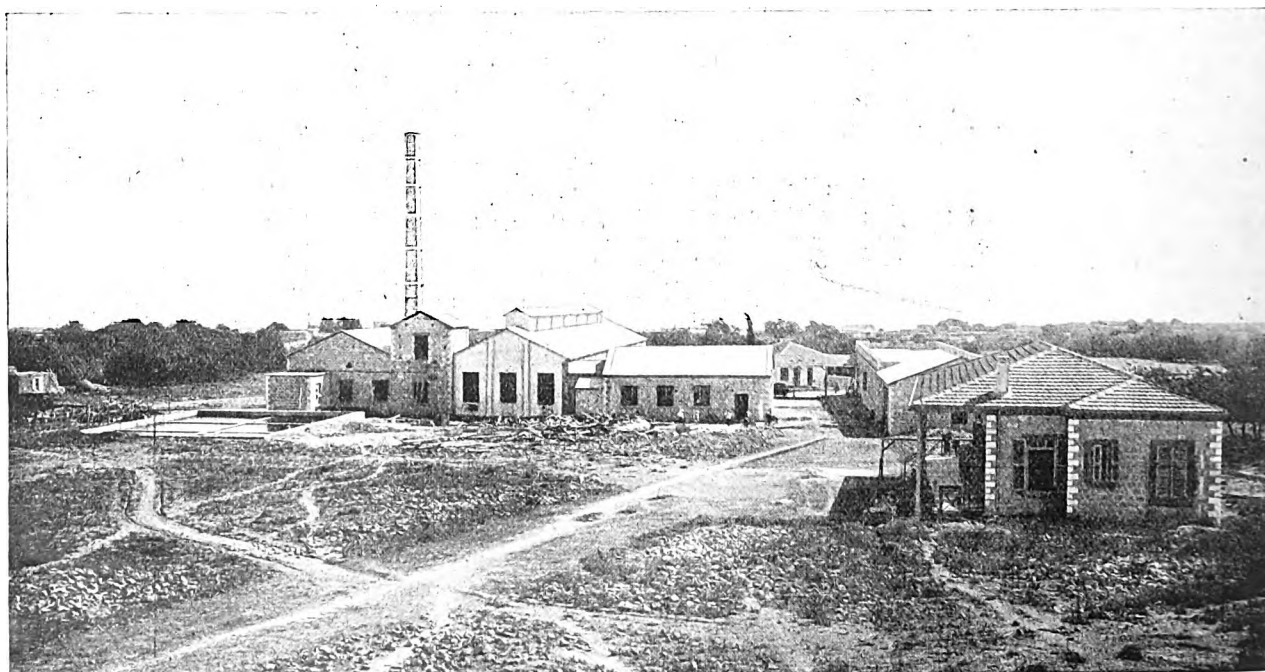
The Cyprus silk industry is one which seems to hold out special prospects. Silkworm weaving has long been an important industry in the Island, but the development on up-to-date lines of a native silk industry is a new development. The Imperial Institute Advisory Committee on Silk Production came to the conclusion in 1916 that the Island would afford promising scope for this industry. Steps were taken with the assistance of the Cyprus Department of Agriculture to obtain all the necessary information with regard to the position. It was found that the peasants were producing cocoons in small quantities, that the cocoons were collected by local merchants and prepared for export, and that the industry was very far from being a remunerative one for the peasants, with the result that its condition was not satisfactory. There was a keen demand for Cyprus cocoons in France and Italy, but they were simply merged in the general silk production of these countries and the Island received no special credit for them. The Committee, therefore, decided to experiment with the reeling of Cyprus cocoons in order to establish their value for anyone desirous of undertaking silk weaving. Arrangements were made for cocoons to be reeled in France, and the resultant raw silk was distributed among various members of the Committee for throwing and weaving trials, and the waste silk produced was spun by another member. The results of these trials were entirely satisfactory. It was found that Cyprus silk had special characteristics of its own, and that a first-class grade of thread could be obtained from the Island cocoons. During the experiments, which, it may be pointed out, lasted over a term of years, Queen Mary chanced to make one of her visits to the Imperial Institute, and saw an exceptionally fine piece of damask which had been woven from Cyprus silk, and Her Majesty commanded that some damask should be specially woven from Cyprus cocoons for one of the State Rooms at Buckingham Palace. This act duly became known in the Island, and had the very satisfactory effect of concentrating attention on the silk industry.

The next step was for some organisation to interest itself in, and develop, the industry, and a firm which for many years had been engaged in the reeling of raw silk took up the matter, and after prolonged negotiations a

representative was sent out to investigate the question on the spot, and, following a favourable report, arrangements were made to establish an up-to-date silk filature in the Island. The site for the filature was chosen in June, 1925, and the following month saw the work begun, and on March 25, 1926, the filature commenced operations. It had, in short, taken a little over eight months to erect the group of buildings and to import and erect the machinery required. The buildings, it may be added *en passant*, provided a good illustration of Cypriot masonry. The reeling hall—the principal building—is 180 feet long, 33 ft. wide, and 16 ft. high to the eaves, and provides ample accommodation for the 150 workers occupied in reeling silk. The buildings also contain a room for the examination of the silk, an office and cocoon issuing room, an engine room and boiler house, and an accumulator room. There are further a store 200 ft. long constructed of stone with a cement floor and a roof of reinforced concrete for storing the cocoons, a reservoir with a capacity of 150,000 gallons, a shed for the dryer and three dwellings for the manager and his staff.

The filature is situated at Yeroskipos, or Hieroskepos, (the Sacred Garden), about three miles from the port of Paphos. The district of Paphos, it may be pointed out, produces about half the total of Cyprus cocoons, and there is an ample water supply at Hieroskepos; the water is of a quality excellent for silk reeling, so that it will be seen that there are considerable advantages in the site chosen to set against the distance of 45 miles that the filature is from Limassol, the principal port of the Island. The filature was formally opened on May 24, 1926 (a day most appropriately chosen for the purpose) by the then Governor, Sir Malcolm Stevenson, K.C.M.G., who had done much to further this important development for the Island, as he was convinced that the establishment of the filature would give a great stimulus to the cocoon industry and would be of lasting benefit to the peasants. While it is too soon yet to be dogmatic on the subject there is every reason to hope that the enterprise at Paphos will lead to marked and continued progress in one of the most promising of the Island's industries.

The silk industry of Cyprus is described by Mr. Norman Breton, M.B.E., in an article in the *Bulletin of the Imperial Institute* in the following words:—

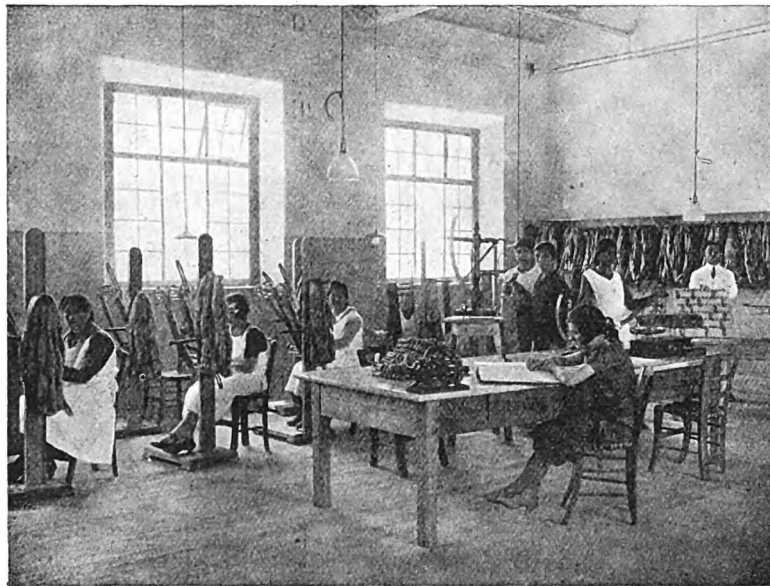


Cyprus Silk Filature.
Overseer's house in right foreground, beyond the Drying Shed and Cotton Store (flat-roofed). In centre Reservoir, Boiler House, Reeling Hall and Silk Examining Room.

Cocoon raising is essentially a cottage industry. It is difficult to carry it on by one firm under the mass production principle owing to the enormous space required by the silkworms during the feeding period. The production of cocoons, therefore, is best left to the peasant, who raises a small quantity and devotes a room or two in his own house to the worms. It is only necessary to state that about 8,000 peasants would be engaged in producing sufficient cocoons for one average-sized filature to give an idea of the space required to feed the worms for such a production.

The peasant procures for himself a quantity of silkworm eggs. According to the number of mulberry trees he possesses he buys anything from $\frac{1}{4}$ oz. to 2 oz. These eggs, called technically "seed,"

feeding lasts about 42 days, but during that time the worms pass through four periods of sleep lasting 24 hours each. During this time the skin of the worm cracks and when the creature wakes up it is able to shed the old skin and continue with a new skin which Nature has provided. The importance of the regularity of hatching out, mentioned above, now becomes apparent. The worms hatched out the same day all sleep at the same time, and during that period do not require nourishment. If, however, the hatching out is irregular, sleeping and active worms are mixed up, with the risk either of a waste of mulberry leaf, or of malnutrition of the active worms. It must be remembered the worms will not touch faded leaves; the latter must be quite green and fresh. After the fourth



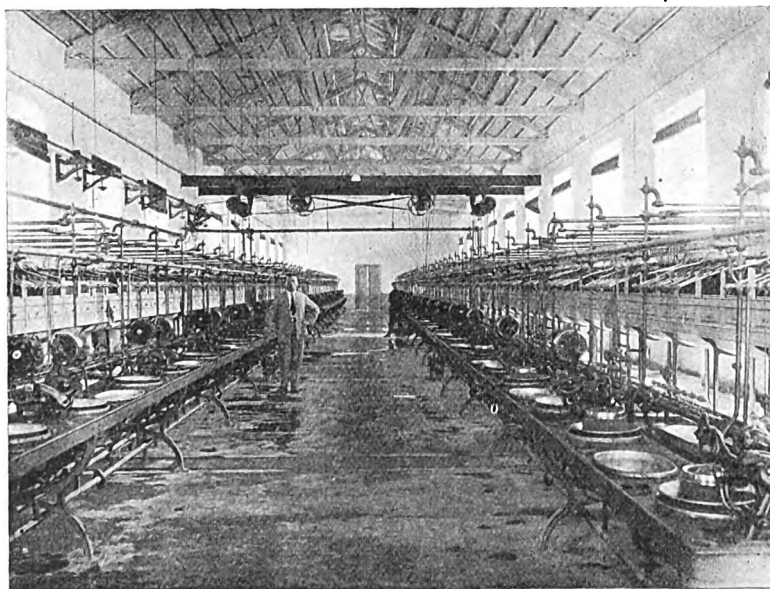
Examining Room.

are either produced locally by experts engaged in this special business or are imported from France or Italy. The seed, as it will now be called, is microscopically examined for the detection of any of the diseases to which silkworms are prone. If, during examination, disease manifests itself, all the seed from that particular lot is destroyed, as strict Government regulations exist to prevent the sale of disease-infected seed.

As soon as the mulberry trees begin to show signs of budding, the peasant starts to incubate the seed. In Cyprus this is mainly done in the primitive fashion by imparting to the seed the necessary heat by contact with the human body, with the result that incubation is

sleep, the worms, which have grown to about $1\frac{1}{2}$ in. in length, and in girth about the size of an ordinary penholder, start their great and final feed. It is calculated that in the ten days concerned they consume about twenty times their own weight of leaves and they grow rapidly to the size of a little finger.

The peasant must now provide the structure on which the worms can spin their cocoons. This consists of "bushes" of scrub-oak or other many-branched shrub which are placed vertically on the shelves on which the worms have hitherto spent their lives. Obedient to the dictates of Nature, the worms, now replete with glutinous fibre, mount up into the bushes and proceed to spin the



Reeling Hall.

irregular and unduly protracted. Simple incubators are in use in Europe which make incubation regular and the eggs all hatch out together, which is a great advantage, as will be seen later. This is one improvement that the establishment of the Filature in Cyprus may bring in its train.

The seed has now become thousands of minute worms which require nourishment. Young and tender mulberry leaves are collected and chopped to the fineness of mint in mint-sauce. This pulp is spread lightly over the worms and is consumed. After three or four days the worms are sufficiently grown to be able to consume whole young leaves, and from this time onwards their powers of consumption run parallel with the maturity of the mulberry. The

cocoons around themselves. After eight or nine days, the bushes are removed and the cocoons collected and placed in baskets. The peasant takes them to market and sells them to the highest bidder, and with that ends the peasant's share in the industry. Here, again, the importance of an even incubation may be seen, for if the hatch-out was irregular, some worms would be ready to spin before others and the peasant would run the risk of taking down the bushes before all the worms had completed their spinning. This would mean cocoons of inferior quality. On the other hand, he dare not wait more than eight or nine days, otherwise the chrysalis, as the worm has now become, will complete its stage and change into a moth,

(Continued on page xxii.)

The Forests of Cyprus

From the earliest times the forests were renowned, as they covered nearly the whole Island, so much so that tracts of land equal to the area cleared were granted to individuals who undertook the cutting down of the trees and the cultivation of this land with agricultural crops.

Such a mode of procedure may have been admissible in the times of the Ptolemys, 300 years before the Christian era, but its continuance from those early days through the centuries, for supplying Lusignans, Venetians, and finally the Turks with timber requirements until 1878, has meant the ruin of the Island. Now even after a painful process of demarcation, survey, and protection, the 400,000 acres of scanty forests still have to struggle against the browsing and trampling of 35,000 goats and nearly as many other animals, including sheep.

At the present day there are three large areas of forests in the Adelphi, Troodos, and Paphos mountainous tracts towards the south-west of the Island. Here even the Cyprus cedar (*Cedrus brevifolia*) flourishes, encircled by lower mountains and hills covered with Aleppo pine. In the narrow northern Kyrenia range of mountains, a mixed forest of cypress and pine extends along the crest of the sharp and broken ridges from Korno in the west to the original Mount Olympus in the east, a distance of



[Photograph by Mr. A. H. Unwin.
Mature Troodos Pines, with self-sown seedlings and young trees of the same species.

about fifty miles. Other smaller areas, such as Akamas in the south-western corner of the Island, Kormakiti in the north-west, Akrotiri, the most southern, Ayia Napa in the south-eastern extremity and the detached forests of the Karpass in the east are nearly all of inferior quality, though just as necessary for the conservation of the scanty rainfall and consequently small water supply.

During the last forty-eight years, since the enactment of the first forest law in 1879, steps have been taken to preserve the forests, but the time has been all too short to repair the accumulating damage of centuries. During this period more than £822,000 has been spent on the management, replanting, and improvement of the forests, and no less a sum than £640,000 has been drawn as income from them. It is estimated that there is now a stock of 90,000,000 cubic feet of pine timber, worth about £2,500,000, which has been largely created by the cumulative effect of the net investment of about £150,000 in the management of the forests. Without the grazing damage going on year in year out it is certain that at least double the amount of growth would have taken place, and nearly double the income would have been obtained.

For over thirty years the Government has established a gradually increasing number of timber stores in the towns and villages with a view to supplying the peasants

with timber for cash, instead of their having to resort to borrowing from moneylenders at exorbitant rates of interest, mostly in kind (carobs, olives, grain, etc.).

At eight sawmills situated in widely separated localities in the Paphos, Troodos, and Adelphi forests, as well as at Nicosia, the damaged, dead, over-old or mature trees are converted into planks, boards, or scantlings by contractors of the Forest Department, and are subsequently transported and sold at the 54 timber stores.

Every year in November an exhibition of all forest products, including timber, wooden implements, articles, seeds, and plants is held in Nicosia for the purpose of inviting attention to the value of the forests and the need for preserving them, especially for their value as recreational resorts.

During the last few years forest roads wide enough for the ordinary motor car have been made into the Kartal Dagh Forest, 2,500 ft. above sea-level, fourteen miles from Nicosia, and partly through the Paphos Forest from the northern to the southern side. On both these routes, as well as on the main roads round Troodos, some of the finest scenery in the Island is to be encountered. Glimpses of the deep blue Mediterranean alternate with cool groves of cedar, pine, or evergreen oak. The roads pass along rocky precipices to emerge on to gentle slopes, thickly covered with light green Aleppo pines of all sizes.

Occasionally the shy moufflon may be seen, but unfortunately this charming member of the sheep family is being ousted by the very hardy, almost "wild," goat, whose unwelcome presence has to be tolerated, browsing in the forest, for the time being.

In the valleys plane, alder, oak, bay, laurel, and myrtle cluster together in thickets, giving the forest a darker green amongst the pines, though lighter than the evergreen dwarf oaks.

For a tour in the forests, partly by motor and partly on foot, at least a month is required, though in less time some of the finest mountain and forest scenery can be reached. A few foresters' huts are situated in some of the more distant forests. Armed with a permit from the Forest Department (to occupy a room), it is possible, if desired, to spend a night far away in the heart of the forest.

Although the plantations and forests occupy only 18 per cent. of the land area of Cyprus, yet in varied and differing character as to elevation, species, and climate they present many distinctive features compared with European forests, as also with those of the tropics. Although pine and cypress trees predominate, yet acacia may be seen in plantations, whilst eucalyptus, cypress and Persian lilac may be noticed on the roadsides.

A. H. UNWIN, Principal Forest Officer.

CYPRUS CHAMBER OF COMMERCE.

The lack of a Chamber of Commerce in the Island has been a handicap to business enterprise in the past. This shortcoming was remedied this year when a Chamber of Commerce was established at Nicosia, a development which was greatly furthered by the sympathetic interest taken in the enterprise by H.E. the Governor and by the help which he provided in overcoming difficulties. The Chamber follows closely on the lines of the other Chambers of Commerce in the various parts of the Empire, and the objects in view are the same. The number of members so far enrolled is more than was anticipated, and it is hoped that traders in England and elsewhere who have, or are desirous of developing, business relations with Cyprus will support the Chamber by becoming subscribers. The subscription is £1 per annum which is a very modest sum to pay for the protection and assistance which the Chamber can offer business men and firms dealing with the Island.

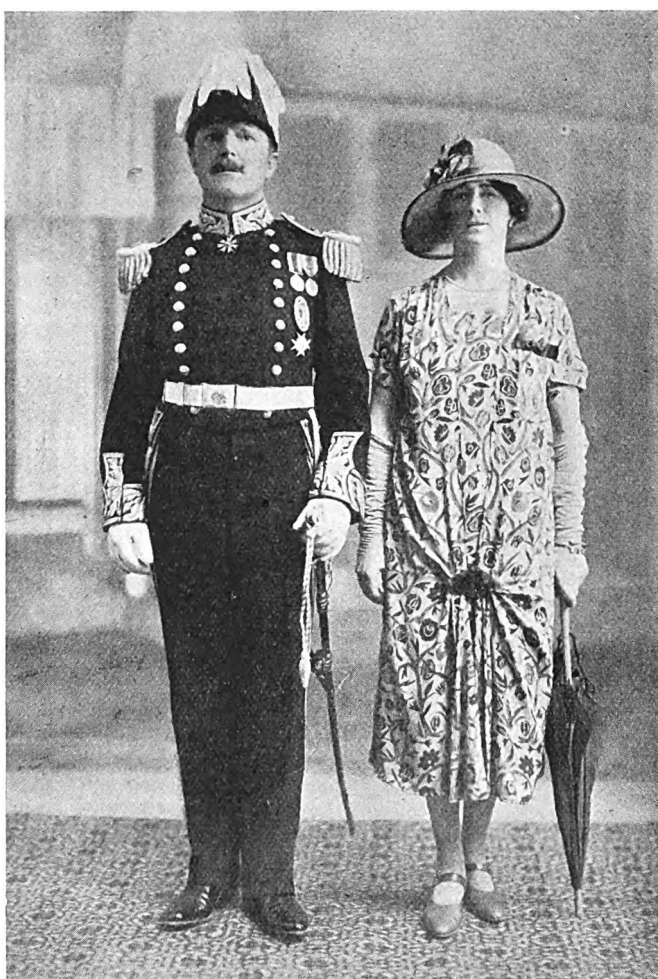
The Cyprus Jubilee

1878—1928

Next year fifty years will have passed since, by an arrangement with Turkey, Cyprus was occupied (although not until Turkey in 1914 declared war against us annexed) by Great Britain. Until the final incorporation of the Island in the British Empire as a Crown Colony Cyprus was administered by British High Commissioners, of whom the first was Sir Garnet Wolseley, afterwards Field-Marshal Lord Wolseley. In 1925 Cyprus received the name and status of a Colony, and the office of Governor of the Colony was constituted in place of that of High Commissioner, the reading and proclamation of the Letters

are rumours of an open Golf Tournament for the Near East on the 18-hole links of Nicosia, of two special Race Meetings to which entries from Egypt, Palestine and Syria will be admitted, and of an Agricultural Show on a large scale.

At least one new hotel should have come into existence in the Island well before the various events take place. They are being planned for Spring and Eastertide, 1928, by which time special road maps will have been issued for the thousand miles of "motorable" roads on the Island, and signposts will have been erected where most needed.



Sir Ronald Storrs, C.M.G., C.B.E. Governor and Commander-in-Chief of Cyprus, and Lady Storrs.

Patent being made the occasion of a public ceremony conducted on May 1 in the Konak Square in Nicosia. The High Commissioner, Sir Malcolm Stevenson, became Governor for the remainder of his period of office, and was succeeded by Sir Ronald Storrs, who was appointed Governor and Commander-in-Chief of Cyprus in 1926.

It is the intention of the Cyprus Government to commemorate the Jubilee of the British Occupation by a series of celebrations, the object and, it is hoped, the result of which will be to link the destinies of the Island more closely to those of the outer world. A special coin will be struck and a stamp issued of ten denominations, roughly illustrative of the long and varied history of Cyprus, will be published for a strictly limited period, on the expiry of which all remaining specimens will be destroyed. There

H.E. THE GOVERNOR OF CYPRUS.

Sir Ronald Storrs, who was nominated Governor of Cyprus in 1926, was Oriental Secretary to the British Agency in Egypt from 1909 until the Great War. After service with the Anglo-French Political Mission, Egyptian Expeditionary Force, in 1917, and the Mission in Baghdad and Mesopotamia, Brigadier-General Storrs was appointed Military Governor of Jerusalem, becoming subsequently Civil Governor—a post that he held until his appointment to Cyprus. Sir Ronald Storrs is a Knight of Grace of the Order of St. John of Jerusalem. He married in 1923 Mrs. Louisa Lucy Clowes, widow of Lt.-Colonel H. Clowes and daughter of the late Rear-Admiral the Hon. Algernon Littleton.

The Cyprus Museum

The Cyprus Museum had its beginning in the first years of the British occupation of the Island, but it was not until 1905 that a grant of money was obtained from Government for the construction of a special building, which was erected in memory of Queen Victoria. The Museum has been added to from time to time, and assumed its present proportions in 1924. Mr. Menelaos Murkides, the present Curator, was appointed Assistant to the Museum in October, 1909. He subsequently proceeded to Oxford, where he obtained the Diploma of Classical Archæology, and after a further period of study in the British Museum and in the chief museums of Europe he returned to Cyprus in December, 1911, and took over the post of Keeper of the Museum and Secretary to the Museum Committee. The classification, arrangement, and exhibition of the objects in the Museum were begun by him immediately, and are still in progress.

The vast collection of pottery, greatly enriched by excavations, purchases from private collections, and donations, is exhibited in six consecutive rooms of the South Wing according to chronological order.

The Early Bronze Age and Middle Bronze Age pottery



[Photograph by Mantovani Tourist Agency.]

The Cyprus Museum, Nicosia.

is in the first room. The red-polished fabric is richly represented by large jugs, amphoræ, and bowls from the Early Bronze Age, most of which were found in excavations at Lapethos, Arpera and Kadydata by the Keeper of the Museum. The incised red-polished ware is comprehensively represented by a variety of specimens exhibited in five wall cases. The characteristic fabrics of the Middle Bronze Age are fully represented in this room, e.g., the White painted ware with the variety with lustrous paint, the Red-slip, and the Black-slip ware, with its variety with red paintings.

The Late Bronze Age pottery is shown in the second room, i.e., the White-slip, the Base-ring, and the Cypro-Mycenæan ware. In the central cases are shown the minor fabrics, the bucchero ware, the black-punctured ware, the red wheel-made ware, the red flasks, the ox-vases, the stone mortars, the alabastra and the rare vases of fayence. A wall case contains a large tomb excavated by the Keeper at Arpera in 1914. Next to it are the vases and potsherds with Cypro-Minoan inscriptions, the forerunners of the later Cypriot syllabic writing.

The Early Iron age is represented in the third room. In the first two cases are the black bucchero ware and the White-painted of the Transitional period, and in the other cases specimens of the Geometrical period. There is an excellent collection of Plate with ornamented rims, notable for their variety and richness of design.

In the fourth room are to be found the geometrical red

ware with their rich ornamentation of concentric circles. The Cypriot Kylikes with various rich ornaments and the barrel-shaped vase peculiar to Cyprus are also shown in that room.

The fifth room is devoted to the pottery of the Greek period. The black-figured, red-figured, and plain-black Attic vases, imported in olden times from Athens and found now in the tombs chiefly of Polistes Chrysochous, the site of ancient Marion, are arranged in a central case. Contemporary with these vases is a special Cypriot fabric of vases with a spout in the shape of a small vase or bull's head held by a female figure standing on the shoulder of the vase. Some other vases with floral designs and red-ware with anthemia of the Greek period are also displayed in the same room. Conspicuous among them is a vase bearing a Hathor's head painted on its shoulder.

The red Hellenistic vases and the glass vases of the Ptolemaic and Græco-Roman period are in the sixth room. The glass vases, with their variety of colours and their bright iridescence, form an almost unique collection.

The first room of the North Wing at the entrance is the Terra-cotta room, where in the first wall case are shown the flat prehistoric figurines of the Middle Bronze Age. Then come the figurines of the Late Bronze Age with their more anthropomorphic form, their bird noses, and big ears with ear-rings, representing the mother-goddess. In the adjacent small case are the Mycenæan figurines similar to those found all over the Mycenæan world. The Early Iron Age is represented by votaries coming to the Temple with their offerings, by musicians playing to the god, by warriors, water-carriers, and horsemen. Some groups of subjects from daily life, for instance, grinding corn and ring dances, are among the rarities of the collection. Then come a series of statuettes and statues showing Egyptian and Assyrian influence, among which mention must be made of a colossal terra-cotta statue. Among the statuettes is a series of heads and statuettes bearing a ring at the nose. The collection ends with heads of statues and statuettes showing Greek and Roman influence and a group of fine terra-cotta figurines similar to the terra-cotta figures.

The next room is devoted to relics of the Bronze Age—daggers, knives, axes, spear-heads, pins, needles, and tools (including a saw) exhibited in chronological order. There are also tripods and vases of the Late Bronze Age and several vases and tools of later periods and a collection of bronze mirrors. Safety pins of the Early Iron Age and bronze and iron strigils of a later period are shown in central glass-topped cases.

Two collections of sculptures are in the third room of the North Wing, the one found at Lepkoniko by Professor Myers in 1913 and the other found by the Keeper at Arsos in a temple of Aphrodite Golgia in 1917. Both are arranged in chronological order from the 17th century down to Roman times, and form a valuable series among the Museum exhibits.

In the fourth room is the fine statue of Aphrodite in marble of the Hellenistic period, found at Soloi, and a statue of the Sleeping Eros found at Paphos. Cypriot capitals with papyrus and lotus flowers and volutes, which might be regarded as the prototypes of Ionic capitals, stand in the three corners of the room, while in the fourth is a fine stela.

The Museum possesses also a special gold room, in which are the gold ornaments of all periods. Worthy of note are the gold and enamelled sceptre of the Mycenæan period or of the 7th century B.C., and the gold necklace found at Arsos by the Keeper in the excavations of 1917. In the same room are five of the famous discs of Lampousa, similar to those acquired by the late Mr. Pierpont Morgan, also valuable Byzantine pearl ear-rings and a rare collection of bracelets, ear-rings, rings, and necklaces of several periods.

Cyprus as a Tourist Resort

Cyprus has many attractions for the visitor. Perhaps its greatest charm, next to its scenery and its architecture, is that it still remains almost unknown to the ordinary tourist and has not so far, like its neighbours of Palestine and Egypt, been invaded by hordes of tourists. It is easy to reach, whether from Palestine, Syria or Egypt, and there are occasional boats from Athens and Constantinople. Its hotels, though not luxurious, are clean and inexpensive, and the capital, Nicosia, is an excellent

picturesque in their decay, full of villagers in their quaint costumes leading in camels and donkeys, bearing the produce of their gardens, to the mediæval doorways and Venetian Coats-of-Arms which, walking through the town, one finds at many an unexpected corner. But it is impossible in the space of so short an article to mention all the historical monuments in Nicosia, still less of the Island itself. Many interesting expeditions can be made from Nicosia through fields red with tulips and anemones to the villages with their quaint churches often dating from Byzantine times or else built on the site of a mediæval church and containing the tombstone of some member of a noble house of aristocracy which flourished under the Lusignan dynasty.

Kyrenia.

There is the Abbey of Bella Paise, five miles east of Kyrenia, one of the finest Gothic buildings in the Levant, the refectory still as perfect as at the time when it was built. The castle of Kyrenia commands the tiny harbour of that town; its deep dungeons must have witnessed many a dark deed in the days gone by. High up on the hills which tower above Kyrenia stands the castle of St. Hilarion, its ruined towers appearing more like the castle of a fairy story than a royal residence, more like an eagle's eyrie than the habitation of man.

Limassol and Larnaca.

In the south of the Island are the towns of Limassol and Larnaca. The former holds a special interest, for here on May 12, 1191, was Richard Cœur-de-Lion married to Berengaria of Navarre, and here on the same day was she crowned Queen by John, Bishop of Evreux. The very chapel where these historic events took place is still extant and can be seen by the visitor to the old fort now occupied by the Police. Larnaca, one of the most important harbours of the Island, contains the Church of St. Lazarus, with its cenotaph shown as the tomb of the Saint, whose remains were transferred to Constantinople and afterwards to Marseilles.

The space at our disposal is too restricted to describe one-tenth of the interesting places on the Island, nearly all of which can be visited by car, for there are nearly



[Photograph by Mantovani Tourist Agency..]

Larnaca: Old Quarter.

centre for making expeditions all over the Island. The climate is dry and healthy. In the summer the plains are apt to be hot, but at Platres on Mount Troodos at an altitude of 4,000 ft. the air, laden with the scent of the pine trees, is bracing, and there are excellent hotels. To those interested in antiquities Cyprus will make a very special appeal, with its memories of all the ages. It was at Paphos that Ægean civilization was first planted; here are the ruins of the great temple of Aphrodite, and here it was that St. Paul converted Sergius Paulus, and Elymas the Sorcerer was struck blind. In its mediæval buildings Cyprus is particularly rich.

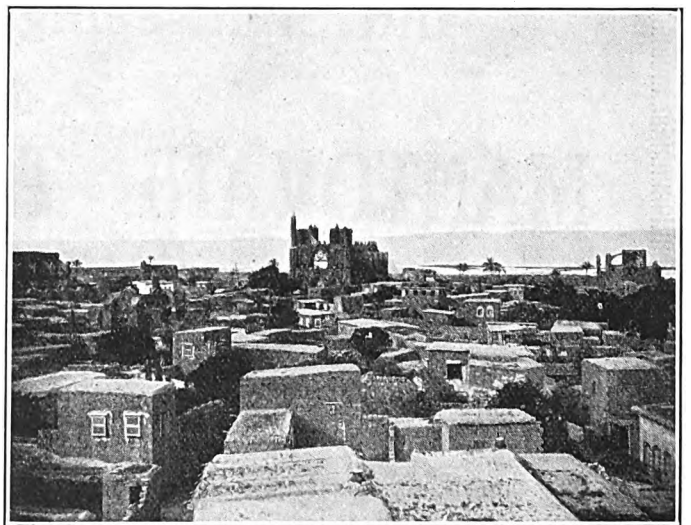
Famagusta.

The first view of Famagusta from the sea is a sight not easily forgotten, with its walls and ruined churches, walls still nearly as perfect as on that fateful day in August, 1571, when the brave Bragadino was forced to yield the city to the all-conquering Turk and himself went to meet a martyr's death. Towering above the walls the visitor on the ship can descry the Cathedral, a gem of Gothic art, with the incongruous minarets added after the conquest. Built about 1300, it is worthy to rank with the great Gothic Cathedrals of France and of our own country.

A walk round the walls of Famagusta, in places twenty feet thick, will give a good idea what a mediæval fortress was like; but the builders of Port Said have, like vandals, quarried the stones of its building to erect their own town, so that to-day inside the walls of Famagusta the ruins of churches and palaces lie like the ribs of camels dead on a caravan route in the desert.

The Capital.

A railway runs to Nicosia, the capital, still encircled by its Venetian-Turkish walls. Its greatest monument, the Cathedral of St. Sophia, is now a mosque, but was once the glory of the Latin East. Begun about 1200, it undoubtedly owes much of its beauty to the artists and architects who came in the train of St. Louis, when he visited the Island. The town itself is full of many a monument worthy of a visit. From the Khans,



Famagusta. In the centre the Cathedral of St. Nicholas, now a Mosque.

a thousand miles of good motor roads in Cyprus. Those who may wish to know more about Cyprus are advised to read "The Historic Monuments of Cyprus" by Mr. Jeffery, and with that book in one's hand and with the sunny wealth of Cyprus one of the most delightful holidays it is possible to imagine can be spent in the still unspoilt Island of Venus.

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Mining in Cyprus

There is ample evidence that the Island formed a very considerable source of supply of minerals—principally copper—in Roman, and even in Phœnician times. Documentary proof exists that Cyprus was visited as early as in the days of the Emperor Marcus Aurelius; in the year 166, by an eminent Roman doctor, whose description of the mines and their workings is of interest both to mining men and to doctors. Mining activities, which had been on a fairly large scale were suppressed for some reason, and it is only within the last 20 years that any attempt seems to have been made to revive them. Since then two large mines have been developed, and other prospecting areas show such signs of promise that in 1925 the Government added a new post of Inspector of Mines to the existing administrative machinery of the Island.

It became evident at once that the geology and minerals of Cyprus are not only interesting in themselves, but likely to prove of some importance. No systematic geological survey of the Island has ever been made, neither have its mineral resources been thoroughly investigated. Its mining laws proved to be antiquated, and a thorough revision will be necessary to bring them up to the standard of modern mining practice. As a preliminary to this step the Mines Regulations of 1926 were issued to govern the working of the larger mines, and definite steps are now being taken to bring the mining laws of the Island into harmony with those of other parts of the Empire.

Mining Leases.

Prospecting permits are issued for a period of 12 months, with an extension of a further 6 months, provided that the holders show reasonable endeavour to open up their areas. At the end of 1926 there were 33 permits in force.

Mining leases are granted for any period up to 99 years, but usually for 50 years. There are at present nine leases in existence, the principal ones being:—

A.—The Cyprus Asbestos Company: Two leases in the Troodos State Forest.

For 21 years, since 1906, asbestos has been mined by this Company and its predecessors, the total production during this period being approximately 25,000 tons. Latterly the Cyprus Asbestos Company has carried out development work on a large scale, and the estimated production for the year 1927 is 12,000 tons, representing a value of about £250,000, which would place this product at the head of the list of all products exported from the Island.

There are altogether 8 mills in operation, on the most modern and up-to-date lines. The fibre is of good quality and is in great demand from all parts of the world, including Japan and Australia. Operations in the quarries are carried out on a large scale, and over 1,000,000 tons of rock will be mined during 1927. Some idea of the extent of these quarries may be gathered from the fact that 25 miles of light railway track is in operation for the purpose of transporting rock to waste and ore to mills. The Company give employment to about 1,200 workers during the winter and about 6,000 during the summer.

The mine is connected to the port of Limassol by a bi-cable ropeway, the distance being about 18½ miles. The time taken for goods transported between the mine and Limassol occupies 2 hours 50 minutes. The central power station supplying power to the mills, etc., consists of four 330KW sets and one 85KW. The whole operation of quarrying, extracting the fibre, and delivering the finished product to the port of Limassol, occupies only a few hours.

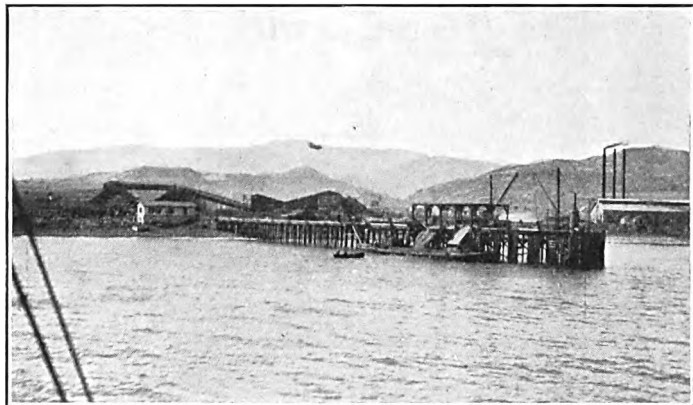
The supply of asbestos-bearing rock on the area worked by this Company may be assumed to be inexhaustible, and there seems to be every probability of the production of asbestos being increased year by year, as the quarries are developed, and that the economic posi-

tion of the Island will be correspondingly improved.

B.—The Cyprus Mines Corporation: Two leases, one at Skouriotissa and one at Mavrovouni, near the village of Levka in the Nicosia District.

At several places in Cyprus there are slag dumps indicating the sites of ancient mines, but as these mines had not been worked for about 1,500 years the location of the ore, if any remained, was not easy to determine. After some work by the more common methods of small shafts and adits, the plan was adopted of prospecting systematically by churn-drills. This proved the solution of the problem, both for discovering the lost ore-body and also its extent and value. The first drill was put in operation in the year 1914 and eight holes were bored before ore was discovered. Altogether forty-five drill-holes were put down at Skouriotissa. This work was completed in 1919.

In January 1922 the first train of ore left the mine in 14 five-ton cars (drawn by a Baldwin Locomotive imported by the Cyprus Mines Corporation) for Morphou, from whence it was hauled over the Cyprus Government Railway to Famagusta for shipment to Europe. About 1,200 tons of ore were stored there and shipped in two cargoes in May and September 1922 to England, after which all shipments have been made from Morphou Bay. The first steamer taking ore from the Pendayia jetty, Morphou Bay, was loaded in April 1922. This cargo consisted of



Xero Jetty. Crushing and Screening Plant and Ore Storage Sheds in centre and Power Plant in right middle distance.

4,643 tons. Up to date over 600,000 tons of ore have been shipped.

For the transport of the ore from the mine at Skouriotissa to the port at Pandayia, a 2 ft. gauge railway was built. The grading and bridges and culverts were completed by August 1919, and the tract was finished early the following year. The loading jetty at Pandayia was also finished early in 1920. In order to classify and crush the ore to the various sizes required a crushing and screening plant was built at Skouriotissa. This was completed during the last months of 1925. In the following February, it was burned to the ground. It was found more convenient to build a new one at Xero, as this would make it more convenient for loading ore at the new jetty situated near Karavostassi and completed late in 1926. This new jetty was built, at a cost of £10,000, in order to give better protection for loading ore; it has increased capacity and improved loading features as compared with the jetty at Pandayia. The new crushing and screening plant was completed in March 1927. This plant has a capacity of 1,200 tons per day, and it includes a storing shed with a capacity to hold 50,000 tons of ore.

The Corporation generates its own electric power, a power plant having been built at Xero during 1924 and 1925. Extensions have been added during 1926. At present it is equipped with 1,000 h.p. coal-fired boilers, and with condensing uniflow steam engines driving electric generators. The power is stepped up to 11,000 volts by a bank of transformers for transmission to the

mine, about eight miles distant, where it is stepped down to the desired voltage.

A modern and quite extensive hospital was built near Pendayia in 1924 and a fully qualified medical officer engaged from England. The Corporation has enlarged its shops greatly during 1926 and now has a well equipped machine shop, blacksmith's shop, carpenter's shop and foundry at Skouriotissa. In order to ventilate the working places in the mine a number of new blowers were installed in 1926 and more are being installed at the present time. By the end of 1927, the blower capacity will exceed 300,000 cubic feet of air per minute.

C.—*The Cyprus Sulphur and Copper Co., Ltd.* holds one mining lease at Lymni, Polis, Paphos District.

Extensive old workings and a large accumulation of slags indicate ancient mining activity on a considerable scale at Lymni. In 1882 it is recorded that serious prospecting work was carried on, and in 1886 exploration work was undertaken on a large scale. Since that time several Companies have carried out underground work, but it has finally been decided that the body of disseminated cupriforous pyrites, although undoubtedly very considerable in extent, is of too low a grade to warrant it being worked by any other than the leaching process.

(3) Philani, another pyrites area with excellent indications, but not yet properly prospected.

(4) Dhierona, where quantities of chrome have been discovered.

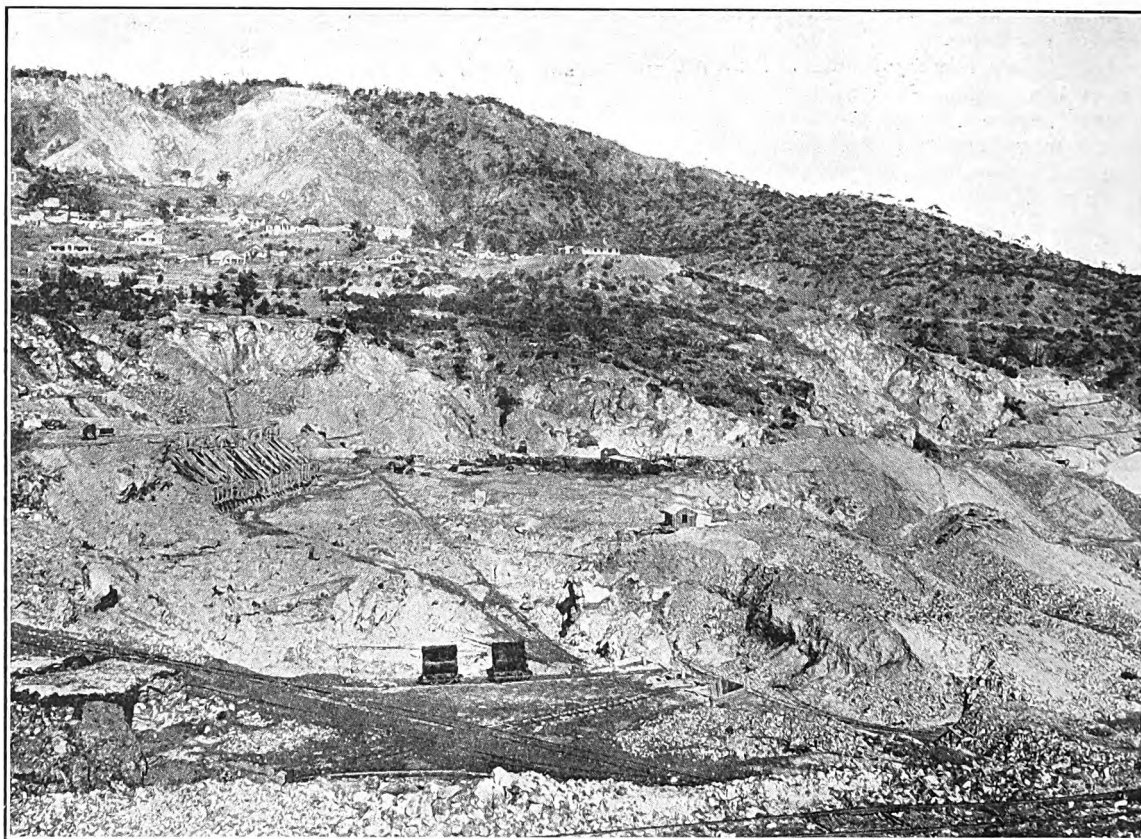
(5) Asgata, another chrome area, not yet opened up.

(6) Kalavasso, where large quantities of ancient slags cover the area and many old galleries have been exposed, with indications of copper at depth.

In addition to the above, there are many other areas showing evidence of mineralisation, and it is hoped that the attention of the mining world will be directed to the potentialities of Cyprus as a mineral field. It is the Government's desire to encourage mining ventures in the Island, and every assistance will be given to prospect and to open up the mineral resources of this Colony.

Among minerals other than cupriforous pyrites and asbestos that are being mined and exported are: Gypsum, umber, terra verte, manganese, chrome and magnesite. Salt is procured from the Salt Lake in the Larnaca district, but most of this mineral is consumed in the Island.

Extensive deposits of gypsum and terra umbra occur in the Island, and expert opinion places the quality of both in the highest grade. Gypsum makes admirable



General View of Lower Quarries of The Cyprus Asbestos Co., Ltd. property at Amiandos.
(Staff houses in background).

At present water is being pumped into the old and new workings, and the liquid is precipitated. In 1926 over 50 tons of precipitate assaying about 80 per cent. copper were produced by this method.

D.—*The Troodos Chrome and Asbestos Co., Ltd.*, was granted a mining lease in September, 1925, in the Troodos Forest. Since the beginning of operations the Company has produced 165 tons of asbestos, and over 500 tons of chrome iron ore.

Prospecting Areas.

Among the most promising prospecting areas in the Island are:—

(1) Mitsero, where a fairly large deposit of Covellite (Copper Sulphide), assaying over 6 per cent. copper has been discovered. This area is being worked by the Hellenic Company of Chemical Products and Manures of Athens, who have applied for a mining lease.

(2) Kapedhes, where pyrites has been discovered and work is in progress.

material for floors, stairs, shelves, sills, etc., and it is widely used throughout the Island in houses and public buildings of all classes. Indeed, it is so serviceable for indoor constructional work that, if better known, a demand for it outside Cyprus would, doubtless, arise.

Marble is represented by white, coloured, veined and brecciated varieties along 60 miles of mountain range, and the available quantities must be very large; but the question of water enters into the problem of quarrying.

In conclusion, it seems again desirable to emphasize that a more thorough investigation of the mineral resources of the Island should be made, and serious and systematic prospecting undertaken to locate mineral deposits, of which there is every indication. Prospecting on a large scale would necessarily involve large capital outlay and considerable risk, but in view of the mineral resources of some parts of the Island, would, in expert opinion, be justified.

H. G. MOUNTAIN,

April, 1927.

The Commerce of Cyprus

The volume of the trade of Cyprus in 1926 was much the same as in the previous year. The value of the imports was £1,572,682 as against £1,593,436 in 1925, while that of the exports was £1,103,571 as compared with £1,198,615. In 1924 Cyprus had a favourable balance of trade for the first time for some years, when the exports were £1,271,399 as against imports of £1,243,405, but for the past two years, as will be seen from the figures given above, there has been a very considerable adverse trade balance. As in the case of other countries in the Near East this is due partly to the gradual development of enterprises in the Island. Thus machinery and implements and manures for agriculture have contributed substantially to the imports in both 1925 and 1926, while the increasing use of motors and motor cycles, with the resultant development of the demand for petrol, has also had its effect. It may be noted that in the imports for 1926 the heading "machinery, parts, fittings, etc." figures for £155,942. It is not only because the larger volume of imports in the past two years is in a measure indicative of industrial progress that the figures are of interest. They point also to the capacity of the population to make increased purchases abroad, and are a visible and significant sign of the gradual improvement of conditions in the Island. The development of the export trade may be hoped for in due course as the new enterprises progress.

Trade Within the Empire.

The distribution of the trade in 1926 varied somewhat from the previous year, and was not quite so satisfactory as the share of the British Empire showed a decrease in both imports and exports, slight as regards the former but more marked as regards the latter. Of the imports the British Empire was responsible for £688,482 as against £701,342 in 1925, and £516,365 in 1924, the United Kingdom's share being £421,786. Of the exports the British Empire's share was £156,914 as against £263,992 in 1925 and £313,673 in 1924. The British Empire Exhibition provided Cyprus with a great opportunity for the development of trade with other parts of the Empire, but unless representation on an occasion of that kind is consistently followed up in other ways its effects are likely to fall short of what is desired. A permanent show-room in London of Cypriot produce, preferably in the Strand, which has become the Empire thoroughfare, is an inevitable development, if the Island is to make the most of the United Kingdom market.

An interesting feature of the year was the considerable increase in the number of steamships calling at the Island. The total was 498 as compared with 400 for 1925 and 330 for 1924. On the other hand, the number of sailing vessels visiting the Island declined from 1,020 to 990. The tonnage of the steamers was 753,724 and of the sailing vessels 41,991. Of the steamers the British share was 136 vessels of a tonnage of 223,292 and of the sailing vessels 251 of a tonnage of 11,507.

Wide Range of Imports.

As showing the comprehensive nature of the Cyprus market and the possibilities which should exist for the development of British trade the following examples of goods which are imported from foreign countries (the name of the country from which they are obtained being given in brackets) is illuminating:—sporting cartridges, gunpowder, and shot (Germany), bicycles (Germany), cement (Czechoslovakia), cotton goods (Italy and Japan), dyes (Germany), hardware and cutlery (Germany), iron bars, joists, etc. (Belgium), matches (Czechoslovakia and Sweden), soap (Greece), toys (Germany), typewriters (America), motor cars (America), woollen manufactures (Holland and Italy). Hitherto the British articles of the same nature have been handicapped by higher prices.

During the first few years after the War Cyprus was flooded with cheap articles from foreign countries, but

gradually British goods are again coming into their own. Imports from the United States of America are on the increase, but this is accounted for by petroleum, and machinery for the American mining company in the Island. Holland and Greece are increasing their exports to Cyprus, but this increase is solely due to chemical manures, and in the case of Greece to soap. Imports from Germany are gradually diminishing, but those from France and Italy are on the increase, due, no doubt, to fluctuating rates of exchange.

It may be safely said that there is a tendency in the Island to purchase more British goods, and there is plenty of scope for British firms to get a still firmer grip on this market principally in the articles enumerated above. A little cutting down of prices until trade is established would go a long way to meet the situation.

Principal Exports.

The main exports of Cyprus are agricultural products. Carobs, the principal item, are well established on the English market.

Cyprus barley was some years ago much sought after in England for malting purposes, but owing to adulteration it lost this market. Recently a law has been passed making it compulsory for all products to be properly cleaned before export: it is therefore hoped that the former trade with the United Kingdom will be revived.

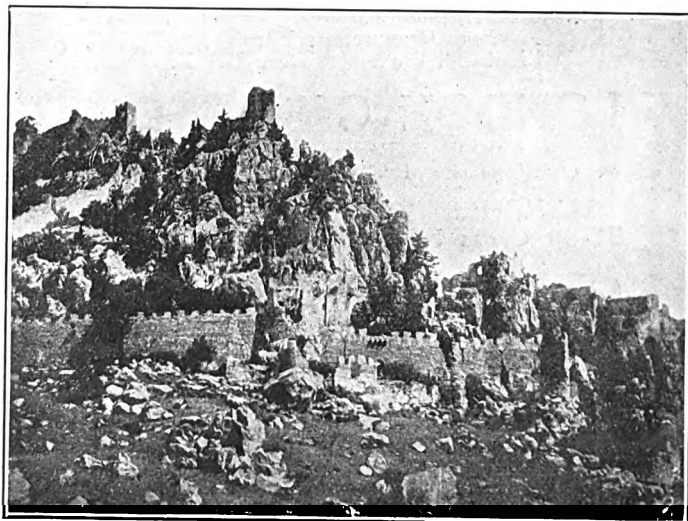
Very fine potatoes from Irish and Scotch seed are grown in the Island, but owing to distance they have never yet been exported to the United Kingdom. There is no reason why they should not be. Tobacco growing is steadily on the increase, and comparatively large quantities are being exported annually to the United Kingdom. Fair quantities of flax are grown, but up to the present all exports have been to foreign countries.

Sumach, for tanning purposes, has hitherto been exported to Germany and other foreign countries: England would not take any owing to the crude way in which it was manufactured. Now, however, an Englishman has established a factory which is producing a very fine quality of sumach, equal to, if not better than, the Cilician article, it is said, and it is nearly all being sent to the English market. British firms should provide a market for this commodity before foreign firms discover its merits.

Cyprus produces about 6,000 cwt. of wool per annum, but unfortunately more than half is taken to France, only some 1,000 cwt. going to the United Kingdom. This wool also might be brought to the notice of British firms.

Production of Fruit.

The export of oranges commences about the middle of November and continues till May. The best time to export

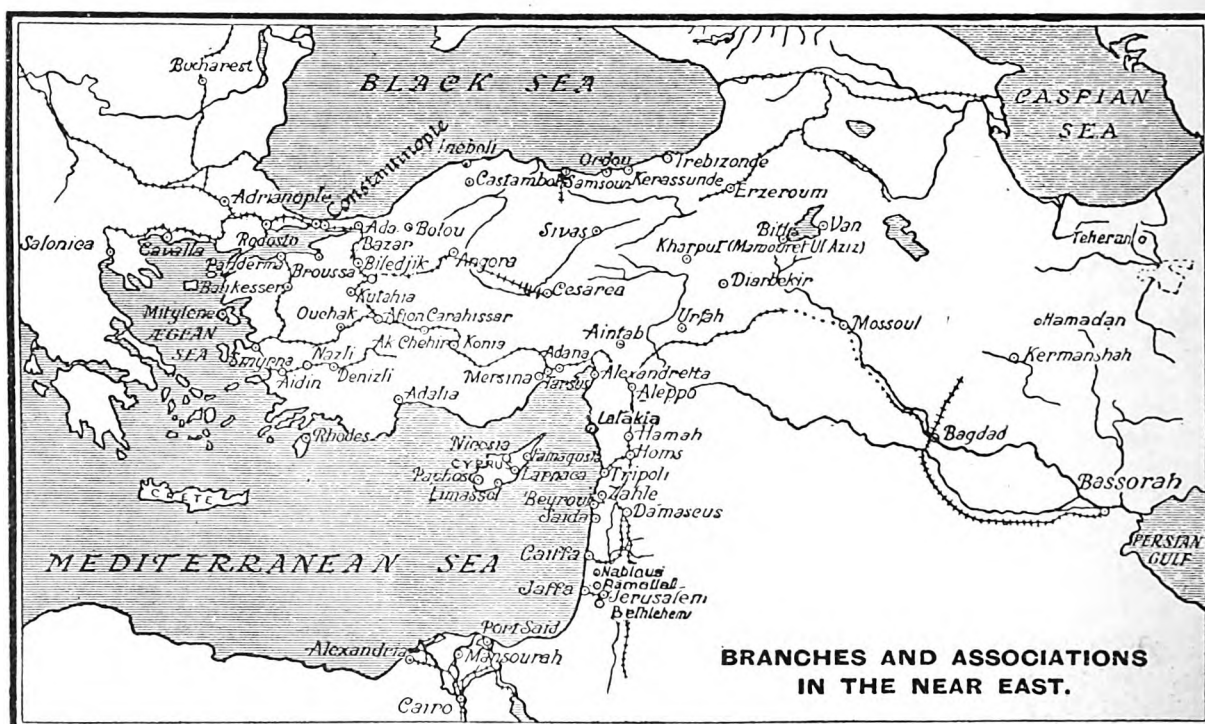


[Photograph by Mantovani Tourist Agency.
Castle of St. Hilarion, Kyrenia.]

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for the English market would be during the last week in November or early in December, as at this period the fruit is hard and green and stands the voyage better, ripening on the way. But oranges can be exported with ease till the end of February, but at this time there is always a greater proportion of damage. The average quantity available for export is about fifteen million. The majority of oranges exported from Cyprus go to Greece and Egypt. Those to Egypt usually go in bulk in small sailing vessels or packed in baskets: the journey being short, they travel in this way very well. Those for Greece are packed in proper orange boxes. Timber for making orange boxes is imported from Trieste or Roumania and there is always a good stock on hand in the Island.

The mandarin ripens about the same time as the orange, but lasts only till about the end of January. It is exported principally to Egypt in baskets. No attempt had yet been made to send any to England on account of the delicate nature of the fruit necessitating careful packing and handling. A few cases sent by private individuals, however, have arrived in England safely, and were much appreciated. A consignment sent from here in time to reach England during Christmas week would no doubt meet with success. The quantity available for export would be about one million. The export of green lemons commences in September and continues till May. The quantity available for export is about two millions.

The cultivation of the almond in Cyprus is a new industry rapidly coming to the front. Large numbers of trees are being planted, and the quality is being improved. The almonds are exported either in the shell or as kernels, principally in the latter form going chiefly to France and Austria. The fresh crop comes in during July, exportation taking place from August practically throughout the year according to demand. The quality available for export is about 3,000 cwt.

Grapes are exported during July, August, and September,

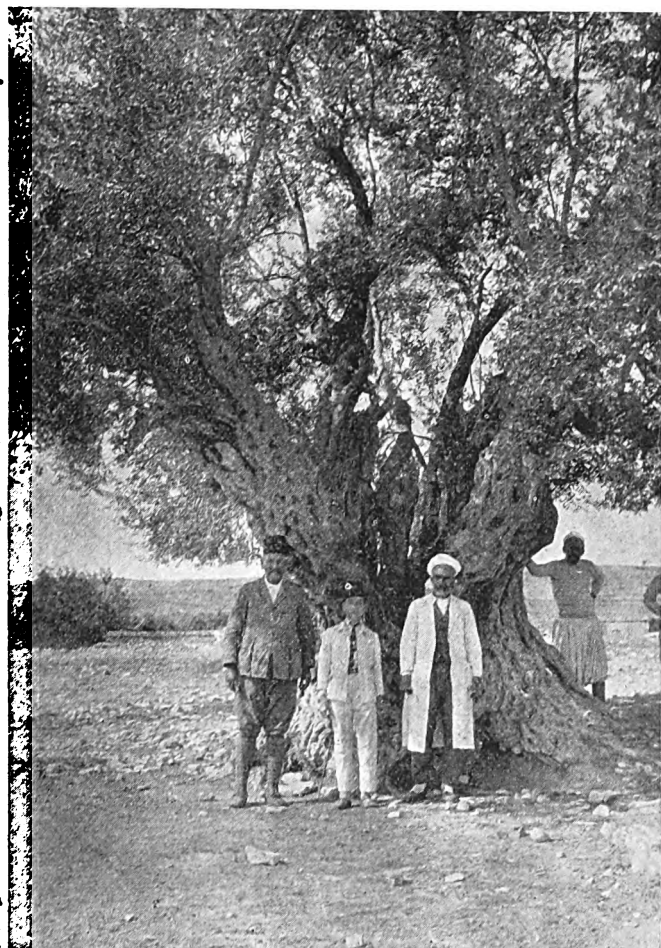
principally to Egypt in baskets or in wicker-work boxes. No attempt has ever been made to export this fruit to England, but there is no reason why it should not be put on the English market with success if it can be packed in such a way as to avoid bruising. The quality of the grapes is as good as that of any now being imported into England. The quantity usually exported is about 1,000 tons, but there is much more than this quantity available.

Hazelnuts are exported in the green state during August and September and thereafter as dry fruit. They go chiefly to Egypt and France. The quantity exported averages 3,000 cwt. The pomegranate grows in Cyprus to a great size and is of good quality. The fruits commence to ripen during August, and are exported during that month until the end of October. The quantity available for export is about 80,000 cwt.

Cherries ripen in May and June and are principally exported to Egypt. The quantity available for export is about 900 cwt. Apricots ripen in May and June; 2,000 cwt. are exported annually, principally to Egypt. Plums are ready in June and July; about 2,500 cwt. are exported annually. About 2,000 cwt. of peaches are exported annually to Egypt. This fruit is exported in its hard state, and would not be fit to place on the English market for eating purposes. It would, however, be useful in making jam, etc. The fruit is ready for picking in August.

The melon is a fruit which, if it could be got on to the English market, would make a good impression. The quality is excellent, and although only about 200 cwt. are exported annually, much more is available. The fruit could be exported during June, July, and August. About 200 cwt. of water melons are exported annually to Egypt. The fruit ripens from June to August and is good fruit for hot weather.

Cyprus raisins are famous for their quality and it is surprising how very few go to the United Kingdom; only 250 cwt. out of 70,000. The fruit is available for export from October onwards. It is exported principally to France, Italy, and the United States of America.



A Cyprus Olive Tree—800 years old.

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(Continued from page xi.)

which in emerging will cut through the silk fibre of the cocoon and destroy it for reeling purposes and thus render it practically valueless.

The buyer of the cocoons from the peasant has now to treat them so as to prevent the chrysalis from turning into a moth, which would cut through the cocoon. The worm spins the cocoon with one continuous thread in a manner forming the figure 8, therefore the cutting of the cocoon at one end means the cutting of the one continuous thread into many thousand short ones and naturally makes it impossible to unwind. "Reeling silk" is only another way of saying "unwinding cocoons." The problem is to destroy the chrysalis inside the cocoon without damaging the cocoon, and the only method so far discovered is suffocation. Leaving cocoons exposed to the hot sun will suffocate the chrysalis, but it also harms the thread of the cocoons. This is the most primitive method. The next method is that practised hitherto in Cyprus—suffocation by steam. The cocoons are placed on shallow shelves in a cupboard which is constructed over a common washing copper. A fire is lit below the cauldron, which is filled with water, and steam is generated. The cocoons then have to be spread lightly on canvas beds, sheltered from the sun, but where wind and air can circulate freely. They have to remain on the beds from six weeks to two months, during which time they require to be turned over twice daily. The dead chrysalis thus gradually dries up without becoming decomposed. In this method there is the danger of either keeping the cocoons too long in the steam and destroying the fibre of the cocoon, rendering the thread brittle, or not keeping them long enough, which means that the moth cuts through after all.

The safest and most practical method is suffocation by hot air. Séchoirs, or dryers, are constructed to take a large quantity of cocoons at one charge, and air is fanned through a steam-coiled chamber rendering it about 200 deg. Fahr. The hot air circulates by means of channels through the chambers containing the cocoons, and the chrysalis is suffocated and all moisture in it dried up in one process of twelve hours' duration. The Filature in Cyprus is equipped with a dryer of this type, and the cocoons can be put into sacks and stored without fear of deterioration. Exposure to air and wind, which also means exposure to dust and dirt, is unnecessary, while the water used in the reeling keeps clean. These séchoirs can only be worked economically by concerns dealing with cocoons on a large scale, though smaller plants are now being made for the small cocoon merchants to replace the old steam cupboard.

The cocoon seasons lasts about one month in Cyprus, say, May 25 to June 25, so sufficient cocoons are bought during that period to cover the requirements of the Filature for the whole year up to the following May 25. As it stands at present, the Filature consists of 80 reeling basins, at each of which eight skeins can be reeled at one time, but the plant has been designed to render duplication simple and economical. Eighty basins can cope during the year with about 370,000 lb. of "fresh" cocoons, and the production of Cyprus at present is about 450,000 lb. There is, however, a local rough-reeling and weaving industry which absorbs a large proportion of the excess. So the Filature is just about equal to taking the Island's exportable production. It may here be mentioned that since the building of the Filature was started, it is estimated that 60,000 new mulberry trees have been planted and that probably more will follow. This increase in leaf should enable production to double itself in four or five years, and the Filature will, no doubt, carry out the duplication in good time to meet this increase.

A few words may now be devoted to a description of the process of silk-reeling. First of all, the dried cocoons must be sorted into different qualities. During the transport of "fresh" cocoons, i.e., while the chrysalides are alive, there is bound to be a certain amount of crushing of cocoons. One cocoon thus crushed may be the cause of staining several others. Also, there are worms which make their cocoons but die in the process, others which die when their cocoons are only partly completed. A black fluid is exuded from some of these cocoons, which, in turn, stain all the cocoons in their vicinity. There are also cocoons spun by worms which have been ill fed: these are weak in the thread and contain less silk. The sorting is done by hand, and the cocoons separated into four qualities: (a) cocoons which are perfectly clean and firm, (b) cocoons which are otherwise firm but have been stained from without, (c) weak cocoons and slightly stained cocoons in which the worm has died, and (d) cocoons crushed and badly stained from within. The (c) and (d) qualities, which form but a small proportion of the whole, are reeled off as quickly as possible, for they are liable, if kept in store, to attack from a weevil which bores a minute hole about the size of a pin's head through them and renders them unsuitable for reeling. The (b) quality, which forms about 20 per cent. of the whole, is also susceptible to the weevil, but to a much smaller degree, so these are worked next, leaving the (a) quality for the remainder of the year's work.

TOBACCO GROWING IN CYPRUS.

Tobacco cultivation has been carried on in Cyprus for many years, but so far only an inconsiderable area has been devoted to the crop, and the tobacco produced has not attained the high standard reached in other Near Eastern regions. Those who know the fine cigarettes that Cyprus produces (cigarettes which were introduced to a large and very appreciative public at the British Empire Exhibition) will doubtless be surprised at this, but the tobacco used for the famous cigarettes is imported chiefly from Greece, the local tobacco being only used for cigarettes of an inferior quality. During the War tobacco growing in Cyprus received a considerable impetus, this being particularly the case in regard to the Latakia type of fumigated tobaccos, owing to the impossibility of obtaining these tobaccos for the European market from the usual channels. Unfortunately as a result of the ready market available in the circumstances for these Cyprus tobaccos and the high prices obtained, the growers neglected to pay sufficient attention to the question of quality. The consequence was that the reputation of the tobaccos suffered, and when the other channels of supply were open there was an inevitable decline in the demand for Cyprus tobaccos. As a British Colony Cyprus enjoys the benefit of the preferential duty on tobacco grown in the Empire, and this should be an encouragement to the growers to concentrate on the production of improved tobaccos. As a matter of fact, trials are now being made by growers with a view to the production of a high standard of Latakia and other tobaccos, and it may be hoped that the result will be that the Island will be able to produce considerable quantities of tobaccos of a quality suitable for British manufacturers.

SPONGE FISHERIES.

Owing to the fact that the rivers of Cyprus all dry up in the summer months there are no true fresh-water fish in the Island, Grey mullet and eel, however, make their way upstream and are caught in the lakes and reservoirs. The sea fisheries comprise the fish common to the Eastern Mediterranean—red and grey mullet, eels, bass, bream, cuttle-fish, goby, tunny, skate, etc.—but the industry is confined to local needs.



[Photograph by Mantovani Tourist Agency.]

The Commandery of the Knights of St. John: Kolossi.



[Photograph by Mantovani Tourist Agency.]

Sponge-fishing constitutes a more important industry, but is carried out principally by fishermen from the Greek islands (Sporades) who arrive in Cyprus in the spring and work throughout the summer. There are sponge-beds practically all round the Island; but between Cape Andrea and Cape Gata—or the eastern coast—and off the Akamas coast, in the extreme west, are found the best centres.

During 1925 the catch amounted to 1,500 okes, and in 1926 to 1,250 okes. The whole catch in both years was removed from the Island.

The industry is entirely under the control of the Government. Each boat has to be provided with a licence, for which the following fees are charged:

Boats fitted with machine diving apparatus	£100
Boats fitted with Fernex diving apparatus	50
Boats fitted with naked divers	25
Boats fitted with harpoons (kamaki) ...	12 10s.

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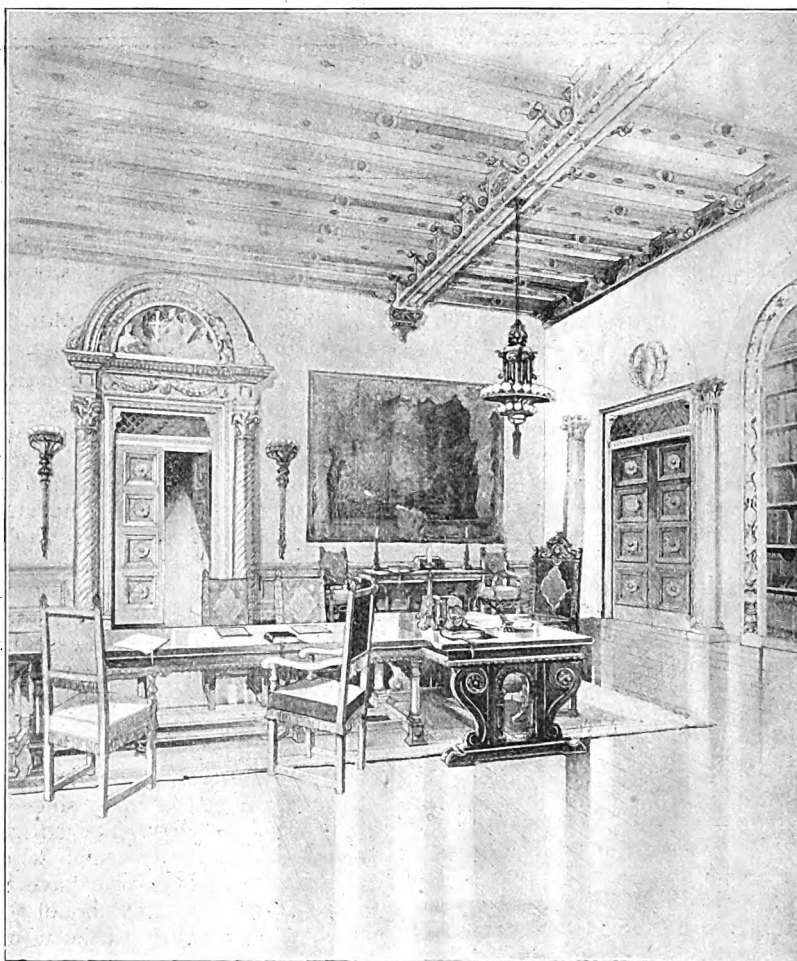
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