is very typical of Mexico; while boasting a theatre of which any European town might be proud it is still absurdly simple in many ways, and the water-carrier plies his trade there even now.

From Guanajuato General Diaz continued his march to Guadalajara, famous for its beautiful and artistic Indian pottery, where a strong division of troops under Ceballos had concentrated, whose intentions towards him were uncertain.

There was, however, to be no fighting on a big scale, and Diaz' rule was peacefully established over the country. In less than three months he was back in the capital. Lerdo's troops had been swept out. Outlaws captured red-handed were shot with no ceremony. Riots were put down with severity; and examples were made among the more turbulent elements of the population well calculated to convince them that respect for authority was, in the new order of things, the most profitable course for themselves.

The new President began his sway with an iron hand. He knew his people, and that to forcibly clear the land of bandits and revolutionaries and then control the remaining populace was the only possible mode of governing them. It was not Republicanism, it was despotic paternalism at the best; but it suited the country. The people feared him; they knew his strength and felt his power, and now, little more than a quarter of a century later, he merely beckons and they follow, such is the universal esteem and respect in which General Diaz is held.

A new Congress assembled in April, 1877, and in May Diaz was formally elected Constitutional President. That is nearly thirty years ago. Then the official palace became a kind of political soldier-garrison. To-day it is the headquarters of peaceful law, where a simple court is held. He did not care for society, neither had he time to mingle in it, so for four years he set himself to politics as assiduously as in earlier days he had devoted himself to soldiering.

On his march through the country on a mission of pacification, when burdened with a thousand anxieties, he yet found time to grapple with the most pressing of all national questions—the

restoration of Mexican credit. The bright future which he foresaw for his native land in an era of commercial and industrial development he knew full well would never be attained while Mexican insolvency remained a bye-word among nations. The uplifting of the country, whatever the sacrifice, he made the keystone of his policy.

The restoration of national credit was placed in the forefront of his first message to Congress, which contains this announcement:

"On the 31st of January last the term fixed for the payment to the United States Government of the sum of 300,000 pesos expired, this amount being the first instalment of the balance that was assigned to that country by the mixed Commission formed by the Convention of July, 1868.

"The ruined state of the public Exchequer when the capital was first occupied, the funds required for the urgent needs of the recent campaign, and the amount of business occupying the Administration, made the fulfilment of that inviolable promise an impossibility; but the Executive, undertaking at all costs to redeem the national honour, imposed a necessary, though grievous tax on the people of the Republic and her servants, and were able in time to settle this great difficulty, and make the payment with the most scrupulous punctuality.

"This national sacrifice will not be in vain; it will contribute to the good name of Mexico and raise her foreign credit."

Elsewhere in the message he refers to the subject in this passage:

"The consolidation of our Public Debt, the payment of interest on the same, and the foundation of a sinking fund is a necessity to our country. This question will be met by a proposal which the Secretary of the Exchequer will lay before the legislative power. Such steps are of the utmost importance for our national credit."

Is Diaz a great financier? it may be asked. How comes it that this man has been able to obtain the money necessary

for the accomplishment of his vast schemes for regenerating his country, and has raised a bankrupt State with a history of half a century's turmoil and bloodshed to the position of first among all the Spanish-American Republics? With Mexican 5 per cent. Bonds quoted at 101, and 4½ per cent. Treasury Notes at 100, Mexican credit to-day stands higher than that of any other of the Republics.

The reason of Diaz' astounding success is open and patent to all.

For the first time in Mexico's troubled history he brought the most scrupulous honesty into every department of the public administration. Diaz was never a rich man himself, and to-day, after a long life spent in the service of his country, he possesses but a modest fortune. His methods were a revelation to politicians of the school of Santa Anna, trained to regard the public funds as a legitimate source of plunder.

Mexico must needs have been a wealthy country, or she could never have withstood the drain made upon her resources during all those years, when Dictator after Dictator made it his first care to seize the public exchequer and provide a comfortable future for himself against the time when he should in turn be overthrown. The roll of Mexican Presidents from the first days of Santa Anna who had fled into exile, taking every penny they could lay their hands upon, must be a long one.

Nor was corruption confined to headquarters. In Mexico no man's future was safe. In a land where to be prosperous was to be marked out for burdensome "levies" for the support of this or that political cause, and where politics afforded the most ready means for the rapid accumulation of riches, it is not to be wondered at that the civil administration was anything but impeccable. Governors of States were known to build up fortunes which could not have been made from the savings of their meagre salaries. Never had an Army Colonel "pronounced," nor had a "plan" been organised, but the money for its support was available from some mysterious source. And the example set in high quarters was naturally followed by the lower officials.

Diaz set himself against corruption in every form. He realised that he would never get honest administrators unless the Republic was itself scrupulous in the fulfilment of its obligations towards them. In his first year, though pressed for money for a hundred objects, he managed to pay up every peso of the long arrears due to the public officials, and thenceforward made arrangements which ensured that their claims should be met with punctilious regularity.

He drove men out of office, replaced them sometimes by new and untried officials, and kept a watchful eye on all departments of the public accounts. No doubt he made mistakes, but he inaugurated a new era of capable and honest administration from which Mexico is deriving the benefit to-day.

Hitherto Diaz had been known to the world chiefly as a brilliant soldier, but he was not without experience of civil affairs. His administration of Oaxaca had been a model for other States. All through the long upheaval of the War of Reform and the French Intervention he had kept his accounts, and, as he has told us in his diary, was able to hand over a balance to the Juárez Government. When he was engaged in besieging Mexico City against the last expiring effort of Maximilian's followers he was able to raise a loan from foreign merchants, who trusted solely to his well-known scrupulousness in fulfilling every obligation which he undertook.

Restoration of the national credit was a great thing, but it was not all.

Mexico required not only confidence abroad but internal peace. This would never be assured so long as bands of outlaws and assassins roamed the land. Dealing with these men was a problem of difficulty. They were the product of their time and country. They were bandits because their fathers and grandfathers had been bandits before them, and had known no other life.

General Diaz tackled them in a manner which would have been impossible in any other country. They formed excellent material, if it could be turned to good account. They were men of fine physique, used to a hard life, trained to withstand the

most tiring marches, and knowing every hill and dale in the land. Hitherto they had plundered on their own account, fed the armies of revolutions, and been a strong force for good or ill—generally the latter.

Men there were among them with many crimes to their account. They met with short shrift when caught; only sufficient grace to give the time needed to line them up against an adobe wall and allow them one glance down the muzzles of the rifles. Stern measures were called for, and were dealt out. Repression did its work, and for the first time the public highways began to show some reasonable measure of safety; but still many hundreds of the bandits remained at large.

Undoubtedly their existence formed one of the most serious questions Diaz had to face. Nothing and nobody was safe from their attentions. Even if the leaders were shot their following remained, and Diaz saw it was impossible to restore law and order under such circumstances. A brilliant thought struck him.

"What do you earn?" he asked.

"Average so many dollars a week."

"Then I will give you so many dollars more if you give up your present life and become respectable citizens."

This was the line of his bargain with them. He offered amnesty, with something they had never experienced before, namely, regular and well-paid employment. They would be drafted into a rural police, and given pay at a higher rate than any other cavalrymen in the world. These men, the fomenters of disorder, revolution, theft and riot, were henceforward to devote their energies to subduing disorder.

The bandits accepted his proposal, and thus was formed the force of *Rurales* one meets in Mexico, who are to-day the pride and the pick of the Mexican army, and the admiration of the whole Continent.

No finer body of men could be found. They are now the backbone of the country. They have no fixed abode. Each State has its band of *Rurales*, and they go where required, or when disturbances and troubles break out, for even to-day such things are not unknown in Mexico. Each State has its mark on the

Rurales, the only body of soldiers of the kind in the world.

Native police.

[*Page* 278.

Photo by MRS. LUCIEN JEROME.]

El Niño perdido—The lost child. Showing a Mexican policeman.

[*Page* 279.

grey silver-embroidered hat; for example, E° (Estado), M^{s} (de Morelos); the uniform is always grey, with red ties and wide belts; brown leather saddles and bridles from which red tassels dangle; embroidered trousers (*chaparreras*); the *Rurales* are armed with pistols, machete (sword) and rifle.

There are about five thousand of them all told, and as I had an escort of forty during my journeys through the wilder parts of Mexico, thanks to General Diaz' forethought, I can vouch from experience that no braver, more trustworthy, or finer horsemen and marksmen exist. These *Rurales* are most courteous and polite, always thinking of little things for the comfort of anyone they are escorting, and the mere remembrance of my association with them is a pleasure.

To-day, especially in the capital, Mexico also possesses an excellent police force, which has taken the place of those funny old night-watchmen and other heterogeneous personages who interested me much on my first visit to Mexico. The grand houses still retain their old watchmen as pensioners, and there they sit at the door night after night, huddled up in their red blankets, their little lamps beside them, but generally so old and so doddery they would be quite unable to catch a thief, and must cause amusement to the present smart policemen.

A new order of things had already been well established when President Diaz met his first Congress in the September following his election. Nine months had elapsed. In this interval he had been in fact, if not in title, the absolute ruler of Mexico, wielding all the authority of a Dictator. They were months of strenuous exertion for the man upon whom so heavy a burden rested. Mexico to outward appearances was tranquil. But there were elements of disorder long ingrained in the Mexican character which, though held in subjection, were not extinguished. A few outbreaks of hostility against the Government occurred in that and the succeeding year, but they were put down before anything in the nature of a serious rising had time to come to a head.

There were many who looked upon Diaz as a man and not

as the Government of Mexico; merely one more in the long list of individuals who had attempted to rule an unruly nation; who would air his authority for his brief day and then disappear like the rest. They were mistaken. They did not realise that he was something more than a man—a system. There was to be no going back. In welcoming Congress Diaz said:

"The assembling of Congress to-day for the despatch of business has a double and important signification. It not only marks a division between the abnormal state of things which now completely ceases and the full constitutional era that has begun, but it definitely seals the legality of the revolutionary actions of the Revolution of Ajutla, from which sprang our great Code of 1857. It is therefore my duty, and it is a duty which I fulfil with pleasure, to congratulate you on your presence here, which inaugurates an epoch of regeneration and prosperity for the Republic."

Mexico, however, had still to perform her promises. The United States Government had maintained relations with Juárez in the darkest days when the fugitive President, with little personal following save his escort, was literally being driven by French troops from pillar to post. The Washington Cabinet, however, refused to recognise the Government which Diaz had installed because of its revolutionary origin. Where so intimate a neighbour stood aside, other nations whose sentiments towards the successor of the Emperor Maximilian were less friendly naturally held aloof.

Europe had no interest in Mexico save to ensure that her obligations were met, and the country was kept tranquil in order that trade might develop. The tragedy of Querétaro was still fresh in memory. There was little confidence in the stability of anything Mexican. A certain glamour surrounded the name of Diaz because of his adventurous life and daring exploits, and something was hoped from him, but for the present Mexico remained *suspect*.

None were prepared for the extraordinary evidences of regeneration that the country displayed.

In the first year of Diaz' Presidency there were only 567 kilometres of railway laid down, where now the mileage exceeds 16,285 kilometres. The telegraph had been introduced, but less than 10,000 kilometres were in operation, where there are now over 110,000 kilometres. No country offers greater natural obstacles to the construction of railroads than Mexico, which probably possesses the most mountainous surface in the world that has yet been opened out. Before anybody realised it, Diaz was joining up railways, linking scattered areas by telegraph wires, deepening harbours, making roads, founding schools, and fostering new industries to give employment to the people.

All this feverish activity of industrial development was accompanied by the most rigorous economy in administration. A political matter of the greatest urgency was the consolidation of the different federated States which formed the Republic of Mexico. The ties which bound them together and to the central power were of the loosest description. They had enjoyed almost unrestrained liberty to encourage their separate interests and rivalries. Every ambitious politician who "pronounced" and who duly paid court to the separatism fostered by one or other of the States could depend upon its sympathies, and thus use the territory as a base in his attempt to overthrow the executive.

This was a danger which in past years had assisted materially in keeping the country in a turmoil. To bring the various States into more intimate relations and to make their interests alike, while at the same time extending by constitutional means the authority of the central power over them, was one of the first tasks to which Diaz devoted his attention.

As a diplomatist he was cautious. He was trained for the law, but his life from youth upwards had been that of a soldier. For a very brief spell he had sat in Congress in Mexico City, but, as already told, he left the Congress Hall in hot haste to lead his troops against General Márquez, who was attacking the capital. In truth, a life of such absorbing activities as his had been had left him little time to gain experience either of law or of constitutional government.

The reduction of the army went hand in hand with peaceful development. At the close of the revolution nearly every available man had been under arms on one side or another. The large army which had been so great a burden on the national finances was brought down to moderate proportions. A good officer, no matter what his political record had been, Diaz was careful to retain. The fusion of elements which had hitherto been in conflict was a task calling for great tact and skill. It was successfully accomplished, and very few years passed before Mexico possessed a national army in the true sense of the word.

Necessarily taxation remained high. But Mexicans saw almost for the first time that they were getting some return for their money. Old abuses had been swept away. Public security had been established all over the land. The national revenues, which in 1877 amounted to $16,000,000, for the fiscal year 1879–80 exceeded $21,000,000. Exports had increased in the same period from less than $24,000,000, to upwards of $32,000,000. The scrupulous payment of every debt was made the first object of the President's Government. With prosperity growing by leaps and bounds, the Ministry was able gradually to lighten the burdens borne by the people.

Before his four years' term of office had been completed Diaz was able to inform Congress of enormous public works for the development of Mexico's resources that he had carried out or set in hand. The telegraph wires were extended across the country from Tepic to Rosario; to Monterrey and further northwards towards the frontier; southwards towards Guatemala; and east and west in every direction.

Railways binding up the disjointed States were designed like a network over the country. A contract had been approved for a line which, starting from the capital, would pass through Querétaro, Leon, Zacatecas and Chihuahua to the northern frontier; and two others would be threading areas northward with the same objective, and the intention of opening up the country and fostering trade with the United States. Another was in progress across the country through Guadalajara to the Pacific.

The Mexican Cable Company had contracted to lay a cable from a point in Texas to Vera Cruz, joining up with Europe.

The nucleus of a navy was created by the arrival of three coastguard vessels constructed in the United States, for the Mexican Government, for service at the seaports in repressing contraband and protecting trade. Mexico, however, made no pretensions to formidable power on the seas.

In those four years Mexico was rising out of the ashes of revolution to her proper place among the States. The Cabinet at Washington at last, in the year 1879, formally recognised the Diaz Government, and despatched a representative to Mexico City; a friendly state of affairs no doubt helped by the punctuality with which Mexico's debts to the United States had been paid. The Central American Republics established a joint Minister for Guatemala, Salvador, and Honduras. The Argentine Federation nominated a Consul-General.

Spain, forgetful of her old sores, established a Legation in the capital, and her Sovereign invited Mexico to take part in the international conference for the consideration of proposals for preventing breaches of international jurisdiction at sea. France, remembering Maximilian's Empire only as an episode in her history, and with friendly feelings towards a sister Republic which showed such great promise, opened up negotiations for the establishment of relations between herself and Mexico, which were concluded to the mutual satisfaction of both countries.

It was a record of administration of which nations that lay claim to the most rapid advancement might well be proud. All this had been done by a people who in the past had been singularly lacking in public enterprise, feeling no security for their future, and little confidence in their rulers.

And this was the work of one man, Porfirio Diaz. At a time when his strong grasp of affairs seemed indispensable for the continuation and fulfilment of the policy of consolidation and development which he had begun, the best elements in Mexican public life learnt with some feeling of dismay that he was passing over the headship of the State to a new man.

In declining the overtures made to him to submit himself for re-election to the Presidency under a new *régime* Diaz was but fulfilling a pledge he had made in the most solemn form when assuming power. Moreover, the constitutional principle involved was one to which he had consistently adhered throughout the whole of his public life. He had told Congress in the first message he had sent :

" One of the most solemn promises given by the Revolution was that in future the rule of the ineligibility of the President of the Republic and of the Governors of the States for re-election should have the force of supreme law. I am glad, citizen deputies, to take the only part I can conscientiously take in the fulfilment of the obligation contracted with the country by sending to you, as I will do to-morrow, by the Government Secretary, the text of this law.

" It rests with the legislative power of the Union and the Legislatures of the States to make this rule a law of the Constitution."

The law had been re-affirmed at his own instigation, and he was not going to be the first to violate it. It was a grievous disadvantage to Mexico to lose at this moment the services of the man who held the entire country in guiding strings, and on whose personal initiative so much depended, but that was a price which had to be paid for Republican institutions. Republicanism may have certain advantages, but those of us who live under a monarchy may find some consolation in realising that it is not without its limitations.

The re-election of the President for a second term had been the most constant source of revolution in Mexico. In this way nearly every Dictator's reign had come to an end in the early days of the Republic. Juárez' election for the second time had only been brought about in the throes of the War of Reform, and a vote of Congress had been necessary to legalise it. Even his great influence could not subdue the clamour which arose when he put himself forward for his last term of power. Lerdo's mere threat to stand again precipitated a bloody conflict. Diaz was well advised in his own interest to have nothing to do with it.

Eight candidates sprang forward to grasp the power which Diaz willingly relinquished. In September, 1880, General Don Manuel González was declared to have been elected President of the Republic.

González was not really a blood relation, as many supposed. He and Diaz were *compadres*, a spiritual form of relationship of a binding nature described in the first chapter of this book. They were brothers in the Church, so to speak, and therefore custom and society demanded the strictest confidence, consideration, and affection between the two.

It was during the *régime* of González, the temporary ruler, that a surprising romance entered into the life of General Diaz, so we will leave war and strife, politics and government alone for a while, and see how a woman changed a man—how a child moulded a veteran soldier.