The great rise in the productiveness of the customs duties (see 3 below) has tempted the Swiss people of late years to embark on a course of state socialism, which may be also described as a series of measures tending to give more and more power to the central Federal government at the expense of the cantons. So in 1890 the principle of compulsory universal insur­ance against sickness and accidents was accepted by a popular vote, in, 1891 likewise that of a state or Federal bank, and in 1898 that of the unification of the cantonal laws, civil and criminal, into a set of Federal codes. In each case the Federal government and legislature were charged with the preparation of laws carrying out in detail these general principles. But in 1897 their proposals as to a Federal bank were rejected by the people, though another draft was accepted in 1905, so that the bank (with a monopoly of note issue, a provision accepted by a popular vote in 1891) was actually opened in 1907. At the beginning of 1900 the suspicion felt as to the insurance proposals elaborated by the Federal authorities was so keen that a popular demand for a popular vote was signed by 117,00 Swiss citizens, the legal minimum being only 30,000: they were rejected (May 20, 1900) on a popular vote by a nearly two to one majority. The prepara­tion of the Federal civil and criminal codes has progressed quietly, drafts being framed by experts and then submitted for criticism to special commissions and public opinion, but finally the civil code was adopted by the Federal Assembly in December 1907. By a popular vote in 1887 the Federal authorities were given a monopoly of alcohol, but a proposal to deal similarly with tobacco has been very ill received (though such a monopoly would undoubtedly produce a large amount), and would pretty certainly be refused by the people if a popular vote were ever taken upon it. In 1895 the people declined to sanction a state monopoly of matches, even though the unhealthy nature of the works was strongly urged, and have also resolutely refused on several occasions to accept any projects for the centralizing of the various branches of military administration, &c., though in 1897 the forests high up on the mountains were placed under Federal supervision, while in 1902 large Federal grants in aid were made to the cantons towards the expenses of primary education, and in 1908 the supervision of the employment of the power derived from rivers and streams was given to the Confederation. Among other reforms which have recently been much discussed in Switzerland are the introduction of the *obligatory* referendum (which hitherto has applied only to amendments to the Federal Constitution) and the extension of the initiative (now limited to piecemeal revision of the Federal Constitution) to *all* Federal laws, &c. The first-named scheme is an attempt to restrain important centralizing measures from being presented as laws (and as such exempt from the compulsory referendum), and not as amendments to the Federal Constitution.

Besides the insurance project mentioned above, two great political questions have engaged the attention of the Swiss.

*a. State Purchase of the Railways.—*In 1891 the purchase of the Central railway was rejected by a popular vote, but in 1898, by the aid of various baits thrown out, the people were induced to accept the principle of the purchase by the Confederation of the five great Swiss railway lines—three in 1901, viz. the Central, the North-Eastern, and the United Swiss lines; one (the Jura-Simplon) in 1903, and one (the St Gotthard line) in 1909, this delay being due to international conventions that still have some years to run. Further, very important economical consequences, *e.g.* as to strikes, may be expected to result from the transformation of all railway officials of whatever grade into state servants, who may naturally be expected to vote (as in other cases) for their employers, and so greatly increase the strength of the Centralist political party.

*b. The “ Double Initiative.”—*This phrase denotes two purely political reforms that have been coupled together, though in reality they are by no means inseparable. One is the introduction of proportional representation (within the several cantons) into the elections for the National Council of the Federal parliament, the object being thus to secure for several large minorities a number of M.P.’s more in accordance with the size of those minorities in the country than is now possible under the régime of pure majorities: naturally these minorities would then receive a proper share of political power in the senate house, instead of merely exerting great political influence in the country, while if they were thus strengthened in the legislature they would soon be able to claim the right of naming several members of the Federal executive, thus making both legislature and executive a mirror of the actual political situation of the country, instead of the preserve of one political party. The other reform is the election of the members of the Federal executive by popular vote, the whole body of voters voting, not by cantons, but as a single electoral constituency. This would put an end to the “ lobbying ” that goes on previously to the election of a member of the executive by the two houses of the Federal parliament sitting jointly in Congress; but, on the other hand, it might stereotype the present system of electing members of the executive by the majority system, and so reduce large minorities to political impotence. The “ double initiative ” scheme was launched in the beginning of 1899, and by the beginning of the following July secured more than the requisite number of signatures (50,000), the first-named item having been supported by nearly 65,000 citizens, and the second item by 56,000. Hence the Federal parliament was *bound* to take these two reforms into formal consideration, but in June 1900 it rejected both, and this decision was confirmed by a popular vote taken in the following November.

3. *Economics and Finance.—*Soon after the adoption of the Federal Constitution of 1874 the economical and financial state of the Confederation became very unsatisfactory. The great financial crisis in Vienna in 1873 was a severe blow to Swiss commerce, which had taken a very great start after the Franco- German War of 1870-71. In the later ’seventies, too, the financial position of some of the great Swiss railway lines was very unfavourable: the bankruptcy of the National line ruined for the time (till a Federal loan at a very low rate of interest was forced upon them) the four Swiss towns which were its guarantors; the North-Eastern line had to beg for a “moratorium ” (a *legal* delay of the period at which it had to pay its debts) from the Federal government; the Bern-Luceme line was actually put up to auction, and was bought by the canton of Bern. Further, the expenses of constructing the St Gotthard railway vastly exceeded all estimates, and in 1876 over 100,000,000 francs more were required. Hence the subventions already granted had to be increased. Germany (which gave originally 20.000,000 francs) and Italy (original contribution 45,000,000 francs) each promised 10,000.000 francs more; the St Gotthard company itself gave 12,000,000, and the two Swiss railway lines interested (Central and North-Eastern) added 1,500,000 to the 20,000,000 they had already agreed to give jointly with the cantons interested in the completion of this great undertaking. But these latter refused to add anything to their previous contributions, so that finally the Federal government proposed that it should itself pay the 6,500,000 francs most urgently required. This proposal aroused great anger in east and west Switzerland, but the matter was ultimately settled by the Confederation paying 4,500,000 francs and the interested cantons 2,000,000, the latter gift being made dependent on a grant of 4,500,000 francs by the Federal government for new tunnels through the Alps in east and west Switzerland, and of *2,000,000* more for the Monte Cenere tunnel between Bellinzona and Lugano. This solution of a most thorny question was approved by a popular vote in 1879, and the St Gotthard line was successfully completed in 1882. Gradually, too, the other Swiss railway lines, attained a state of financial equilibrium, owing to the more careful management of new directors and managers. The completion of the Simplon tunnel (1906), the commencement (1906) of that beneath the Lötschen Pass *(q.v.),* and the rival claims of projected tunnels under the Splügen Pass *(q.v.),* besides the struggle for or against a tunnel under the Faucille (supported by Geneva almost alone), show that railway politics play a very prominent part in Swiss national life. They are, too, complicated by many local rivalries, which in this country are of greater importance than