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IS IT PEACE?

IS IT PEACE?

BY THE RIGHT HON.
DAVID LLOYD GEORGE,
O.M., M.P.

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PREFACE

THE articles and addresses collected in this book represent a running comment on the European situation during the past ten months. Although in the haze that covers the Continent it is difficult always to see clearly what is happening, and still more difficult to forecast what is likely to occur, I have not deemed it necessary to revise any of the estimates I made from time to time in these periodic reviews on the position. In the period covered by them peace has gone back perceptibly and unmistakably. Of the years immediately after the end of the Great War it may be said that up to the present year each showed a distinct improvement over its predecessor. The temper of the warring nations showed a gradual healing and improvement, and East and West there was a return to reason and calm in their attitude towards each other. In the Cannes discussions of January 1922 the atmosphere of hostility which poisoned the Spa discussions in 1920 had largely disappeared, and the applause which greeted Herr Rathenau's fine speech at Genoa in April 1922 was cordial and general. The electric messages from Paris failed to provoke a thunderstorm, and one of the speakers, at the last meeting of the Assembly, drawing an illustration from the weather outside, said the Conference had broken up under blue skies and a serene firmament.

That was in May 1922. Those words, when used, met with cheering approval: if used to-day they would be greeted with scoffing laughter. The present year has been one of growing gloom and menace. The international temper is distinctly worse all round. A peace has been patched up with the Turkish Empire. No one believes it can endure long. The only question is, How long? There may be other patched-up treaties between struggling nations before the year is out. There is only one prediction concerning them which can at this stage be safely made—they will leave European peace in a more precarious plight than ever. A peace wrung by triumphant force out of helplessness is never a good peace. That is why I view with apprehension the

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character of the settlement which may soon be wrung out of German despair in the Ruhr and imposed on Greek impotence in the Adriatic. The Fiume settlement may turn out to be more satisfactory in spite of threatening omens. The Jugoslavs are a formidable military proposition to be tackled by any Power. The War proved them to be about the best fighting material in Europe. They are also fairly well equipped with modern weapons, and if unhappily the need arose their deficiencies in this respect would soon be supplied from the workshops of Czecho-Slovakia and elsewhere. I am, therefore, still hopeful that Fiume may be remitted for settlement to diplomatists and not to gunmen. International right in these turbulent days seems to depend, not on justice, but on a reckoning of chances. The Slavs are ready to defend their rights and can do so. There is, therefore, some talk of conferences and even arbitration in their case. Germany and Greece cannot put up a fight. Unconditional surrender is, therefore, their lot. All the same, this is not only a wrong but a miscalculation. Unjust concessions, extracted by violence, are not settlements; they are only postponements. Unfortunately, the decisions at the next great hearing of the cause are just as likely to be provisional—and so the quarrel will go on to the final catastrophe unless humanity one day sees the light and has the courage to follow it. But that day must not be too distant, otherwise it will come too late to save civilisation. The last conflict between great nations has exposed the devastating possibilities of modern science. Henceforth progress in the destructiveness of the apparatus of war has been, and will continue to be, so rapid that a conflict to-morrow would spread ten times the desolation caused by the Great War of 1914-18. There is a concentration of much scientific and mechanical skill on strengthening the machinery of devastation. Incredible progress—if progress be the word—has been made within the last three or four years in perfecting and increasing the shattering power of this kind of devilry. What will it be like five, ten, twenty years hence!

Whilst nations are piling up, perfecting and intensifying their explosives, they are also saturating the ground with the inflammable passions which one day will precipitate the explosion. Injustice, insult, insolence, distilled into the spirit of revenge, is everywhere soaking into the earth.

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I have never doubted that France could impose terms on Germany. It was clear that she could starve Germany into submission to any conditions dictated to her. It is astonishing that the Germans should have held out so long. What I have steadily predicted in these articles is that those terms will not produce as much Reparation as a more conciliatory course would have brought—that to operate them will be a source of constant friction, and that the methods employed to impose and execute them will rouse a spirit of patriotic wrath which will in the end bring disaster to the victor of to-day.

When the invasion of the Ruhr was decided upon, the shortage in the promised coal deliveries upon which default was declared was barely 10 per cent. A little better organisation of the waggon service on the French side would have made up that deficiency in a very short time. During the months of the occupation the French and Belgians have not succeeded in collecting one-sixth the tonnage delivered during the corresponding months last year. It will take weeks after passive resistance has collapsed to restore railways and collieries to working order. The new *régime* will have to liquidate arrears of at least 15,000,000 tons before it begins its regular monthly deliveries. What about cash payments? It is not too much to say that Germany is much less able to meet her obligations in this respect than she was before the invasion. Her credit has been blown out of sight into infinite space. It will take a long time to pull it back from its wanderings and set its feet once more firmly on European earth. There are only four ways in which the huge sum due from Germany can be liquidated:—

(1) By handing over to the Allies the gold reserves of Germany and of Germans either at home or on deposit abroad. The former is negligible; the amount of the latter is disputable. Much of it is essential to enable Germany to purchase abroad the raw material and food necessary to her existence. The worse German credit becomes the larger must this deposit be. As for the foreign securities and deposits which are not strictly necessary for trading, they cannot all be made available, for nothing will induce some of the depositors to part with the whole of these securities. The sum, therefore,

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derivable from this source would amount to but a small percentage of the total figure payable for Reparations.

(2) Deliveries of coal, timber, potash, dyes and other raw material. With the exception of timber, these deliveries have been, on the whole, satisfactory—since the Spa Agreement. It did not require the pressure of armed invasion to improve these deliveries, including the timber demands of the Allies.

(3) A percentage levied on German exports. These are paid for in gold or its equivalent, and the levy would therefore be remitted in gold. A levy of 20 per cent, on German exports would have produced between £40,000,000 and £50,000,000 a year on the basis of last year's exports. When German trade returned to normal it would yield £100,000,000. This sum, added to the value of the material delivered, would cover interest and sinking fund on the £2,500,000,000 which is now the accepted maximum of German capacity.

(4) The restoration of German credit with a view to the immediate raising of a loan on Reparation account. This would help the Allies over their urgent financial difficulties.

These four methods of payment are the only known and knowable means of obtaining Reparations. They would have been more immediately fruitful if so much time, money and resource had not been wasted over this ill-judged invasion.

The apologists of French action in the Ruhr contend that France was driven to these extremes by the refusal of Britain to co-operate with her in bringing legitimate pressure to bear on Germany to carry out the Treaty. Those who put forward this contention argue in ignorance of the proposals submitted by the British Government to the Allied Conference in August 1922. These would have exploited all the methods above set forth to the limit of their productiveness. These proposals were substantially accepted by all the Allies except France. Repeated efforts have been made this year in Parliament to induce the Government to publish this scheme. Both the present and the late Prime Minister gave favourable if not definite answers to the request for publication. But so far the August proceedings have not made their public appearance. Why this reluct-

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ance to give the whole facts to the public ? The discussions at the November and January Conferences have been published in full. These meetings were only adjournments from the August Conference. The story of the fateful Conference is, therefore, incomplete if August is suppressed. Ought not the world to know the proposals which France rejected in August 1922 ? In the absence of official publication I will take the responsibility now of giving a Summary.

It was proposed :—

(1) That Germany should be called upon to take such measures as the Reparation Commission should stipulate, in order to balance her Budget and restore her financial stability.

(2) That the Reichsbank should be made independent of Government control.

(3) That 26 per cent, of the total value of German exports should be collected in gold or foreign currencies and paid into a separate account in the Reichsbank in the name of the Sub-Committee of the Reparations Commission known as the Committee of Guarantees.

(4) That the produce of all German import and export duties other than the levy should be paid monthly to a special account at the Reichsbank, which should be under the scrutiny of the Committee of Guarantees. The German Government should have the disposal of the sums standing to the credit of this account so long as the Reparation Commission was satisfied that it fulfilled the obligations imposed upon it. If at any time the Commission was not satisfied that this was the case the Committee of Guarantees should have the right to take over the sums standing to the credit of this account and to secure the payment to it of the produce of these duties thereafter.

(5) There were stern provisions for supervision of German finance by the Committee of Guarantees and for preventing the export of German capital.

(6) There were provisions for supervision over State mines and forests in the event of their being a failure in delivery of coal or timber as the case might be.

A Moratorium up to December 1922 was to be given conditionally on the acceptance of the above terms by the

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German Government, and the Reparations Commission were then to proceed to fix the further annual payments.

Had these drastic proposals been adopted and enforced by the Allies, what would have been the result? Deliveries of coal and timber would have been ensured up to the full quota arranged. By means of the levy on exports, ^50,000,000 would have been already collected in gold and paid into Allied account. The mark would have been stabilised, and could have been made the basis of a considerable loan. As German trade gradually recovered the export levy would bring in larger amounts. This year would certainly have produced a yield of between ^60,000,000 and ^70,000,000. This is what would have been effected for Reparations if the plan put forward by the British Government had been accepted and put into execution in August. By the settlement of this most troublous question, the great cost and the still greater irritation of the Ruhr episode would have been avoided, trade would have continued its convalescence, and the peace of Europe would have been established.

What would have happened if Germany had refused these terms? We should certainly have heard what objections or counter-proposals Germany had to offer. But we were resolved to have a settlement that would put an end to the fiscal chaos inside Germany, and having thus put her in a position to pay we were equally resolved that she should pay up to the limit of her capacity. We, therefore, undertook, if Germany rejected the terms finally agreed upon, to join France and the other Allies in any coercive measures deemed advisable to compel acceptance. M. Poincaré refused to agree. His refusal alone rendered that Conference fruitless. Over a year has elapsed since then. He has pursued a different policy. So far it has brought him nothing. I am bold enough to predict that in future it will bring France considerably less than the August 1922 plan would have yielded.

If he is out for Reparations his policy will inevitably fail in comparison with that he so rashly threw over. But if he is out for trouble it has been a great success, and in future it will be an even greater triumph for his statesmanship. A permanent garrison in the Ruhr has possibilities of mischief which it does not require any special vision to foresee.

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Enduring peace can only rest on a foundation of justice. It is just that Germany should exert herself to the limit of her strength to repair the damage wrought by her armies. She was the aggressor; she was the invader. Her aggression inflicted serious hurt on her neighbours. By the established precepts of every civilised law in the world she ought to pay up. A peace which did not recognise that obligation would be unjust and provoke a righteous resentment in the breasts of the wronged. That sentiment would have been inimical to the good understanding that is one of the essentials of peace. Moreover, it is not conducive to good behaviour amongst nations that they should be allowed to ravage and destroy without paying the penalty of their misdeeds. That is why I do not agree with those who would wipe out the claim for Reparations entirely. On the other hand, civilised jurisprudence has also advanced to the stage where it forbids the creditor to attach his debtor's freedom and independence as security for the payment of the debt. The law that permitted a debtor to be sold into bondage for an unliquidated liability has now been voted barbarous by the more humane usage and wont of the day. That is why I protest against using armed force to occupy and control a country whilst the scourge of starvation is being used to whip its workmen into toiling for payment of a foreign debt. As Mr. Gladstone once said: "Justice means justice to all." The main difficulty of a just settlement of Reparations comes from the growing disposition to take sides blindly in this dispute. One party sees nothing but the outrage of 1914-18, the costly vindication of right, and the just claim of the victims to compensation for their losses. The other party sees nothing but the harsh fury with which the victors in the cause press their verdict to execution. Peace can only be restored by a full recognition of the equities as well as the humanities—of the humanities as well as the equities. I have sought in these pages to deal fairly with both.

D. LLOYD GEORGE.

September 13th, 1923.

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1922¹

THE year 1922 witnessed a genuine struggle on the part of the nations to re-establish peace conditions in the world. *Recovering Sanity.*

During 1919-20 and 1921 "the tarantella was still in their blood." The mad war dance was still quivering in their limbs and they could not rest. The crackle of musketry was incessant, and made needful repose impossible. There was not a country in Europe or Asia whose troops were not firing shots in anger at some external or internal foe.

America rang down the fire curtain until this hysterical frenzy had burnt itself out. Was she right? It is too early yet to give the answer. The case is but yet "part heard"; many witnessing years whose evidence is relevant have not yet entered the box. It will, therefore, be some time before the verdict of history as to her attitude can be delivered.

But 1922 testifies to many striking symptoms of recovering sanity on the part of the tortured continents. Before 1922 the querulity of the overstrained nerve was apparent everywhere. The slightest offence or misunderstanding, however unintentional, provoked a quarrel, and almost every quarrel was followed by a blow. It was a mad

¹ London, December 20th, 1922.

world to live in. The shrieks of clawing nations rent the European night and made it hideous. A distinguished general declared that at one period—I think it was the year of grace 1920—there were thirty wars, great and small, proceeding simultaneously. Who was to blame? Everybody and nobody. Mankind had just passed through the most nerve-shattering experience in all its racking history, and it was not responsible for its actions. Millions of young men had for years marched through such a pitiless rain of terror as had not been conceived except in Milton's description of the battle scenes when the fallen angels were driven headlong to the deep. And when the Angel of Peace led the nations out from the Gates of Hell, no wonder it took them years to recover sight and sanity.

*Ulti-
matums
giving
way to
Con-
ference.*

Nineteen twenty-two was a year of restored composure. The outward visible sign was manifested in the changed character of the international Conferences held during the year. The ultimatum kind of Conference gave way to the genuine Peace Conference. The old method insisted upon by French statesmen was to hammer out demands on the Conference anvil, and send them in the form of an ultimatum to nations who, in spite of Peace Treaties, were still treated as enemies; the new method was to discuss on equal terms the conditions of appeasement.

Germany, having no fleet in the Pacific, was not invited to the Washington Conference, and Russia was excluded for other reasons. But at Cannes¹

¹ The Cannes Conference, January, 1922.

Germany was represented, and at Genoa¹ both Germany and Russia had their delegates.

The Washington Conference was, in some *Washington.* respects, the most remarkable international Conference ever held. It was the first time great nations commanding powerful armaments had ever sat down deliberately to discuss a voluntary limitation of their offensive and defensive forces. Restrictions and reductions have often been imposed in Peace Treaties by triumphant nations upon their beaten foes. The Versailles Treaty is an example of that operation. But at Washington the victors negotiated a mutual cutting-down of navies built for national safety and strengthened by national pride. The friends of peace therefore have solid ground for their rejoicing in a contemplation of substantial reductions already effected in the naval programmes of the most powerful maritime countries in the world—Britain, the United States of America, and Japan—as a direct result of the Washington negotiations.

American statesmanship has given a lead of which it is entitled to boast, and 1922, in departing, is entitled to claim that this triumph of good understanding has brought a measure of glory which will give it a peculiar splendour amongst the years of Earth's history.

The gatherings at Cannes and Genoa can also claim outstanding merit in the large and growing family of international Conferences. At Washington the Allies alone foregathered. At Cannes and Genoa nations came together which had only

¹ The Genoa Conference, April-May, 1922.

recently emerged out of deadly conflict with each other. At each Conference I met on both sides men who had but just recovered from severe wounds sustained in this struggle. At Cannes French, Belgian, Italian, Japanese, as well as British Ministers and experts, sat down in council with German Ministers and experts to discuss the vexed question of reparations without taunt or recrimination. There was a calm recognition not only of the needs of the injured countries, but also of the difficulties of the offending State. Outside and beyond the German problem there was a resolve to eliminate all the various elements of disturbance, political and economic, that kept Europe in a ferment and made its restoration impossible.

*Genoa and
the Pact.*

Here it was decided to summon all the late belligerent nations to a great Conference at Genoa to discuss reconstruction. To these were added the neutral nations of Europe. It was a great decision. There were three obstacles in the way of realising the programme. The first was the stipulation of France that the specific problems raised by the Treaty of Versailles should be excluded altogether from the purview of the Conference. This was a grave limitation of its functions and chances. Still, if the Cannes sittings had continued, an arrangement might have been arrived at with the Germans which would have helped the deliberations of Genoa. The second obstacle was the refusal of America to participate in the discussions. Why did the American Government refuse? There were probably good reasons for that refusal, but the recording angel

alone knows them all fully and accurately. The third obstacle was the fall of the Briand Ministry, and the substitution of a less sympathetic administration. In spite of all these serious drawbacks Genoa accomplished great things. It brought together into the same rooms enemies who had not met for years except on the battlefield. They conferred and conversed around the same table for weeks—at Conferences, Committees, and Sub-Committees. They broke bread and drank wine together at the same festive boards. Before the Conference came to an end there was an atmosphere of friendliness which was in itself a guarantee of peaceable relations, for the delegates who represented the nations at Genoa were all men of real influence in their respective countries.

But however important the intangible result, there was much more achieved. The thirty nations represented in the Assembly entered into a solemn Pact not to commit any act of aggression against their neighbours. When they entered the Conference there were few of them who were not oppressed with suspicions that these neighbours meditated violence against their frontiers. When they arrived at Genoa they were all anxious for peace, but apprehensive of impending war. Genoa dispelled those anxieties.

One of the most promising results of the Pact and the improved atmospheric conditions out of which it arose is the substantial reduction in the Bolshevik Army. It has already been reduced to the dimensions of the French Army, and we are now promised a further reduction. That

removes a real menace to European peace. If the reduction of armies in the East of Europe is followed by a corresponding reduction in the West the reign of peace is not far distant.

This is not the time to dwell upon the important agreements effected at Genoa on questions of exchange, credit, and transport. All the recommendations made depend for their successful carrying out on the establishment of a real peace and a friendly understanding between nations. Peace and goodwill on earth is still the only healing evangel for idealists to preach and statesmen to practise. Without it plans and protocols must inevitably fail.

*A Sinister
Note.*

Where does peace stand ? The weary angel is still on the wing, for the waters have not yet subsided. She may perhaps find a foothold in the Great West, and Britain is fairly safe—not yet Ireland.

But the Continent of Europe is still swampy and insecure. The debate in the French Chamber on Reparations is not encouraging.¹ The only difference of opinion in the discussion was that displayed between those who advocated an advance into the Ruhr, and the seizure of pledges further into German territory, and those who preferred "developing" the left bank of the Rhine. Occupying, controlling, developing, annexing—they all mean the same thing; that the province to the left bank of the Rhine is to be torn from Germany and grafted into France.

¹ This was a debate on the subject of Reparations which took place in the French Chamber in December, 1922.

There is no peace in this talk. It is a sinister note on which to end the pacific music of 1922. You must interpret it in connection with another event of 1922—the Russo-German Agreement.¹ Since then Chicherin—a spirit of mischief incarnate—has almost made Berlin his abode. The men who are devoting their ingenuity to devising fresh torments for Germany are preparing new terrors for their own and their neighbours' children.

The year ends with rumours of great American projects for advancing large sums of money to all and sundry in the hope of settling the vexed question of German Reparation. The loan, it is surmised, will be accompanied by guarantees on the part of France not to invade further German territory. Some go so far as to conjecture that it is to be an essential condition of participation in this Christmas bounty of Madame Rumour that France is to reduce her armies and to undertake not to exceed Washington limits for her navies.

Nobody seems to know, and I am only repeating the gossip of the Tress. But if the £350,000,000 loan is likely to materialise, its projectors are wise in imposing conditions that would afford them some chance of receiving payment of a moderate interest in the lifetime of this generation.

No prudent banker would lend money on the security of a flaming volcano.

¹ This was the separate Economic Agreement negotiated between Germany and Russia, and which was concluded during the sittings of the International Conference at Genoa.

WHAT IS FRANCE AFTER?¹

1. THE RHINE

*The,
Rhenian
School of
French
Politics.*

M. CLEMENCEAU, in the remarkable series of speeches delivered in the United States of America, implies a breach of faith on the part of Britain in reference to the Pact to guarantee France against the possibility of German aggression.² England has no better friend in the whole of France than M. Clemenceau. Throughout a strenuous but consistent career he has never varied in his friendship for England. Many a time has he been bitterly assailed for that friendship. French journalists are not sparing of innuendo against those they hate. They hate fiercely and they hit recklessly, and M. Clemenceau, a man of scrupulous integrity, at one period in his stormy political life was charged by certain organs of the Paris Press with being in the pay of England. If, therefore, he now does an injustice to Britain I am convinced it is not from blind hatred of our country, but from temporary forgetfulness of the facts.

He states the facts with reference to the original Pact quite fairly. It was proffered as an answer to those who claimed that the left bank of the Rhine should be annexed to France.

¹ London, December 2nd, 1922.

² This refers to the draft Anglo-American Agreement at Paris, 1919.

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There was a strong party in France which urged M. Clemenceau to demand that the Rhine should be treated as the natural frontier of their country, and that advantage should be taken of the overwhelming defeat of Germany to extend the boundaries of France to that fateful river. For unknown centuries it has been fought over and across—a veritable river of blood. If French Chauvinism had achieved its purpose at the Paris Conference the Rhine would within a generation once more overflow its banks and devastate Europe. The most moderate and insidious form this demand took was a proposal that the German provinces on the left bank of the Rhine should remain in French occupation until the Treaty had been fulfilled. That meant for ever. Reparations alone—skilfully handled by the Quai d'Orsay—would preclude the possibility of ever witnessing fulfilment. The argument by which they supported their claim was the defencelessness of the French frontier without some natural barrier. France had been twice invaded and overrun within living memory by her formidable neighbour. The German military power was now crushed, and rich and populous provinces of the German Empire had been restored to France and Poland, but the population of Germany was still 50 per cent, greater than that of France and it was growing at an alarming rate, whilst the French population was at a standstill. German towns and villages were clamant with sturdy children.

You cannot talk long to a Frenchman without

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realising how this spectre of German childhood haunts France and intimidates her judgment. These children, it is said, are nourished on vengeance; one day the struggle will be resumed, and France has no natural defence against the avenging hordes that are now playing on German streets and with the hum of whose voices German kindergartens resound.

We were told the Rhine is the only possible line of resistance. Providence meant it to play that part, and it is only the sinister interference of statesmen who love not France that deprives Frenchmen of this security for peace which a far-seeing Nature has provided.

The fact that this involved the subjection to a foreign yoke of millions of men of German blood, history, and sympathies, and that the incorporation of so large an alien element, hostile in every fibre to French rule, would be a constant source of trouble and anxiety to the French Government, whilst it would not merely provide an incentive to Germany to renew war but would justify and dignify the attack by converting it into a war of liberation—all that had no effect on the Rhenian school of French politics.

This school is as powerful as ever. In one respect it is more powerful, for in 1919 there was a statesman at the head of affairs who had the strength as well as the sagacity to resist their ill-judged claims.

But what about 1922? Where is the foresight and where is the strength? There is a real danger

WHAT IS FRANCE AFTER?

that the fifteen years' occupation may on one pretext or another be indefinitely prolonged. When it comes to an end will there be a Ministry in France strong enough to withdraw the troops? Before the fifteen years' occupation is terminated will there be a Ministry or a series of Ministries strong enough to resist the demand put forward without ceasing in the French Press that the occupation should be made effective?

Annexation and the inevitable reckoning.

Upon the answer to these questions the peace of Europe—the peace of the world, perhaps the life of our civilisation—depends. The pressure to do the evil thing that will once more spill rivers of human blood is insistent. The temptation is growing, the resistance is getting feebler. America and Britain standing together can alone avert the catastrophe. But they can do so only by making it clear that the aggressor—whoever it be—will have the invincible might of these two Commonwealths arrayed against any nation that threatens to embroil the world in another conflict.

There are men in Germany who preach vengeance. They must be told that a war of revenge will find the same Allies side by side inflicting punishment on the peace-breakers. There are men in France who counsel annexation of territories populated by another race. They must be warned that such a step will alienate the sympathies of Britain and America, and that when the inevitable war of liberation comes the sympathies of America and Britain will be openly ranged on the side of those who are fighting for national freedom.

WHAT IS FRANCE AFTER?

The time has come for saying these things, and if they are not said in high places humanity will one day call those who occupy those places to a reckoning.

*Britain
would have
stood by
the Pact.*

The Pact was designed to strengthen the hands of M. Clemenceau against the aggressive party which was then, and still is, anxious to commit France to the colossal error of annexing territory which has always been purely German.

M. Clemenceau knows full well that Britain has been ready any time during the last three years up to a few months ago to take upon herself the burden of that Pact with or without the United States of America. At Cannes early this year I made a definite proposal to that effect. It was a written offer made by me on behalf of the British Government to M. Briand, who was then Prime Minister of France.

I was anxious to secure the co-operation of France in a general endeavour to clear up the European situation and establish a real peace from the Urals to the Atlantic seaboard. French suspicions and French apprehensions constituted a serious difficulty in the way of settlement, and I thought that if it were made clear to France that the whole strength of the British Empire could be depended upon to come to her aid in the event of threatened invasion French opinion would be in a better mood to discuss the outstanding questions which agitate Europe.

International goodwill is essential to the re-establishment of the shattered machinery of

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international commerce. With a great country like France, to which the issue of the war had given a towering position on the Continent of Europe, in a condition of fretfulness, it was impossible to settle Europe.

Hence the offer which was made by the British Government. M. Briand was prepared to welcome this offer and to proceed to a calm consideration of the perplexities of the European situation. It was agreed to summon a Conference at Genoa to discuss the condition of European exchange, credit and trade. It was also resolved that an effort should be made to establish peace with Russia and to bring that great country once more inside the community of nations. A great start was made on the path of genuine appeasement. The German Government were invited to send their chief Minister to the Cannes Conference in order to arrive at a workable settlement of the vexed question of Reparations. The invitation received a prompt response, and Dr. Rathenau, accompanied by two or three leading Ministers and a retinue of financial experts, reached Cannes in time to take part in the discussions.

The negotiations were proceeding helpfully, and another week might have produced results which would have pacified the tumult of suspicious nations and inaugurated the promise of fraternity. But, alas I Satan is not done with Europe. A ministerial crisis in France brought our hopes tumbling to the ground. The Conference was broken up on the threshold of fulfilment.

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Suspicion once more seized the tiller, and Europe, just as she seemed to be entering the harbour of goodwill, was swung back violently into the broken seas of international distrust. The offer made by Britain to stand alone on the Pact of guarantee to France was rejected with disdain. We were told quite brutally that it was no use without a military convention. This we declined to enter into. Europe has suffered too much from military conventions to warrant the repetition of such a disastrous experiment.

The Pact with Britain lies for the moment in the waste-paper basket. But we never flung it there. M. Clemenceau ought to have made his complaint in Paris against men of his own race and not in New York against Englishmen. With the Pact went the effort to make peace in Europe.

*M. Barthou's
awkward
position at
Genoa.*

The history of Genoa is too recent to require any recapitulation of its features. The new French Ministry did not play the part of an inviting Government responsible for pressing to a successful end the objects of Cannes, but rather that of the captious critic who had to be persuaded along every inch of the road and who threatened at every obstacle to turn back and leave the rest of Europe to struggle along with its burden, amid the mocking laughter of France.

I am not complaining of M. Barthou. He did his best under most humiliating conditions to remain loyal to the Conference which his Government had joined in summoning. But his task was

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an impossible one. He was hampered, embarrassed and tangled at every turn. Whenever he took any step forward he was lassoed by a despatch from Paris. I have good authority for stating that he received over eight hundred of these communications in the course of the Conference!

What could the poor man do under such bewildering conditions? The other European countries were perplexed and distracted. They were anxious that Genoa should end in a stable peace. There was no doubt about the sincerity, the passionate sincerity, of the desire for peace throughout Europe, but European nations could not help seeing that one of the Great Powers was working for a failure. They had a natural anxiety not to appear to take sides.

It is a marvel that in spite of this unfortunate attitude adopted by the French Government a Pact was signed which has, at any rate, preserved the peace in Eastern Europe for several months.¹

Before the Conference we heard of armies being strengthened along frontiers and of movements of troops with a menacing intent from the Baltic to the Black Sea. Genoa at least dispelled that cloud. But a permanent peace has not yet been established and the Pact with Russia will soon expire. I am, however, hopeful that the spirit of Genoa will stand between contending armies and prevent the clash of swords.

¹ This is the solemn Pact agreed to by all the Powers assembled at Genoa not to commit any act of aggression against each other for a definite period.

WHAT IS FRANCE AFTER?

All this, however, is leading me away from an examination of M. Clemenceau's suggestion that Britain did not keep faith in the matter of guaranteeing France against German aggression.

*France
seeks an
excuse to
retain the
Rhine.*

The offer was definitely renewed at Cannes, and M. Poincaré has not accepted it. I have my own opinion as to why he has not done so. It is not merely that he does not wish to set the seal of his approval upon a predecessor's achievement. I am afraid the reason is of a more sinister kind. If France accepts Britain's guarantee of defence of her frontier every excuse for annexing the left bank of the Rhine disappears.

If this is the explanation, if French Ministers have made up their minds that under no conditions will they, even at the end of the period of occupation, withdraw from the Rhine, then a new chapter opens in the history of Europe and the world, with a climax of horror such as mankind has never yet witnessed.

The German provinces on the left bank of the Rhine are intensely German—in race, language, tradition and sympathies. There are seventy millions of Germans in Europe. A generation hence there may be a hundred millions. They will never rest content so long as millions of their fellow-countrymen are under a foreign yoke on the other side of the Rhine, and it will only be a question of time and opportunity for the inevitable war of liberation to begin.

We know what the last war was like. No one can foretell the terrors of the next. The march

WHAT IS FRANCE AFTER?

of science is inexorable, and wherever it goes it is at the bidding of men, whether to build or to destroy. Is it too much to ask that America should, in time, take an effective interest in the development along the Rhine? To that extent I am in complete accord with M. Clemenceau. Neither Britain nor America can afford to ignore the manoeuvres going on along its banks. It is a far cry from the Rhine to the Mississippi, but not so far as it used to be.

There are now graves not far from the Rhine wherein lies the dust of men who, less than six years ago, came from the banks of the Mississippi, with their faces towards the Rhine.

WHAT IS FRANCE AFTER?¹

2. THE RHINE (*continued*)

*French
Denials
of Rhine
Ambi-
tions.*

THE breakdown of the London Conference,² and especially the reason for that breakdown, proves that the warning I uttered in my last article was necessary and timely.

M. Poincaré demanded the occupation of the only rich coalfield left to Germany as a guarantee for the carrying out of impossible terms.

It is because I am profoundly convinced that the policy represented by this project will lead to trouble of the gravest kind for Europe and the world that I felt moved to sound a note of warning. I knew it would provoke much angry misrepresentation. I am accustomed to that. I deemed it to be my duty to face it.

The statement I made in my last article about the existence of a strong party in France which regarded the Rhine as the natural barrier of that country has provoked a storm of denial, repudiation and indignation. It is denounced as a wicked invention. Some are amazed at the impudence of

¹ London, December 12th, 1922.

² This Conference ended December 11th, 1922. It was the Inter-Allied Conference held in London to discuss the subject of Reparations.

WHAT IS FRANCE AFTER?

the calumny. Where is the party? France knows nothing of it. Is it not a monster which has emanated from the brain of the enemy of France?

Repudiations have their value, especially if they come from men of authority, and I shall bear invective with the fortitude to which all men who wish to be happy though politicians should be hardened, provided I elicit denials which may render future international mischief difficult.

But a further perusal of the evidence on which I based my statement has served to deepen my apprehensions. What was the statement? Let me quote the actual words I used:—

" There was a strong party in France which urged M. Clemenceau to demand that the Rhine should be treated as the natural frontier of their country, and that advantage should be taken of the overwhelming defeat of Germany to extend the boundaries of France to that fateful river.

" The most moderate and insidious form this demand took was a proposal that the German provinces on the left bank of the Rhine should remain in French occupation until the Treaty had been fulfilled. That meant for ever. Reparations alone—skilfully handled by the Quai d'Orsay—would preclude the possibility of ever witnessing fulfilment.

" The Pact was designed to strengthen the hands of M. Clemenceau against the aggressive party which was then, and still is, anxious to commit France to the colossal error of annexing territory which has always been purely German."

WHAT IS FRANCE AFTER?

What was the basis on which I made this assertion? It was thoroughly well known to all those who were engaged in the operations of the Peace Conference. The Rhine was the background of all manoeuvre for weeks and months. Whether the subject matter was the League of Nations, the German fleet, or the status of Fiume, we knew that the real struggle would come over the Rhine. On one hand, How much would France demand? on the other, How much would the Allies concede? There was a subconscious conflict about the Rhine throughout the whole discussion, however irrelevant the topic under actual consideration happened to be.

*The Testi-
mony of
Marshal
Foch.*

But unrecorded memories are of little use as testimony unless corroborated by more tangible proofs. Do such proofs exist? I will recall a few.

There was a party which considered the Rhine to be the only natural frontier of France. It was a strong party, with a strong man as its spokesman—in many ways the strongest in France—Marshal Foch. His splendid services in the war gave him a position such as no soldier in France or in any other country could command. The soldier who, by his genius, leads a nation to victory, possesses a measure of influence on the public opinion of the people he has saved from destruction such as no other individual can aspire to—as long as his services are fresh in the memory of his fellow-countrymen. That, I admit, is not very long. Gratitude is like manna—it must be gathered and enjoyed quickly, for its freshness

WHAT IS FRANCE AFTER?

soon disappears. But in the early months of 1910 Marshal Foch was still sitting at the banquet table of popular favour enjoying the full flavour of grateful recognition. His word on all questions affecting the security and destiny of France was heard with a deference which no other man in France could succeed in securing. He has also a quality which is not usually an attribute of generalship: he is a lucid, forceful and picturesque speaker. He was, therefore, listened to for what he was, for what he said, and for the way he said it.

What did he say? He said a good deal on the subject of the Rhine frontier and I cannot quote it all. I will take a few germane sentences out of his numerous utterances on the subject. On the 11th day of April, 1910, there appeared in the London *Times* an interview with Marshal Foch. From that interview I take these salient passages:—

" And now, having reached the Rhine, we must stay there,' went on the Marshal very emphatically. Impress that upon your fellow-countrymen. It is our only safety, their only safety. We must have a barrier. We must double-lock the door. Democracies like ours, which are never aggressive, must have strong *natural military* frontiers. Remember that those seventy millions of Germans will always be a menace to us. Do not trust the appearances of the moment. Their natural characteristics have not changed in four years. *Fifty years hence* they will be what they are to-day.'

" From the table at the other end of the

WHAT IS FRANCE AFTER?

room Marshal Foch brought a great map, six or eight feet square, on which the natural features of this part of Western Europe were marked. The Rhine was a thick line of blue. To the west of the river the Marshal had drawn in pencil a concave arc representing the new frontier that France will receive under the Peace Treaty. It was clearly an arbitrary political boundary conforming to no natural feature of the land.

"Look at that," said Marshal Foch. « There is no natural obstacle along that frontier. Is it there that we can hold the Germans if they attack us again? No. Here! here! here!" and he tapped the blue Rhine with his pencil.

"Here we must be ready to face our enemies. This is a barrier which will take some crossing. If the Germans try to force a passage over the Rhine—ho! ho! But here"—touching the black pencilled line running north-west from Lorraine past the Saar valley to the Belgian frontier—"here there is nothing.

"No; if you are wise you insist on having your locks and your wall, and we must have our armies on the Rhine. Some people object that it will take many troops to hold the Rhine. Not so many as it would take to hold a political frontier. For the Rhine can be crossed only at certain places, whereas the new political frontier of France can be broken anywhere and would have to be held in force along its entire length."

He expounded his doctrine in greater detail in . official memorandum which he submitted to

WHAT IS FRANCE AFTER?

M. Clemenceau as Commander-in-Chief of the Allied Armies:—

" To stop the enterprises towards the west of this nation, everlastingly warlike, and covetous of the good things belonging to other people, only recently formed and pushed on to conquest by force regardless of all rights and by ways the most contrary to all law, seeking always the mastery of the world, *Nature has only made one barrier—the Rhine. This harrier must be forced on Germany. Henceforward the Rhine will be the western frontier of the Germanic peoples. . . .*"

He repeated this demand in a subsequent memorandum. Many of us recall his dramatic irruption into the placid arena of the Peace Conference in May, 1919, still brandishing the same theme.

*Foch and ..
the Presi-
dential
Election.*

It may be said that Marshal Foch is not and does not pretend to be a statesman. He is only a great soldier. Nevertheless, his political influence was so great that even in 1920 he overthrew the most powerful statesman in France within a month of his triumphant return at the polls with a huge supporting majority in the French Parliament. It was Marshal Foch who, by his antagonism, was responsible for M. Clemenceau's defeat at the Presidential Election of 1920. But for Marshal Foch's intervention M. Clemenceau would have been to-day President of the French Republic.

Why was he beaten, at the height of his fame, by a candidate of infinitely less prestige and power ?

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The wrath of Marshal Foch and his formidable following was excited against M. Clemenceau because the latter had, under pressure from the Allies, gone back on the agreed French policy about the Rhine. M. Tardieu, as is well known, was one of the two most prominent Ministers in M. Clemenceau's administration, and closely associated with his chief in the framing of the Peace Treaty. He has written a book, and in that book he gives at length a document which he handed to the Allies on March 12th, 1919, containing the following proposal:—

"In the general interest of peace and to assure the effective working of the constituent clause of the League of Nations, the Western frontier of Germany is fixed at the Rhine. Consequently Germany renounces all sovereignty over, as well as any customs union with, the territories of the former German Empire on the left bank of the Rhine."

There is a sardonic humour about the words "in the general interest of peace and to assure the effective working of the constituent clause of the League of Nations."

But it demonstrates that at that date M. Clemenceau and his Minister had become converts to the doctrine of the Rhine as the natural boundary of Germany. American and British pressure subsequently induced him to abandon this position and, as I said in my previous article, the Pact was part of the argument addressed to him. But the party of the Rhine never forgave. Hence his

WHAT IS FRANCE AFTER?

failure to reach the Presidential chair. It was an honourable failure and will ever do him credit.

The reasons assigned for that defeat by the *Annual Register*, 1919-20—certainly not a partisan authority—proves that even an unexcitable chronicler laboured then under the delusion—if it be a delusion—which possessed me when I wrote the offending article. Explaining the remarkable defeat the *Annual Register* says:—

" . . . Clemenceau's supporters contended that the terms of the Treaty of Versailles were satisfactory from the French point of view; his opponents declared that he had given way too much to the American and British standpoints and that the peace was unsatisfactory, particularly in respect of the guarantees for the reparations due to France and in the matter of the French eastern frontier. *"It will be remembered that a large body of French opinion had desired that France should secure the line of the Rhine as her eastern frontier."*

I can if necessary quote endless leading articles in French journals and writings and speeches of French politicians. Men of such divergent temperaments and accomplishments as M. Franklin Bouillon and M. Tardieu gave countenance to this claim that Germany should be amputated at the Rhine. One carried the theme along on the torrent of his clattering lava and the other on the dome of an iceberg. Later on at the reception of Marshal Foch when he was elected a member

WHAT IS FRANCE AFTER?

of the French Academy, M. Poincare, turning at one moment in his discourse to the Marshal, said in reference to the veteran General's well-known attitude on the Peace Treaty, "Ah, Monsieur le Marechal, if only your advice had been listened to!" Has he also gone back on an opinion so histrionically expressed? Let us hope for the best.

*The Sham
of an
"Independent
Republic."*

I know it will be said that although the boundaries of Germany were to end at the Rhine, the province on the left bank was not to be annexed, but to be reconstituted into an "independent" Republic. What manner of independence and what kind of Republic? All German officers were to be expelled; it was to be detached by special provision from the economic life of Germany upon which it is almost entirely dependent for its existence. It was not to be allowed to associate with the Fatherland. The Rhine which divided the new territory from Germany was to be occupied in the main by French troops: the territories of the independent Republic were to be occupied by foreign soldiers. Its young men were to be conscripted and trained with a view to absorbing them into French and Belgian armies to fight against their own countrymen on the other side of the Rhine. The whole conditions of life in the "free and independent Republic" were to be dictated by an "accord" between France, Luxembourg and Belgium, and, in the words of Marshal Foch, "Britain would be ultimately brought in."

But I am told that these proposals did not mean

WHAT IS FRANCE AFTER?

annexation. Then what else did they mean? You do not swallow the oyster. You only first give it an independent existence by detaching it from its hard surroundings. You then surround it on all sides and absorb it into your own system to equip you with added strength to prey on other oysters! What independence! And what a Republic! It would have been and was intended to be a sham Republic. Had the plan been adopted it would have been a blunder and a crime, for which not France alone but the world would later on have paid the penalty.

In the face of these quotations and of these undoubted facts, can anyone say that I calumniated France when I said there was a powerful party in that country which claimed that the Rhine should be treated as the natural barrier of Germany, and that the Peace Treaty should be based upon that assumption?

Let it be observed that I never stated that this claim had the support of the French democracy. The fact that the Treaty, which did not realise that objective, secured ratification by an overwhelming majority in the French Parliament and subsequently by an emphatic verdict in the country, demonstrates clearly that the French people as a whole shrank with their invincible good sense from following even a leader they admired on to this path of future disaster. But the mere fact that there are potent influences in France that still press this demand, and take advantage of every disappointment to urge it

WHAT IS FRANCE AFTER?

forward, calls for unremitting vigilance amongst all peoples who have the welfare of humanity at heart.

In conclusion, I should like to add that to denounce me as an enemy of France because I disagree with the international policy of its present rulers is a petulant absurdity.

During the whole of my public career I have been a consistent advocate of co-operation between the French and British democracies. I took that line when it was fashionable in this country to fawn on German Imperialism.

During the War I twice risked my Premiership in the effort to place the British army under the supreme command of a French General. To preserve French friendship I have repeatedly given way to French demands, and thus have often antagonised opinion in this country. But I cannot go to the extent of approving a policy which is endangering the peace of the world, even to please one section of a people for whose country I have always entertained the most genuine affection.

WHAT IS FRANCE AFTER?¹

3. THE PARIS CONFERENCE

THE third Conference² with M. Poincaré over *Bankrupt*
Reparations has ended, like its two predecessors, *Con-*
in a complete breakdown, *ferences*

The first was held in August, the second in December, and the third fiasco has just been witnessed.

I congratulate Mr. Bonar Law on having the courage to face a double failure rather than agree to a course of policy which would in the end prove disappointing, and probably disastrous.

Agreement amongst Allies is in itself a desirable objective for statesmen to aim at, but an accord to commit their respective countries to foolishness is worse than disagreement.

France and Britain must not quarrel, even if they cannot agree ; but if French Ministers persist in the Poincaré* policy, the companionship of France and Britain over this question will be that of parallel lines which never meet, even if they never conflict.

What is the object of this headstrong policy ?
Reparations ?

There is no financier of repute, in any quarter of the globe, who will agree that these methods will bring the Allies any contributions towards their impoverished resources.

¹ Ronda (Spain), January 6th, 1923.

² This Conference in Paris terminated January 4th, 1923.

WHAT IS FRANCE AFTER?

At the August Conference all the experts were in accord on this subject, but whilst these methods will produce no cash, they will produce an unmistakable crash.

My recollections of the August discussions enable me to follow with some understanding the rather confused reports which have so far reached me here.¹

It is common ground amongst all the Allies that Germany cannot under present conditions pay her instalments.

*Where
Allies
differ.*

It is common ground that she must be pressed to put her finances in order, and by balancing her Budget restore the efficiency of her currency, so as to meet her obligations.

But M. Poincare insisted that, as a condition of granting the moratorium, pledges inside German territory should be seized by the Allies.

These pledges consisted of Customs already established, and of new Customs to be set up on the Rhine and around the Ruhr, so that no goods should be permitted to pass from these German provinces into the rest of Germany without the payment of heavy Customs dues.

The other proposed pledges were the seizure of German forests, of German mines, and of 60 per cent, of the shares in certain German factories.

Mr. Bonar Law, judging by his official *communiqué* after the breakdown of the Conference, seems to have raised the same objections to these pledges as I put forward at the Conference last August.

¹ This article was written at Ronda (Spain).

WHAT IS FRANCE AFTER?

They would bring in nothing comparable to the cost of collection;

They would provoke much disturbance and irritation and might lead to consequences of a very grave character.

In fact, these pledges are nothing but paper and provocation.

The Customs barrier on the Rhine was tried once before, and was a complete failure.

It was tried then as a sanction and not as a means of raising money. For the former purpose it may have achieved some measure of success, but from the point of view of collecting money it was a ludicrous fiasco.

There are at the present moment hundreds of millions of paper marks collected at these new toll-houses still locked up in the safe of the Reparations Commission. They are admittedly worthless.

As long as these tolls lasted, they were vexatious; they interfered with business; they dealt lightly with French luxuries working their way into Germany, but laid a heavy hand on all useful commodities necessary to the industry and life of the people.

They were ultimately withdrawn by consent. M. Poincaré now seeks to revive them.

The seizure of German forests and mines will inevitably lead to even more serious consequences. The Allied control established in the far interior of Germany would require protection.

Protection means military occupation in some shape or other.

A Dangerous Policy.

WHAT IS FRANCE AFTER?

Military occupation of these remote areas means incidents, and incidents quickly ripen into more serious complications.

Hence the reluctance of the British Government of which I was the head to concur in this dangerous policy. Hence the refusal of Mr. Bonar Law's Government to accept the responsibility for sanctioning such a policy. Even logically it is indefensible.

There are only two alternative points of view. One is that Germany cannot pay under present conditions until her finances are restored, and that a moratorium ought to be granted for a period which will enable that financial restoration to mature. The second is that Germany can pay, that she is only shamming insolvency, and that all that you have to do is to apply the thumbscrew firmly and cash will be forthcoming.

Logically I can understand either of these two alternatives, but I fail to comprehend the reason for a proposal that will grant a moratorium on the ground that Germany cannot pay, and at the same time apply the thumbscrew until she pays.

I am glad the British Prime Minister has had the wisdom not to associate himself with a policy which will bring inevitable discredit upon those who share the responsibility of enforcing it.

Meanwhile, the prospects of Europe's recovery are once more to be retarded by the vain stubbornness of some of her rulers.

EUROPE STILL ARMING¹

MAKSHAL FOCH once told me that he considered the German army of 1914 the finest army the world ever saw, in numbers, organisation, training, and equipment. *What Caused the War?*

What set that army in motion ?

Much has been written and spoken as to the origin of the Great War, and as to who and what was responsible for so overwhelming a cataclysm. No one ever believed that it was the assassination of a Royal Archduke. Some said it was the working out of the Pan-German scheme to rule the earth; some contended it was the German fear of the growing power of Russia, the nervous apprehension of what looked like an encircling movement by Russia, France and Britain.

The great French Marshal's dictum is the real explanation. Unless due weight is given to this outstanding fact the diplomatic muddle of July, 1914, becomes unintelligible.

Were it not that the German army was more perfect and more potent than either the French or the Russian army—were it not that every German officer was convinced that the German military

¹ Algecirus, December 20th, 1922.

EUROPE STILL ARMING

machine was superior to all its rivals—there would have been no war, whatever emperors, diplomatists, or statesmen said, thought, or intended.

All nations have their ambitions, but they are not tempted to impose them upon their neighbours if the hazard is too obviously great. But a sense of overpowering force behind national aims is a constant incitement to recklessness, to greed, and to ambitious patriotism.

The more one examines, in the growing calm, the events of July, 1914, the more one is impressed with the shrinking of the nominal rulers of the attacking empires as they approached the abyss, and with the relentless driving onward of the military organisation behind these terror-stricken dummies.

Navies are essentially defensive weapons. No capital in the world can be captured by navies alone, and no country can be annexed or invaded by a fleet. But armies are grabbing machines. A transcendent army has always led to aggression. No country can resist the lure of an easy military triumph paraded before its eyes for two successive generations.

*Nations
must Dis-
arm.*

The inference is an obvious one. To ensure peace on earth nations must disarm their striking forces. Without disarmament, pacts, treaties, and covenants are of no avail. They are the paper currency of diplomacy. That is the reason why all the friends of peace are filled with despair when they see nations still arming and competing in armies whilst trusting to mere words and signa-

EUROPE STILL ARMING

tures to restrain the irresistible impetus of organised force.

A statistical survey of European armies to-day is calculated to cause alarm. Europe has not learnt the lesson of the War. It has rather drawn a wrong inference from that calamity. There are more men under arms in Europe to-day than there were in 1913-14, with none of the justification or excuse which could be pleaded in those days.

In pre-war times the statesmen of each country could make a parliamentary case for their military budgets by calling attention to the menace of prodigious armies across their frontiers. Germany and Austria built up great armaments because their frontiers were open to the attack of two great military Powers who had engaged to pool their resources in the event of war. France and Russia raised huge armies because Germany possessed the most redoubtable army in the world, and could rely in the case of war upon the assistance of the not inconsiderable forces of the Austrian Empire. And both Austria and France had always the uncertain factor of Italy, with her army of 3,000,000, to reckon with.

But since the War these mutual excuses no longer exist. The two great military empires of Central Europe have disappeared. Germany, which before the War had a peace establishment of 800,000 men and reserves running into millions, has to-day a total army of 100,000 men—about one-third the size of the Polish army. The

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formidable German equipment which for four years pounded the cities and villages of Northern France to dust is either destroyed or scattered for display amongst the towns and villages of the victors. The Austrian army, which had in 1913-14 a peace establishment of 420,000 men and a reserve of two or three millions of trained men, has to-day been reduced to a tiny force of 30,000 men.

*The
Forces of
France.*

In spite of these facts France has still an army of 730,000 men now under arms, with a trained reserve of two or three millions more. She is strengthening and developing her air force as if she feared—or contemplated—an immediate invasion. In 1914 France had an air force of 400 aeroplanes ; to-day she has 1,152.¹ But numbers signify little. The size, the power, and the purpose of the machines signify much. Amongst the 1,152 air machines of to-day will be found bombers of a destructiveness such as was not dreamt of in 1914.

Should human folly drift once more into war these preparations are full of evil omen as to the character of that conflict. A single bomb dropped from one of the new bombers contains more explosive material than one hundred of those carried by the old type. And the size of the machine and of its bombs is growing year by year. Where is it to stop ? And what is it all for ? Where is the enemy ? Where is the menace which demands such gigantic military develop-

¹ 1,152 refers to when this article was written, *i. e.* December 26th, 1922. The figure has increased since then.

EUROPE STILL ARMING

ments? Not one of the neighbours of France has to-day a force which reaches one-fourth the figure of her formidable army. Germany no longer affords a decent pretext. The population of Germany is equal to the aggregate population of Poland, Roumania, Jugo-Slavia, and Czechoslovakia, but her army barely numbers one-seventh of the aggregate peace establishment of these four countries, Roumania alone, with a population of 15,000,000, has an army twice the size of that allowed by the Treaty of Versailles to Germany with her population of 60,000,000. These countries have in addition to their standing armies reserve forces of millions of trained men, whilst the young men of Germany are no longer permitted to train in the use of arms. Her military equipment is destroyed, and her arsenals and workshops are closely inspected by Allied officers lest a fresh equipment should be clandestinely produced. A French army of 700,000 is, therefore, not necessary in order to keep Germany within bounds.

The only other powerful army in Europe is the Russian army. It is difficult to gather any reliable facts about Russia. The mists that arise from that unhealthy political and economic swamp obscure and distort all vision. The statistics concerning her army vary according to the point of view of the person who cites them. The latest figure given by the Russians themselves is 800,000. On paper that indicates as formidable a force as that possessed by the French. But the events of the past few years show clearly that the Russian

*The
Russian
Army.*

EUROPE STILL ARMING

army is powerful only for defence, and that it is valueless for purposes of invasion. It has neither the transport that gives mobility nor the artillery that makes an army redoubtable in attack. The Polish invasion of 1923 was a comedy, and as soon as the Poles offered the slightest resistance the Bolsheviks ran back to their fastnesses without striking a Parthian blow at their pursuers. The state of Russian arsenals and factories under Bolshevism is such that any attempt to re-equip these armies must fail. The Russian army, therefore, affords no justification for keeping up armaments in Europe on the present inflated scale. The fact is that Europe is thoroughly frightened by its recent experience, and, like all frightened things, does not readily listen to reason, and is apt to resort to expedients which aggravate the evils which have terrified it.

*Europe
more Mili-
tarist than
ever.*

Militarism has reduced it to its present plight, and to save itself from a similar disaster in future it has become more militarist than ever. Every little State bristles with guns to scare off invaders. Meanwhile no country in Europe pays its way, except Britain, with her reduced army and navy. But by means of loans and inflated currencies they all, even the smallest of them, contrive to maintain larger armies than Frederick the Great or the Grand Monarque ever commanded in their most triumphant years. And the cost of armaments to-day has grown vastly out of proportion to the numbers of the units that compose them. France—in many ways the richest country in

EUROPE STILL ARMING

Europe—displays a gaping and a growing rent in her national finance which has to be patched up by paper. The deficit grows in spite of the fact that a large part of her army is quartered on Germany to the detriment of Reparations, and that the German contribution conceals much of the cost of that large army.

A good deal of the borrowing is attributable to the cost of repairing her devastated area, but the burden of maintaining so huge an army is responsible for a considerable share of the deficiency. The economic recovery of Europe is seriously retarded by the cost of the new militarism. The old Continent is throwing to the dogs of war with both hands the bread that should feed her children. One day those dogs will, in their arrogant savagery, turn upon the children and rend them.

REPARATIONS¹

BACK TO THE TREATY

*The
Heart of
the Pro-
blem.*

WHAT is the Reparations problem? Why does it appear to be further from solution than ever?

The great public in all lands are perplexed and worried by its disturbing insolubility. It keeps them wondering what may happen next, and that is never good for a nerve-ridden subject like post-war Europe.

The real trouble is not in solving the problem itself, but in satisfying the public opinion which surrounds it. I do not mean to suggest that it is an easy matter to ascertain what payments Germany can make, or for Germany to pay and keep paying these sums once they have been ascertained. But if the difficulty were purely financial it could be overcome. The heart of the problem lies in the impossibility at present of convincing the expectant, indignant, hard-hit and heavily burdened people of France that the sums so fixed represent all that Germany is capable of paying.

The question of compelling a country to pay across its frontiers huge sums convertible into the currency of other countries is a new one. At first it was too readily taken for granted that a wealth

¹ Algeciras, January 1st, 1923.

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which could bear a war debt of £8,000,000,000 could surely afford to bear an indemnity of £6,000,000,000 provided that this smaller sum were made a first charge on the national revenues; and it took time for the average mind to appreciate the fundamental difference between payment inside and transmission outside a country.

When I think of the estimates framed in 1919 by experts of high intelligence and trained experience as to Germany's capacity to pay cash over the border I am not disposed to complain of the impatience displayed by French taxpayers at the efforts made at successive Conferences to hew down those sanguine estimates to feasible dimensions. I am content to point with pride to the fact that the common sense of the more heavily burdened British taxpayer has long ago taught him to cut his loss and keep his temper. When his example is followed all round, the Reparations question is already solved.

*Payment
according
to Capa-
city.*

When public opinion in all the Allied countries has subsided into sanity on German Reparations, as it already has in Britain, financiers can soon find a way out, and trade and commerce will no longer be scared periodically from their desks by the seismic shocks given to credit every time a French Minister ascends the tribune to make a statement on Reparations.

Regarding the payment of Reparations solely from the point of view of finance, the issues can be stated simply, and I think solved readily.

It is always assumed by those who have never

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read the Treaty of Versailles, and the letter that accompanied it, that this much-abused and little-perused document fixed a fabulous indemnity for payment by Germany. The Treaty may have its defects; that is not one of them, for it fixed no sum for payment, either great or small.

It stipulated that a Reparations Commission should be set up in order, *inter alia*, to assess the damage inflicted by Germany on Allied property and the compensation for injury to life and limb in Allied countries.

In the second place—and this is also overlooked—it was to ascertain how much of that claim Germany was capable of paying. On both these questions Germany is entitled to be heard before adjudication.

It is in accordance with all jurisprudence that as Germany was the aggressor and the loser she should pay the costs. But it would be not only oppressive but foolish to urge payment beyond her capacity.

The amount of damage was to be ascertained and assessed by May, 1921. Capacity was to be then determined and revised from time to time, according to the varying conditions. Even so fair a controversialist as the eminent Italian statesman Signor Nitti has ignored the latter provision in the Versailles Treaty. No wonder that he should, for there are multitudes who treat every alteration in the annuities fixed in May, 1921, as if it were a departure from the Treaty of Versailles to the detriment of the victors; whereas every modi-

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fication made has been effected under the provisions and by the machinery incorporated in the Treaty for that express purpose.

But there has undoubtedly been a departure from the Treaty—a fundamental departure. It has, however, been entirely to the detriment of the vanquished. In what respect? I propose to explain, for the whole trouble has arisen from this change in the Treaty. The Treaty provided that the body to be set up for deciding the amount to be paid in respect of Reparations should consist of a representative each of the United States of America, the British Empire, France, Italy, and Belgium.

*A Fundamental
Departure
from the
Treaty.*

With the exception of the United States of America, all these Powers are pecuniarily interested in the verdict. At best therefore it was on the face of it not a very impartial tribunal. Still, Britain, as a great trading community, was more interested in a settlement than in a few millions more or less of indemnity wrung out of Germany; and Italy also was a country which had large business dealings with Germany, and would not therefore be tempted to take a violently anti-German view on the Commission. The presence therefore of the United States of America, Britain and Italy together on the Commission constituted a guarantee for moderation of view.

Now the only disinterested party has retired from the tribunal. The most interested party is in the chair, with a casting vote on certain questions. That is not the Treaty signed by Germany.

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If you sign an agreement to pay a sum to be awarded by A, B, C, D, and E, trusting for a fair hearing largely to the influence of A, who is not only very powerful but who is the only completely disinterested referee, and A then retires from the Board of Arbitrators, you are entitled to claim that the character of the agreement is changed. The representatives of France and Belgium on the Reparations Commission are honourable men who are most anxious to do justice, but they are watched by a jealous, vigilant and exacting opinion constantly ready to find fault with concession and to overpower moderating judgment.

The balance of the Treaty has therefore been entirely upset. What is really needed is to restore that balance so as to secure a fair verdict on the only question at issue—how much Germany can pay.

*Ruin or
Recovery?*

When you come to consider that issue you must view the claim for Reparations as you would any ordinary debt. You must make up your mind whether you wish to ruin the debtor or to recover the cash. If there are no sufficient realisable assets, then, if you want your money, you must keep your debtor alive. If you want beef from your cow you must forgo the milk. If your object is to destroy your debtor, you press for payment of more than he can be reasonably expected to pay, and then seize his house, his lands, and his chattels, whether they can be disposed of or not.

On the other hand, if you want your money, you will find out what he can pay, and then proceed judiciously, patiently, and firmly to recover that

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amount. By that I do not mean what he can pay by condemning himself to a life of servitude and poverty. No brave nation will stand that long. That is not a method of recovering an old debt, but of creating a new one. I mean, what a nation can be expected to pay steadily without revolt for a whole generation.

If you scrape the butter from the bread of every German child for thirty years you may add to the sum of your indemnity a milliard or two of gold marks. That is not what was intended by the Treaty of Versailles. Hungry faces make angry hearts, and the anger spreads further than the hunger. I mean, what Germany can pay without condemning a generation of workers to Egyptian bondage, and their children to semi-starvation. Every oppression, if persisted in, ultimately ends in the ruin of the Red Sea for the oppressors. Europe has only just escaped with great loss from its waters. We do not want to be overwhelmed in another.

How are you to arrive at the exact figure of the annuities Germany can reasonably be expected to pay without creating these intolerable conditions for her people? That is the question. The answer was given in the Treaty as signed: by setting up a Commission to inquire and determine. That Commission has been weakened, and its character almost destroyed by the defection of the United States of America.

*America's
Vacant
Chair.*

Is it possible to find a substitute? I am afraid a reference of that question to a new Committee of Experts would not advance matters, for each

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country would demand a representative on that Committee, and that would only mean the Reparations Commission over again under another name.

The only hope of a fair and final decision is to secure the presence of a representative of the United States of America on the adjudicating body, whatever it may be. Is that impossible?

I need hardly say that I am not venturing to express any opinion as to the American refusal to ratify the Treaty as a whole. I am only stating quite frankly my view that, unless America takes a hand in Reparations, real settlement will be postponed until the hour of irreparable mischief strikes. If for reasons of which I am not competent to judge America cannot occupy her vacant chair on the tribunal which may decide fateful issues for humanity, I despair of any real progress being made.

Allied Ministers can accept from a body representing the leading Powers who won the war decisions they dare not take on their own responsibility. That is the essence of the matter. It is no use blaming politicians. If they of their own initiative attempt to ride down public sentiment, which alone confers authority upon them, they will inevitably fail. In every country there are plenty of itching partisans ready to take advantage of tactical blunders committed by political opponents or personal rivals. But the judgment of an international tribunal is another matter, and statesmen can accept it and act upon it without being taxed with responsibility for its conclusions.

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British opinion cannot and will not accept a settlement based on the assumption that abatements in the sum claimed for Reparations, if and when made, must be discounted by the British taxpayer alone.

Settlement at Britain's Expense Unacceptable.

France undoubtedly suffered more severely from the ravages of war than any other belligerent. But that is recognised in the proportion allocated to her of the Reparations payments. She is to be paid 52 per cent, of the total, i. e. more than all the other Allied countries put together.

Britain comes next in the damage sustained by her people, and she is given 22 per cent. In many respects she has suffered more heavily than any other Allied country, especially in taxation and in trade. She is willing to stand in with the Allies for loss as well as for profit, but she will resent bitterly the suggestion that the loss must necessarily be her share, whilst such profit as there is belongs to others.

The American people, who receive no part of the compensation awarded and collected, will *a fortiori* take the same view of their obligations in the matter. They certainly will not see the force of a settlement to be made at their expense, as if they had been condemned to pay an indemnity.

The question is not what remission or indulgence shall be granted to Germany, but what payment she is capable of making. If Germany can pay a large indemnity France gets 52 per cent, of that, and Britain only 22 per cent. If Germany can only make a disappointing payment, France still

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gets 52 per cent, and Britain 22 per cent. There is, therefore, no ground for debiting Britain and America with the cost of reduced expectations.

The offer to hand over the worthless " C " Bonds to the British Empire in return for her claims is an insult to the intelligence of the British public. Let us get away from these shifts on to the straight road. Back to the Treaty—that is the real remedy. There is no need to revise it—all that is required is to restore it.

If America reappears on the arbitrating tribunal she need not accept the rest of the Treaty. Then a fair and enduring settlement would soon ensue, this irritating sore would rapidly heal, and the condition of the world would steadily improve.

MR. HUGHES'S NEW HAVEN SPEECH

THE preceding article was posted at Algeciras on January 2nd, 1923. On January 3rd there appeared in the Spanish papers a compressed report of the speech delivered by the American Secretary of State, Mr. Hughes, at New Haven. It made suggestions on the subject of Reparations which were obviously intended for consideration at the forthcoming Paris Conference.¹ I knew the Chairman of that Conference, M. Poincaré would not be too anxious to bring these proposals to the notice of his colleagues, but I had some hope that the British, Italian, and Belgian Premiers might do so. I therefore cabled the following message to the British and American Press :—

*A Cable
from
Spain.*

" After writing and dispatching Article have read with gladness Secretary Hughes's important speech on this subject. As far as I can judge from compressed report appearing in the local paper of this remote corner of Spain his suggestions and mine travel in same direction. Earnestly hope Paris Conference will give American proposals priority of consideration. All other expedients will but postpone mischief."

¹ This is the Inter-Allied Conference held in Paris to discuss further the subject of Reparations. It began on January 2nd, 1923, and broke up on January 4th.

MR. HUGHES'S SPEECH

which will in the end have to be redeemed with compound interest at usurious rates by an embarrassed Europe."

*Text of
Mr.
Hughes's
Speech.*

I constantly refer to this speech in subsequent articles, and as it has been suggested that the interpretation I placed on it is not borne out by the text, I append the full report which appeared in *The Times* of December 30th, 1922 :—

" Mr. Hughes, the Secretary of State, in a speech which he delivered before the American Historical Association at New Haven, Connecticut, to-night lifted yet another corner of the veil which has shrouded the immediate plans of the United States Government. Much of his address concerned the Washington Conference of 1921, but it ended with a discussion of economic conditions in Europe which are of prime importance.

" Mr. Hughes began with the admission that • we cannot dispose of these problems by calling them European, for they are world problems, and we cannot escape the injurious consequences of failure to settle them.' They were, however, European problems in the sense that they cannot be solved without the consent of the European Governments, and the *crux* of the situation lay in the settlement of Reparations. ' There will be no adjustment of other needs, however pressing, until a definite and accepted basis for the discharge of Reparations claims has been fixed.)t is futile to attempt to erect any economic structure in Europe until the foundation is laid.'

" Then followed a passage referring to the

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attempts to link up the debts owed to the United States with the question of Reparations or with projects of cancellation, attempts which had been steadily resisted. It led up to a discussion of the attitude of the United States towards Reparations, 'standing, as it does, as a distinct question, and as one which cannot be settled unless the European Governments concerned are able to agree/ First came a denial that America desired to see Germany relieved of her responsibility for the war, or of her just obligations, or that America wished that France should lose 'any part of her just claims.' On the other hand, America did not wish to see a prostrate Germany. Some Americans had suggested that the United States should assume the *role* of arbitrator, but Mr. Hughes did not think 'we should assume such a burden of responsibility.'

"From this point the speech deserves quotation in full:—

" 'Rut the situation,' said Mr. Hughes, 'does call for a settlement upon its merits. The first condition of a satisfactory settlement is that the question should be taken out of politics. Statesmen have their difficulties, their public opinion, the exigencies they must face. It is devoutly to be hoped that they will effect a settlement among themselves, and that the coming meeting in Paris will find a solution. But if it does not, what should be done ?

" 'The alternative of forcible measures to obtain Reparations is not an attractive one. No one can foretell the extent of the serious consequences which might ensue from such a course. Apart from political results, I

*If States-
men Can-
not Agree.*

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believe that the opinion of experts is that such measures will not produce Reparation payments, but might tend to destroy the basis of those payments, which must be found in economic recuperation. If, however, statesmen cannot agree, and such an alternative is faced, what can be done? Is there not another way out? The fundamental condition is that in this critical moment the merits of the question as an economic one must alone be regarded. Sentiment, however natural, must be disregarded; mutual recriminations are of no avail; reviews of the past, whether accurate or inaccurate, promise nothing; assertions of blame on the one hand and excuses on the other come to naught.

" There ought to be a way for statesmen to agree upon what Germany can pay, for no matter what claims may be made against her that is the limit of satisfaction. There ought to be a way to determine that limit and to provide a financial plan by which immediate results can be obtained and European nations can feel that the foundations have been laid for their mutual and earnest endeavours to bring about the utmost prosperity to which the industry of their people entitles them.

" ' If statesmen cannot agree and the exigencies of public opinion make their course difficult, then there should be called to their aid those who can point the way to a solution.

" Why should they not invite men of the highest authority in finance in their respective countries—men of such prestige, experience, and honour that their agreement upon the

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amount to be paid and upon the financial plan for working out payments would be accepted throughout the world as the most authoritative expression obtainable? The Governments need not bind themselves in advance to accept the recommendations, but they can at least make possible such an inquiry with their approval and free the men who may represent their country in such a commission from any responsibility to Foreign Offices and from any duty to obey political instructions.

"In other words, they may invite an answer to this difficult question from men of such standing and in such circumstances of freedom as will ensure a reply prompted only by knowledge and conscience. I have no doubt that distinguished Americans would be willing to serve on such a commission. If the Governments saw fit to reject the recommendation upon which such a body agreed they would be free to do so, but they would have the advantage of impartial advice and of an enlightened public opinion. The peoples would be informed that the question would be rescued from assertion and counter-assertion and the problem put upon its way to solution.

*A merican
Helpful-
ness.*

"I do not believe that any general conference would answer the purpose better, much less that any political conference would accomplish a result which Prime Ministers find it impossible to reach. But I do believe that a small group, given proper freedom of action, would be able soon to devise a proper plan. It would be time enough to consider forcible measures after such opportunity had been exhausted."

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" Mr. Hughes's closing words were:—

" There lies the open broad avenue of opportunity, if those whose voluntary action is indispensable are willing to take advantage of it. And once this is done, the avenues of American helpfulness cannot fail to open hopefully.¹"

The argument developed by Mr. Hughes in this speech is identical with that upon which I based my appeal in the previous article for an impartial investigation into Germany's capacity, and he concludes with a proposal which is in effect identical with mine. He does not state categorically that the American Government would be prepared to be officially represented on the commission. But when he says, " I have no doubt that distinguished Americans would be willing to serve on such a commission," it means that the Government would be indirectly represented. The Allied Governments would certainly have consulted the Government of the U.S.A. as to the American representative nominated to sit on the commission, and no American expert would be appointed without full assurance that he was acceptable to the Government of his country.

*A Timor-
OVA De-
liverance.*

It is a misfortune that such important proposals should have been put forward so timorously that those who wished to ignore them could easily pretend they had never heard them made. Speeches delivered even by Secretaries of State at an academic function in a small provincial town might very well be overlooked in foreign

MR. HUGHES'S SPEECH

chancelleries, whose postbags bulge with weighty despatches from many lands, without any suggestion of studied neglect. It was clear from Mr. Bonar Law's subsequent attitude in the course of the debate in the House of Commons on the Ruhr invasion that he at any rate had not seen the report of Mr. Hughes's New Haven deliverance. Timid diplomatic flutterings make no impression in a great situation, and so lead to nothing. This is an excellent example of how to speak if you have no desire to be heeded, and how not to speak if you wish to be heard.

THE FRENCH INVASION OF THE RUHR *

*Revenge
the Mem-
ory of Past
Wrongs.*

FRANCE has once more jumped on the prostrate form of Germany, and the sabots have come down with a thud that will sicken the hearts of multitudes on both sides of the Atlantic whose friendship for France stood the losses and griefs of a four years' war.

Germany having been overthrown and disarmed after a prodigious effort, involving a strain upon the combined strength of America, Italy, and the whole British Empire, as well as of France, and her arms bound with the thongs of a stern Treaty, the process of dancing upon her while she is down can at any time now be performed with complete impunity by any one of these Powers alone.

The spectacle, every time it is repeated, provides much satisfaction to those who indulge in the barren delights of revenging the memory of past wrongs. There is no doubt some joy for the unsportsmanlike mind in kicking a helpless giant who once maltreated you and who, but for the assistance of powerful neighbours, would have done so a second time.

But what good will it bring devastated France

¹ Algeciras, January 15th, 1923.

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or her overtaxed Allies? The additional coal and timber that will be wrung out of Germany will barely cover the direct cost of collection. Although Germany bears the extra cost, the expense of these punitive measures must necessarily in the end diminish the means of reparation, and therefore fall on the victors.

How many students of the problem of Reparations have ever taken the trouble to ascertain the extent to which the maintenance of Allied Armies of Occupation has already drained the resources of Germany? Between direct cash payments, the cost of supplies, and outlay in labour and material for building huge barracks, these armies have already cost Germany 6,000,000,000 gold marks—roughly 1,200,000,000 dollars, or over £300,000,000.

What Germany has paid.

How much better it would have been if most of this money had gone towards rebuilding the devastated area!

It is not without significance, now that war is being waged against Germany for what the American representative in Paris termed her technical default, to recollect that, between the expense of the Army of Occupation and contributions already made towards Reparations, Germany has already paid to the Allies over three times the amount of the total indemnity exacted by Bismarck in 1871.

This is without making any allowance for the vast and highly developed colonies which she surrendered. Let, therefore, no one approach this

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problem as if he were dealing with a recalcitrant country that is deliberately refusing to acknowledge any of her obligations under a Treaty which she has signed.

The costs of the last war are acknowledged to be irrecoverable. It is difficult enough to find the means for payment of damages. Who will pay the growing cost of this new war ?

*Victor and
van-
quished
bearing
the cost.*

So far I have referred only to the direct outlay upon these aggressive measures. The indirect cost to victor and vanquished alike will be crushing.

It is already accumulating. The mere threat has depreciated the value of the franc, and thus reduced its purchasing capacity abroad. This loss must be borne by the French consumer. There may be a rally; but I shall be surprised if the improvement is more than temporary.

AU that is obvious for the moment to the untrained eye is the way in which the mark is dragging the French and Belgian franc slowly along its own downward course.

As the distance between them lengthens and the invisible cord which ties them together becomes more and more attenuated, it may ultimately snap and the franc be released from this dangerous association. That I doubt, for a bankrupt Germany means a country to which even the most hopeful cannot look as a means of redeeming French deficits.

Once that is clear to the French peasant he will not so readily part with his savings, and the real difficulties of French finance will begin at that

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stage. A policy, therefore, which demoralises the German currency is one which is also fatal to the solvency of French finance.

Let us follow the probable sequence of events. The terrified German mark is rushing headlong to the bottom of the pit where the Austrian krone is already lost beyond rescue.¹

As long as Reparation coal is dug out by bayonets, and Reparation timber is cut down by swords, it is idle to talk of restoring the mark by putting German finance in order.

No tariff, however nimble, can keep pace with the runaway mark. It would baffle the most resourceful Finance Minister to adapt his Budget to a currency which disappears beyond the horizon while he is sitting at his desk to pen his proposals.

If the mere threat of force has produced such a panic, what will be the effect of the actual measures? It is safe to predict that the advance of French troops into Germany will not restore the composure of the frightened mark and arrest its flight.

. What, then, becomes of the hope of renewed payments of the annuity? At best Germany could only be expected to pay when her foreign trade was so improved that she could provide a margin out of her exports with which to pay her annuities. Her foreign trade is largely dependent

*The wrong
road to
Repara-
tions.*

¹ The timely help given through the League of Nations has prevented the krone from sinking any deeper; but it still stands at 325,000.

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upon her foreign exchanges. These are now destroyed beyond prospect of recovery for years.

Britain proposed a voluntary moratorium for a short term of years in order to place Germany in a position where she could at the end of that term pay a reasonable annuity. The French Government have in effect substituted a compulsory moratorium for an indefinite period with no prospect of payment in sight.

The only chance of securing an early instalment of Reparation payments was by pressing Germany to put her finances in order and giving her fair time in which to do so. The only chance of negotiating a loan on German security to assist France to pay for the repair of her devastated provinces, and to enable her to put her own finances in order, was by restoring the stability of German currency.

French statesmen have deliberately thrown both these chances away. The effect on the value of their own currency must be grave, and Frenchmen will have to pay in increased cost of living for a venture dictated by short-sighted and short-tempered statesmanship.

When one thinks of the consequences one is driven to ask whether French politicians are really seeking Reparations or are pursuing another purpose quite incompatible with the recovery of money payments under the Treaty.

This is the wrong road to Reparations. It leads in exactly the opposite direction.

Whither, then, does it lead? There is no doubt

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that its effect will be ruinous as far as German industry is concerned. I have already dealt with its disastrous influence upon German currency, and with the indirect effect of a rapidly depreciating currency upon German foreign trade. The seizure of the Ruhr mines will have another serious effect.

*Dimin-
ishing
German
Produc-
tiveness.*

Even now the result of the compulsory alienation of so much of Germany's coal supply in the Ruhr, in Silesia, and the Saar, from German industry, has diminished German productiveness. The fuel deficiency thereby created inside Germany has been partially supplied by purchases of coal from outside sources. The necessity for providing gold to pay for foreign coal has added considerably to Germany's financial difficulties.

A still larger foreign purchase will be the inevitable result of the forcible diversion of large quantities of Ruhr coal to France and Italy, with further financial embarrassments as a consequence.

That is bad enough. But I fear worse. Will the German miner work with the same regularity and efficiency for a foreign master as he does for a German employer? Is there the least possibility of the production being maintained at its present level?

The influence of this added muddle on world trade is incalculable. Nobody gains; everybody is a loser by the move. How is a Germany whose embarrassed finances are made still more involved—how is a Germany whose industry becomes more and more difficult—how is a Germany reduced to

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despair to be of the slightest use to France, Belgium, Italy, or anybody else?

The feather-headed scribes who have advocated this rash policy assume that France will be helped because Germany will thus be reduced to impotence. For how long?

*France's
Secret
Aim.*

The disintegration of Germany is not an unlikely consequence of this move. I know that is the expectation. Frenchmen still hanker after the days when Saxons and Bavarians and Württembergers were allies, and almost vassals, of France against Prussia. It was the lure that led the third Napoleon to his ruin. It is the attraction which is now drawing France once more to a sure doom. The policy will bring no security to France in the future. It deprives her of all hope of Reparations in the immediate present. There will no longer be a Germany to pay. It would be too hopeless a task to attempt recovery from each of the severed States.

But what of increased security? Nothing can keep Germans permanently apart. They will, at the suitable moment, reunite under more favourable conditions, freed from external as well as internal debt. France will have lost her Reparations and only retained the hatred of an implacable foe become more redoubtable than ever.

How would Europe have fared in the interval whilst France was learning from events what every other country can see now? There is no knowing what will happen when a brave people of 60,000,000 find themselves faced with utter ruin. Whether

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they turn to the left or to the right will depend on questions of personal leadership, which are not yet determined. All we can be sure of is that they can hardly go on as they are, maintaining an honest struggle for ordered freedom and democratic self-government. The French Proclamation, with its threat of "severest measures in case of recalcitrancy," is ominous of much that may happen. No people accustomed to national independence have ever been able long to tolerate a foreign yoke.

Chancellor Cuno's action is the first manifestation of the spirit of revolt. It will certainly grow in intensity. The lash will then fall, sooner or later, and Germany will inevitably be driven to desperate courses. A Communist Germany would infect Europe. European vitality is so lowered by exhaustion that it is in no condition to resist the plague. Would a reactionary Germany be much better—brooding and scheming vengeance?

*Desperate
Courses.*

Russia, with her incalculable resources of men and material, is at hand, needing all that Germany can best give and best spare. The Bolshevik leaders only require what Germany is so well fitted to supply in order to reorganise their country and convert it into the most formidable State in Europe or Asia.

Nations hard pressed on the East have in the past moved forward irresistibly to the West. In obedience to the same law a people hard pressed on the West will look to the East.

When the French troops marched on Essen they began a movement the most far-reaching, and

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probably the most sinister in its consequences, that has been witnessed for many centuries in Europe. And these are the people who, after fifty years of patient and laborious waiting, have demonstrated to the world in 1918 the stupidity of abusing victory in 1871.

If the teacher so soon forgets his own special lesson the pupil is not likely to remember when fury overcomes terror.

LOST OPPORTUNITIES*

THE French Government, having conspicuously failed to win its anticipated coup, is doubling the stakes each time it loses. When will it end? And where will it end? It is ill gambling with human passions. They are all engaged in this wild venture—on both sides of the table. Pride, greed, vanity, obstinacy, temper, combativeness, racial antagonisms, but also patriotism, love of justice, hatred of wrong and high courage. Each side draws from the same arsenal of fiery human emotions. Unless someone steps in to induce a halt I fear the result will be devastating.

*Gambling
with
Human
Passions.*

France has now abandoned all hope of being able to run the mines, railways and workshops of the Ruhr by military agencies. In these days you cannot shoot every worker who fails to excavate so many hundredweights of coal per diem, or who refuses to fill a wagon or drive a locomotive when and by whomsoever he is told to do so. France cannot provide the necessary complement of miners and railwaymen from outside to fill vacancies created by sulky workers. And even if she could it would take many months ere they became sufficiently accustomed to their new conditions to work without peril to themselves. So

¹ London, February 15th, 1923.

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a new policy has been improvised. It is nothing less than the siege of Germany. Sixty millions of Germans are to be starved into surrender. That is a long business, as everyone knows who has been engaged on the difficult operations of strike breaking. We have often witnessed workers with little support or sympathy from the rest of the community hold out for weeks after their funds have been exhausted. In Germany all classes are united in resistance. The national pride fortifies endurance and incites to sacrifice. And the ports are still open. Meanwhile incidents may happen, developments may occur which will create a situation that will baffle all the resources the invaders can command.

*French
Opinion
and Pre-
cipitate
Action.*

It is very little use jobbing backward. But there are many who are disposed to say that the invasion of the Ruhr was bound to come and the sooner the safer. The Ruhr coal mines were the wild oats of Reparation. Get it over quickly. The headache will bring repentance and France will then settle down to a quiet life. That is the argument. I must enter an emphatic protest against this view. If this ill-judged enterprise had been put off for a few more months I do not believe any French Government would have embarked upon it. There is no French statesman of any standing who, in his heart, believes in its wisdom. Now that the credit of France is involved in its success they will all support it. But French opinion, as a whole, was moving with startling rapidity from this policy. The Parisian

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pulse was still feverish, but the provinces had completely calmed down. Vacancies occurring in the Senate, the Chamber of Deputies and the Provincial assemblies during several months have afforded an opportunity of testing real French opinion and the results have been sensational. At election after election, fought in typical constituencies all over France, the champions of Ruhrism have been beaten by emphatic majorities. Masses of French workmen have always opposed this policy. The peasant in every land always moves slowly, but there can be no doubt that the French peasant has had enough of military adventures. His sons were never numbered amongst the "exempts," and the losses in the peasant homes of France were appalling. Driving through the villages in agricultural France you find yourself asking, "Where are the young men?" The answer invariably comes, "This village suffered severely in the war." You will receive the same answer in the next village, and the next. We cannot wonder, therefore, that bye-elections in rural as well as in urban France display an unmistakable weariness of plans which involve the marching of armed Frenchmen into hostile territory. The sorrowing people of France have good reason to shrink from any course of action that leads to further shedding of blood.

For these reasons I have steadily favoured every scheme that had the effect of postponing decision as to the Ruhr. Delay meant ultimate defeat for the Chauvinists. That is why they strove so hard

*Ship-
wrecked
Negotia-
tion*.*

LOST OPPORTUNITIES

to rush their Government into this precipitate action. The abrupt termination of the Paris Conference was their opportunity and they seized it with tingling fingers. Until then there had never been a clean break which would give violence its opportunity. The friends of moderation both here and on the Continent had seen to that. There had been reference of questions for the scrutiny of experts and calming adjournments to await their report. When it arrived there were endless suggestions and counter-suggestions to meet difficulties. In the end Europe was saved from the catastrophe of once more handing over its destinies to the guidance of blind force. Unhappily, weariness or impatience induced the Paris negotiators in a few hours to drop the reins which had for at least four years held the furies from dashing along their career of destruction. There were many alternative plans that might have been discussed. There was the proposal to refer the whole question to the League of Nations. It is true that when I suggested it in August 1922 M. Poincare summarily rejected it. But the Allies also rejected M. Poincare's proposals by a majority of four to one at that Conference. That did not prevent his repeating them in January—and this time he succeeded in winning over the majority to his view. A little more persistence and less pessimism might have persuaded Belgium, Italy and Japan to aid our appeals to France to trust rather to the League of Nations than to the uncertainties of war.

LOST OPPORTUNITIES

What is still more inexplicable is the failure of the Conference to take any note of Mr. Secretary Hughes's New Haven speech. That such a proposal should have been neglected is incredible. But neglected opportunities litter the path of this troublesome question. There were the Cannes conversations, broken off just as they were reaching fruition. Had they been continued another week they would have ended in a helpful settlement which would have brought Reparations to France, confidence to Germany, and peace to Europe. They struck on one of the many sunken reefs which bestrew the French political seas, and it will not surprise me to find that the whole cargo of Reparations disappeared then beyond salvage into the deep with these shipwrecked negotiations.

*Lost
Opportu-
nities.*

Again, Germany threw away a great opportunity at Genoa when all the nations of Europe came together for the first time to discuss their troubles in the spirit of equality and amity. It is true that Reparations were excluded at the instance of France from the programme of the Conference. But the spirit engendered by a friendly settlement of all other outstanding questions would have rendered a reasonable and temperate consideration of Reparations inevitable. Germany, by the foolish staging of its Russian agreement, made all that impossible. Resentment and suspicion were once more equipped with a scourge and they used it relentlessly to drive out all goodwill for Germany from the purlieus of that great Congress. Another lost opportunity.

LOST OPPORTUNITIES

Then there was the Bankers' Committee, appointed to consider the question of raising an international loan to help France to finance the repair of her devastated area and also to assist Germany to restore her demoralised currency. I remember how eager poor Rathenau was to float that loan and how sanguine he was that it would succeed. He was confident that the German nationals who have invested their gold in other lands could be induced to subscribe heavily to the loan. The bankers concerned—all were of the highest reputation in the financial world—were confident that if German Reparations were fixed at a reasonable sum investors throughout the world would gladly put their money into a great international loan which would help to restore Europe. The French Government testily declined to consider the essential conditions indicated by the bankers. Again a lost opportunity, and Europe once more lumbered along its dreary way to seek another.

A Momentous Pro-fowl.

It came with Mr. Hughes's famous speech. This speech was clearly the result of prolonged consideration. For weeks there had been rumours of much consultation in Washington on the state of Europe, and we were encouraged to hope that America meant business. The result was Mr. Secretary Hughes's offer. It was made four days before the Paris Conference and was obviously intended to be discussed by the Allies there. An endeavour has been made to minimise the importance of this American approach to Europe, but it is incom-

LOST OPPORTUNITIES

prehensible to me how so momentous a pronouncement has been treated as if it were merely the casual utterance of a politician who had to find some topic of more or less interest with which to illuminate a discourse, Another opportunity lost—perhaps the greatest—perhaps the last. Never has luck striven so hard to save stupidity. But luck loses its temper easily and then it is apt to hit hard.

FRENCH SCHEMES¹

What does it all Mean? "FRENCH troops occupying fresh German territory." "Further advance into Germany." "Reinforcements." "French cut off the British bridgehead on the Rhine." "Proposals for new coinage in the Ruhr." What is it all leading to? Is it really Reparations? Signor Nitti, who has made a thorough study of all the documents bearing on French designs against Germany, has come definitely to the conclusion that these measures have no reference to the recovery of damages for the devastated area, but that they are all taken in the execution of a vast project for securing French control over all the coal and iron of Continental Europe. He supplies chapter and verse for his theory. Something has undoubtedly roused the suspicions of Signor Mussolini, although they come rather late in the day to be effective. He naturally does not relish the idea of an Italy whose coal and steel supplies are placed at the mercy of a gigantic trust directed from Paris. Italy has no coal and iron of her own. Her interest is, therefore, in a free market. Hence Signor Mussolini's alarm. Is there any ground for it? Let those who imagine that Italian statesmen are unnecessarily disturbed read the discussions in the French Press leading

¹ London, March 1st, 1923.

FRENCH SCHEMES

up to the speeches recently delivered by M. Millerand, M. Barthou, and M. Poincare.

With regard to M. Barthou's intervention, I feel I must, as one of the founders of the Reparations Commission, say a word. There were important questions of amount, method, and time which could not be determined before the signature of the Peace Treaty and could not be settled at all without giving Germany a full opportunity of being heard. Hence the appointment of the Reparations Commission. It was called into existence to settle these questions after hearing evidence and deliberating on its effect. Of this Commission M. Barthou is now Chairman. He, therefore, presides over a body which has committed to its charge judicial functions of a momentous character. He has to adjudicate from time to time on the case presented by Germany under a multitude of different heads. Inflammatory speeches on the very subjects upon which he has to preserve judicial calm are quite incompatible with his position. When he occupied the same post M. Poincare ultimately recognised that he could not continue to write controversial articles on questions which might come before him for decision as a judge. He, therefore, very properly resigned his Commissionership.

But to revert to the speeches delivered by these eminent statesmen. If they mean what the actual words convey, then France intends to stick to the Ruhr. Not by way of annexation. Oh, no. That, according to M. Barthou, is a " foolish, mendacious and stupid " lie. But France means to hang on to

*France
Means to
Stick to
the Ruhr.*

FRENCH SCHEMES

the *gages* until Reparation is paid. What are the *gages*? The industries of the Ruhr. If the French Government is to control the industries which represent the life of this prosperous area for thirty years it assumes greater authority over the district than it exercises over the mining area of the Pas de Calais. In its own mining districts no Government takes upon itself—except during a war—to give directions as to the destination and distribution of the coal produced. But there are indications that the control over the Ruhr industries is to be of a much more far-reaching character than this. And this is where the hints—broad hints—thrown out by the French Press come in. France, in order to secure the payment of the Reparation instalments in future, is to be given shares in these great mines and industries. What proportion of shares? Amongst the *gages* demanded by M. Poincaré in August 1922 were 60 per cent, of the shares in certain pivotal German industries in the Rhine area. Now the Ruhr industries are clearly to be included within the scope of the demand. France has the iron ore of Lorraine and the coal of the Saar valley. Her financiers have been engaged in buying up coal mines in Silesia. If she can secure the controlling interest in the Ruhr mines and Belgium and Poland can be persuaded to join in the deal, then the Continent of Europe will be at the mercy of this immense coal and iron combine.

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can protect itself to a certain extent against this gigantic trust, for the products of Britain and America will be available. But that possibility is to be provided against. Nothing is to be left to chance. One of the *gages* is to be control over German Customs. How can Germany balance her budget without a revenue? How can she raise a revenue without a tariff? What more productive tariff than a duty on foreign coal and metal manufactures? And thus all competitive products will be excluded from the German markets. The combine will be supreme.

It is true that if this cynical scheme comes off there is an end of Reparations, for the independence of German industry is strangled and its life will soon languish. But there are signs that French enterprise has abandoned all idea of recovering Reparations and that it is now brooding upon loot—on an immense scale. For the discussions in the French Press contemplate even wider and more far-reaching developments than those involved in the control of German industries. Italy, Poland, and even Russia are to be brought in. The high line taken for years by the Parisian papers about "no traffic with murder" is being given up. Instead we have much sentimental twaddle about restoring the old friendly relations between France and Russia—of course, for a consideration. Russia is to buy; Germany is to manufacture; France is to profit.

These proposals, which have for some time been in the air, are now actually in type. Now the

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type is ordinary black—later on it may be red. Twenty lives have already been lost over the preliminaries of execution. I fear there will be many more as the difficulties become more apparent.

It is not without significance that the terms which Germany is to be called upon to accept in the event of her submission have never been formulated. No ultimatum was issued before invasion. If Germany were to-morrow to throw up her hands what conditions would she have to comply with? Who can tell? Germany clearly does not know. The British Government does not know. They were never discussed at the Paris Conference. M. Poincaré has only asserted with emphasis that he "will not accept promises." If the Ruhr is to be evacuated promises must be accepted at some stage, for Germany cannot deliver ten years' coal instalments in advance, and she cannot pay fifty milliards of gold marks over the counter. So, if M. Poincaré's statement means anything, then the control of Ruhr industries must be vested in France until the whole of the mortgage has been redeemed. Hence the vast plan for the exploitation of Germany, and through Germany of Europe.

*A Scheme
which
Must Fail*

A pretty scheme, but—like most plans which make no allowance for human nature—bound to fail. How long would Italy and Russia consent to be exploited for the enrichment of French capitalists? Italy has already made it clear that she has no intention of walking into the trap. Russia may or may not have been approached.

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It is not improbable that there have been informal soundings. It is not easy to reckon what the Bolsheviks may or may not do in any circumstances. But one can be fairly assured that they will not place their heads in the jaws of a rapacious capitalistic crocodile of this character. Brigands are not made of that simple stuff.

Will German statesmen consent to sell their country into political and economic bondage for an indefinite period? It is incredible. No doubt there had been feelers between French and German capitalists for some time before the Ruhr invasion. M. Loucheur and Herr Stinnes are credited with having had conversations on the subject of amalgamating the interests of Lorraine iron ore and Ruhr coal. But the Ruhr invasion has awakened the patriotism of Germany from its stupor. A potent new element has therefore been introduced into the calculation. This element does not mix well with international finance. It may be depended upon to resist to the last any effort to put German industry under foreign control, and without control the *game* is worthless.

Then there is the German workman who must be taken into account. The miner and the engineer in all countries are proverbially independent. They take no orders even from their own Governments. During the War they had to be reasoned with before they could be persuaded to take a course urged upon them by the Government of the day in the interests of their own country. They will view the commands of a syndicate controlled by foreign

FRENCH SCHEMES

Governments with suspicion and repugnance. Should disputes arise—and they are more likely than ever to arise constantly under these conditions—who will be responsible for the protection of life, liberty, and property? Will foreign troops operate? Or will the German army and police act practically under orders given from Paris? The popular sympathy will be with the strikers.

It is a fantastic idea born of failure and, therefore, bound itself to be a failure.

THE QUICKSAND¹

WHEN you have walked some distance into a quagmire, and are sinking deeper and deeper with every step you take, it is always difficult to decide whether you are more likely to reach firm ground by pressing forward or by going backward. You must do one or other. You cannot just stand fast, that is inevitable destruction. The French Government clearly are of opinion that safety lies in marching further into the quagmire. So three more German cities have been occupied, more foreign masters and officials expelled, more men and women shot in the streets, more black troops imported, more regulations and more decrees issued; there are more depressions of French, Belgian and Dutch exchange, more confusion in everybody's business in Central Europe—in a sentence, everywhere there is more quaking sand and less solid ground. Before the occupation of the Ruhr there was a real shortage in deliveries as compared with the requirements of Spa was only eight per cent. Had it not been for this fatuous invasion France would during the past six or seven weeks have already received from the Ruhr nearly 3,000,000 tons of coal and in coke. France has actually received 50,000 tons during this period. A swarm of engineers, railwaymen, bargemen, officials of all

*Marching
Further
into the
Quag-
mire.*

¹ London, March 10th, 1923.

THE QUICKSAND

kinds, and hotel waiters, supported by a formidable army, have in six weeks produced this ridiculous output. No doubt the amount will later on be increased by further pressure and by pouring in more railwaymen, but it will be a long time ere France receives her Spa quota minus eight per cent., and then there will be some months' arrears to make up.

*M. Loucheur's
Attitude.*

No wonder that M. Loucheur stated flatly in the French Chamber that he did not approve of the Ruhr enterprise. He has one distinct advantage over the Ruhr plungers—he does know something about business. He can boast also of another gift, the possession of which is not without significance when you consider his present attitude. He is an admirable judge of to-morrow's weather. That is a rare endowment amongst politicians. Any simpleton can tell you which way the wind is blowing to-day, but it requires a man of special insight and experience in these matters to forecast the direction of the wind to-morrow. M. Loucheur is one of those exceptionally well-equipped weather prophets. So he satisfies the opinion of to-day by giving his support to M. Poincare, and he safeguards his position against the morrow's change by stating clearly that he does not approve the policy he supports. I have read no declaration from any French statesman of eminence, with the doubtful exception of M. Barthou, indicating a belief in the wisdom of the venture. And yet French courage, French pride, French loyalty, French patriotism—and maybe French blood and treasure—are committed irretrievably to a reckless gamble which most of the responsible statesmen who led France

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by their wisdom through her great troubles regard with doubt, anxiety and apprehension.

Will the French Government try to extricate themselves from the difficulties into which they have precipitated their country and Europe? I fear not. Heedlessness rushes a man into danger; it needs courage to get out. And when getting out involves an admission of blame there are few men who possess that exalted type of courage. There are other reasons why the present Government of France will flounder further into the quicksand. When Governments make mistakes in England, the threat of a Parliamentary defeat or a couple of adverse bye-elections pulls them out roughly but safely, and the Government starts on a new course amid the general satisfaction of friend and foe. The Willesden, Mitcham and Liverpool elections rescued the Government from one of the most hopeless muddles into which any administration has ever contrived to get its affairs.¹ In similar circumstances in France a change of Government is negotiated with amazing dexterity and celerity. But you cannot arrange the preliminary overthrow of an existing Government unless there is someone in the background ready and willing to form the next. There are generally two or three outstanding men of high repute pre-

*Can
France
Extricate
Herself?*

¹ The Government had made a hopeless muddle of the whole of its housing policy, both as regards Rent Restriction and new building. These three bye-elections were in vacancies created by the Government to secure the re-election of Ministers defeated at the General Election. The constituencies were traditionally safe from the Conservative point of view. The defeats were therefore startling. They had, however, an immediate effect upon the housing policy of the Government, which was completely recast as a result of these electoral reverses.

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pared to serve their country in any emergency. The trouble to-day in France is that every alternative leader disapproves of this enterprise and believes it must ultimately fail. On the other hand, there is no prominent figure in French politics prepared to take upon himself the odium of sounding the retreat. It would always be said that success was in sight, and that had it not been for the new Minister's cowardice and perfidy France would have emerged triumphantly out of all her financial worries. The *drapeau* would have been lowered and betrayed. No French statesman dare face that deadly accusation. So the present French Government is tied to the saddle of its charger and is forced to go on.

*An Increasing
Fury.*

Another explanation of the difficulty of withdrawing is to be found in the increasing fury of the original fomenters of this rashness. The more fruitless the enterprise the greater the energy they display in spurring the Government further into its follies. In the previous article I gave a summary of the ambitious plans they had conceived for syndicating European resources under French control. The industries of Europe controlled from Paris—that is their magnificent dream. Now they propound a new Treaty which is to supersede the Treaty of Versailles. Boundaries are to be revised, rich provinces and towns practically annexed, the Ruhr coal is to be harnessed to Lorraine coal, and Germany, having been further mutilated and bound, is to be reduced to a state of complete economic subjection. There has been nothing comparable to these ideas since the Norman Conquest, when the Saxons, having first of all been disarmed, were

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reduced to a condition of economic thralldom for the enrichment and glorification of their new masters. Needless to say Britain and America are not to be invited to attend this new Peace Conference. They are to be graciously informed of the conditions of the New Peace when finally established by French arms. The British Empire, which raised millions of men to liberate French soil from the German invaders and which lost hundreds of thousands of its best young lives in the effort, is not even to be consulted as to the settlement which its losses alone make possible. America, who came to the rescue with millions of its bravest, is barely worth a sentence in these ravings of brains intoxicated with an unwholesome mixture of hatred, greed and military arrogance. The French Government are not committed by any overt declarations to these schemes; but it is ominous that they issue from the pens whose insistent prodding has driven this Government on to its present action. Up to the present no repudiation has come from the head of the Government or from any of his subordinates. The very vagueness of his published aims would leave him free to adopt any plans. Pledges for Reparation and Security will cover a multitude of aggressions.

The British Government have just issued as a Parliamentary paper a full report of the proceedings of the Paris Conference.¹ It is an amazing document. As far as I can see no real endeavour was made by any of its members to prevent a break-up. At the first failure to secure agreement the dele-

*The Fatal
Paris Con-
ference.*

¹ The Conference of January, 1923.

THE QUICKSAND

gates threw up their hands in despair and sought no alternatives. They agreed about nothing except that it was not worth while spending another day in trying to agree. Even M. Theunis, the resourceful Belgian Premier, had nothing to suggest. A blight of sterility seems to have swept over the Conference. On this aspect of the fateful and fatal Conference of Paris I do not now propose to dwell. I wish to call attention to it for another purpose. I have perused the Blue Book with great care. I was anxious to find out exactly what M. Poincaré proposed to demand of Germany as a condition of submission to the French will. What was Germany to do if she was anxious to avert the fall of the axe? I have read his speeches and annexes in vain for any exposition of these terms. It is true he was never asked the question. That sounds incomprehensible. But everyone engaged was in such a hurry to break up the Conference and thus put an end to disagreeable disagreements that it never seems to have occurred to them to ask this essential question. And the party principally concerned was not represented. The result is that no one knows the terms upon which the French army is prepared to evacuate the Ruhr. Mr. Bonar Law could not explain when questioned in the House of Commons. I am not surprised, for no one has ever told him and he never asked. I am sure that by this time M. Poincaré has quite forgotten why he ever went into the Ruhr. For that, amongst other reasons, he will remain there until something happens that will provide us with an answer.

Most human tragedy is fortuitous.

THE FIRST GERMAN OFFER¹

THE French and Belgian Governments have slapped another opportunity in the face. To make that slap resound as well as sting, they have accompanied their rejection of the German offer² by a savage sentence of fifteen years' imprisonment on the head of the greatest industrial concern in the Ruhr, if not in Europe. What for? Because he ordered the works' syren to sound "cease work" for one day when the French troops occupied the place. There is a swagger of brutality about that sentence which betokens recklessness. It came at a moment when the German Government had just made an offer of peace, and when that Ally of France who had made the deepest sacrifices in the war to save her and Belgium from ruin was urging the French Government to regard that offer at least as a starting-point for discussion. The answer was to treat the German Note as an offence, to promulgate that penal sentence which outrages every sense of decency throughout the world, and to refuse to permit an Ally, who had been so faithful in the time of trouble for France and Belgium, even the courtesy of a discussion on the tenor of the reply to be given to a Note that so vitally con-

*Slapping
Opportunity in the
Face.*

¹ London, May 14th, 1923

² Presented to Allies May 2nd, 1923.

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cerned the interest of all the Allies without exception. Prussian arrogance in its crudest days can furnish no such example of clumsy and short-sighted ineptitude. It gives point to Lord Robert Cecil's observation in the House of Commons that it is very difficult to reconcile the French attitude with a conception that the French Government, with the opinion behind it, desires a settlement.

The German Proposals,

What is the German offer? It proposes to limit the total obligations of Germany in cash and in kind to thirty millions of gold marks (£1,500,000,000) to be raised by loans on the international money markets at normal conditions in instalments of:—

20 milliards up to July 1, 1927.

5 milliards up to July 1, 1929.

5 milliards up to July 1, 1931.

There are provisions for payment of interest from July, 1923, onward, and the agreements entered into for delivery of payments in kind on account of Reparations are to be carried out in accordance with the arrangements already made. Then comes this important provision. After a paragraph in which it is argued that the above figures would strain the resources of Germany to the utmost it adds:—

"Should others not share this opinion, the German Government propose to submit the whole reparations problem to an International Commission uninfluenced by political considerations, as suggested by State Secretary Hughes."

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They further state that the German Government are prepared to devise suitable measures in order that the whole German national resources should participate "in guaranteeing the service of the loan." Guarantees are also offered for deliveries in kind. In order to ensure a permanent peace between France and Germany they propose an agreement that all contentious questions arising between them in future should be referred to arbitration. The Note finally stipulates that the evacuation of the Ruhr "within the shortest space of time" and the restoration of Treaty conditions in the Rhineland constitute "an essential leading up to negotiations on basis of above ideas." The above represents the substance of the German proposals.

The French and Belgian Governments in their reply stand by the May, 1921, schedule of payments and decline to forgo even the very problematical "C" Bonds of £4,250,000,000. Hitherto it has been common ground that £2,500,000,000 is the figure which Germany can be expected to pay. The French and Belgian Governments are now insisting on the full measure of the £6,600,000,000 award. The Hughes proposal they scoff at and treat its putting forward by Germany as part of "an expression of a systematic revolt against the Treaty of Versailles." The real temper and purpose of this intransigent attitude is to be found in two sentences. Here is the first. Alluding to the resistance offered in the Ruhr to the French attempt to exploit its resources the

An Intransigent Attitude,

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Note says: "The Belgian and French Governments cannot take into consideration any German proposal whilst the resistance continues." That is, however complete and satisfactory a proposal may be in itself, it would be rejected unless preceded by abject surrender to French designs in the Ruhr. Then later on comes this significant sentence emphasising the moral of the first:—

"The Belgian Government and the French Government have decided that they will only evacuate the newly occupied territories according to the measure and in proportion to the payments effected. They have nothing to alter in this resolution."

An impossible payment is to be insisted upon; costs of occupation are to be added to that, and until both are liquidated French armies are to remain in possession of the richest areas in Germany. Meanwhile the British Empire and the United States of America, who, at a prodigious cost in life and treasure, saved France from a similar humiliation to that which she is now inflicting on Germany, are practically told when they venture to offer suggestions to mind their own business. No interference will be tolerated from meddlers of any sort.

*A Basis
for Nego-
tiation.*

The sum offered by Germany in settlement of Reparations is no doubt inadequate. It cannot be accepted by any of the Allies in discharge of the German obligations under the Treaty. The German Government must make a very substantial advance on that offer before they can hope to

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come to terms with the Allied Governments. I have no doubt the German Government fully realise that fact, and I am sure they did not put forward these figures as their final tender. They meant them to be taken as a beginning and a basis for negotiation. In fact they say so. When you enter into negotiations your lawyer, if he knows his business, never starts with the figure he is authorised ultimately to propose. Nor does the client always communicate to his advocate the last figure he would be prepared to pay if he had to decide between that and a continuation of the struggle, with its costs and its complications. Once *pourparlers* begin the original figure disappears, and disappears quickly. That is the history of all negotiation, private and public. A refusal to meet in conference until the figure proposed is acceptable rules out discussion between parties as a means of coming to terms on the main question in a dispute.

I have taken part in the settlement of probably more industrial differences than most politicians. In every case I have started with an *impasse*. The first meeting of the parties always revealed an apparently unbridgeable chasm between their respective positions; but perseverance and an honest endeavour on both sides to find a solution usually ends in agreement. Goodwill can bridge any abyss. Unconditional surrender if insisted upon between independent bodies is a sure prelude to fresh disputes. The mere fact, therefore, that Germany put forward a proposal which falls short

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of the needs and equities of the case is not a sufficient reason for declining to meet her representatives at a Conference to determine what the right sum should be, and the best method of liquidating it.

*Why is
America's
Offer not
Accepted?*

But there is another and a stronger reason why the German offer should not have been so peremptorily rejected. It did not end with the submission of an inadequate amount in discharge of Reparations claims. Had it done so the French Government might perhaps contend that Germany must make up her mind, before she is allowed to confer, to raise that figure to something which at least approximates to the region of acceptability. But even if the French contention in that respect were reasonable, it is ruled out by the circumstance that in this Note the German Government have proposed an alternative if the figure they offer is considered unacceptable. That alternative changes the whole character of the Note, when you come to judge of the question of its *bona fides*. This proposition consists in the complete and categorical acceptance by the German Government of Mr. Secretary Hughes's famous "New Haven" suggestions. It will be recollected that, as a way out of the Reparations entanglement, he proposed that an International expert Commission should be set up to inquire into the question of the amount which Germany is capable of paying, and the best method of discharging her obligations once they were fixed. Mr. Hughes made it clear that the United States of America were prepared to assist

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in such an inquiry. It is this that lent such significance and importance to his speech. When I first read that speech I thought it of such moment that I cabled from Spain to the British and American papers my earnest hope that the Allies, about to sit in conference in Paris, would immediately consider its terms, and act upon it. It seemed to me the supreme opportunity for placing the vexed question which is fretting Europe almost into nervous paralysis on a pathway which must inevitably lead to a real settlement.

The more I think of that proposal, the more am I convinced that it was right, and the more am I perplexed by the rude indifférence with which it was treated by the Allied Governments. To this hour I am baffled to explain why those who are anxious for a conclusion never brought this momentous declaration of American readiness to take a hand to the notice of the Conference. I can suggest explanations, but none which is not a grave reflection on the way in which the proceedings of that Conference were handled. I can understand those who wish to exploit Reparations for ulterior purposes being anxious to keep America out of the business. But why did Britain, Italy and Belgium neglect this chance of securing the association of the one Power which could be helpful to the Allies in reaching a fair and sound decision, and what is equally important, helpful in all subsequent operations for cashing that decision? Now Germany states categorically that, if her cash tender is unacceptable to the Allies,

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she is willing to leave the question of the amount she is capable of paying to an international tribunal on which America is represented, and to abide by the decision of that tribunal, whatever it may be. That is in substance Mr. Secretary Hughes's suggestion. How can a Note containing so reasonable a proposal, and a proposal originally emanating from so powerful and so friendly a quarter, be treated as if it were an insult to the dignity of France—and of Belgium I To declare—as the French Note does—that the Hughes proposition is an abrogation of the Treaty of Versailles is to ignore the provisions of that Treaty. As a matter of fact it would be a restoration of the Treaty. As I have repeatedly pointed out, that Treaty delegated the question of the amount which Germany has to pay in respect of Reparations to an Allied Commission on which the United States of America was to be represented. The function of this Commission was to assess the amount of the damages for which Germany is responsible under the Treaty, and then to adjudicate on the capacity of Germany to pay those damages in whole or in part.

A Lop-sided Tribunal.

The Commission was authorised to fix the amount of the annual payments to be demanded of Germany on the double basis of liability and capacity. The withdrawal of the only country which had no direct interest in Reparations from the Treaty left the Commission a lop-sided and highly prejudiced tribunal. The Reparations Commission no longer carries out the Treaty idea. Its

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character has completely changed. It is essential in order to adhere to the Treaty of Versailles that America should have a representative on the tribunal that fixes the payments to be exacted from Germany. The German Government now offer to submit the fate of their country to the unaltered clauses of the Treaty which was signed in the Galerie des Glaces in June, 1919. France and Belgium have no right in honour to demand submission to any other. Because they insist on enforcing something which is entirely different from the contract entered into by them with Germany in 1919, Europe is disquieted and international relations are saturated with the inflammable spirit of resentment, hatred, and revenge. No wonder Marshal Foch is touring Central Europe to put the Allied armies in order! He seems to me to be the one man in France who has an understanding of where all this is leading.

THE SECOND GERMAN NOTE¹

*A Decided
Advance.*

THE Germans have tried another Note.² Inasmuch as all the Allied Press without exception are agreed in describing it as a great improvement on the first, it is hardly worth while taking up time and space to demonstrate how the essentials of this more favoured document were contained in its reprobated predecessor. Psychologically it is a decided advance on the first Note. It is crisp and condensed, and does not indulge in the irritating processes of an argument. You should never attempt to argue with an angry man who is brandishing a bludgeon—unless you are at a safe distance from him. Germany is in this case at his feet. The second German Note therefore is wise in avoiding the provocation of an appeal to reason. It makes its offer simply and uncontentiously.

It also suggests a number of substantial guarantees for the payment of interest on the loans to be raised for Reparations purposes. I cannot pretend to assess the value that would be attached to these *gages* by prospective borrowers. I have no doubt they would add materially to the security of the investment. But this array of securities standing alone will not entice the investor to risk his money on a German Reparations

¹ London, June 11th, 1923.

² Presented June 7th, 1923.

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loan. He will look at Germany as a whole, and not in parts. He will want to know what is likely to happen to that great country during the coming years, and to its industry, its finance, its politics, and its people. A railway which collects its rates and fares in a corrupt currency is of no use as a security for any loan—a Customs revenue collected in a fugitive coin is equally worthless. The only reliable basis for a loan is a stable Germany. You can have no stable Germany until you settle Reparations. That is, therefore, the first essential preliminary to all discussions on *gages* be they *productifs* or otherwise.

Hence the propositions that really matter in the German Note are not those which give a schedule of guarantees, but those which bear on the fixation of the amount which Germany is to be called upon to pay. On this question the Note does not increase the sum which the first Note estimated as the limit of German capacity. But it reaffirms the readiness of the German Government to submit the consideration of the capacity of Germany to pay to an impartial tribunal. It offers to place at the disposal of this body all the material which is necessary to enable it to arrive at a just conclusion. It proceeds to suggest that all further discussion on the subjects at issue between the parties should take place at a conference rather than by interchange of Notes. How can any unprejudiced person refuse to recognise the essential reasonableness of this part of the offer? It is common ground

An Im-
'partial
Tribunal.

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that the annuities imposed upon Germany in May, 1921, demand modification. Even M. Poincare proceeds on that assumption. There is, therefore, a most important and highly difficult figure to be ascertained. What annuity can Germany pay? And when will she be in a position to pay? Is it unreasonable to propose that this question, which involves a most searching examination into German assets, should be referred to a tribunal which would be capable of giving it calm and judicial consideration? And what objection can there be to discussing the matter at a conference where Germany as well as all the Allies would be represented? If this were a business or a trade dispute these two proposals would be regarded as eminently sensible and fair, and the party that rejected them would be condemned by public opinion.

*France's
Terms for
a Con-
ference.*

What are the objections to acceptance formulated by the French Press? Up to the date of writing this article the French Government have not officially expressed their views on the German Note. But one may safely assume from past experience that Parisian journalists consulted the Quai d'Orsay before writing their critical articles.

The first is that the French Government will discuss no proposals emanating from Germany until the latter withdraw its passive resistance to French and Belgian exploitation of the Ruhr. What does this exactly mean? If it imports, as a preliminary condition to conference or consideration of terms, an acquiescence by Germany

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in the occupation and exploitation by France and Belgium of the Ruhr valley until Reparations be fully paid, then the position is hopeless. A German Government may submit to such an occupation because it has no force at its command to offer resistance. But no German Government can give assent to such an invasion of its territories. A peace signed on such terms would inevitably be repudiated at the first favourable opportunity. Meanwhile there would be constant friction and trouble in the Ruhr. I can hardly believe that this is what the French Government mean to insist upon, in spite of an article in the *Temps* which bears that interpretation. But they may only ask that whilst terms are being discussed an armistice shall be concluded, the first condition of which will be that all obstacles now interposed in the way of supplying France, Belgium, and Italy with Reparation coal and coke shall be withdrawn. An armistice on those terms ought not to be difficult to arrange, especially if the French and Belgian authorities withdrew the ban they have placed on the export of Ruhr products to the unoccupied parts of Germany. Unless the terms are mutually accommodating, I surmise that the German Government will experience an insurmountable difficulty in persuading the stubborn miners and railway operatives of the Ruhr to assist in furnishing to France the products of their labour which are denied to their own fellow-countrymen. It is too readily taken for granted **that the Ruhr** workmen will obey any behest that

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comes from Berlin. Governments in Germany have ceased to receive that kind of obedience. It is one of the indirect consequences of the great disaster that the decrees of Wilhelmstrasse no longer command the respect which attached to them in pre-war days. Still, a conference at which all the interests concerned were represented would experience no difficulty in fixing up stipulations which would make it possible for France to enter a conference on Reparations without any suspicion being attached to her Ministers that they had lowered the national flag in entering the room. I trust that good sense will prevail over temper and exaggerated pride—on both sides.

Should this preliminary point of honour be disposed of, then what remains? The fixation of the annuities and the guarantees for their payment. What are the objections to accepting the method put forward in the German Note for these two points? It is not the German method—it is the American method adopted by the German Government. A conference with an impartial tribunal if conference fails. I know of no other way except a resort to blind force.

*The
Repara-
tions
Commis-
sion not an
Impartial
Tribunal.*

It is objected that the Treaty of Versailles has already provided such a tribunal in the Reparations Commission for the specific purpose of adjudicating upon Germany's liability and Germany's capacity, and that to set up another for exactly the same purpose would be to supersede that Treaty. There are two answers to this contention. The first is that the Reparations Commission as at present

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constituted is not the body to which Germany agreed to refer these questions so vital to her existence. It is not the body which Britain and the other Allies contemplated. The withdrawal of America from the Commission—after Germany had already signed the Treaty—has completely changed the balance and therefore the character of this tribunal. No man in his senses can pretend that in its mutilated form it is either impartial in its composition or judicial in its methods. M. Poincare does not conceal the fact that the French Government issues orders to its representative on that "judicial" body. The Chairman is an eminent French deputy who has played and still plays a conspicuous and influential part in French politics, and is looking forward to pursuing his career as a politician whithersoever it may lead. Ever since he has been Chairman he has delivered speeches in public denouncing the party of whose case he is supposed to be the chief judge. All his colleagues represent Powers who have a direct pecuniary interest in the result of their decisions. The only disinterested Power has retired from the Commission. The American proposal is very moderate. It practically implies the restoration of the Treaty by reintroducing America to the body that settles Reparations. If France objects to the appointment of a separate commission, why should it not be agreed between the Allies that their representatives on the body of experts to be set up shall be the men who now constitute the Reparations Commission? To these the American

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Government could add their nominee. Germany has a right under the Treaty to present her case. The whole question of capacity could then be gone into in the light of the experience acquired during the last four years, and a settlement could thus be effected on a sound basis. Such a settlement would have a much better chance of being workable, and therefore more durable than terms imposed by force on a people who only accept under duress.

*The
Surest
Road to
Separa-
tions.*

But whatever the French view may be of the suggested annuities or guarantees, or of the impartial Commission, it is inconceivable that they should reject conference. It is the surest road to Reparations. At Spa¹ the method of pelting the bewildered Reich with demand notes was for a time abandoned, and that of conference at the same table was substituted. The results were admirable. The process of disarmament made immediate strides towards satisfactory completion, and the coal deliveries became fuller and steadier. At Cannes last year the Allies once more started to confer with German Ministers. All those who were present at those discussions—without exception—admit that satisfactory progress was being made towards a comprehensive settlement when the Conferees were scattered by a bomb. It is too early yet to estimate the loss which inured to Europe through that explosion. But all idea of discussion between the parties has since been loftily and petulantly dismissed as an exhibition of pernicious weakness. What has been

¹ The Spa Conference, July, 1920.

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substituted for it? For twelve months we had rather a ridiculous display of feather-rustling about the farmyard to inspire terror. Threatening speeches full of ominous hints of impending action were delivered at intervals in different parts of France. These produced nothing but increased confusion and incapacity to pay. Every speech cost France milliards in postponed Reparations. French opinion not unnaturally insisted on some action being taken. Hence this rash invasion. At Cannes a two-year moratorium would have been accepted as a settlement. Already a year and a half of that period would by now have elapsed. German finances would, under the strict Allied supervision which was conceded, by this time have been restored to soundness—the mark would have been stabilised, and a loan could have been negotiated which would have provided the Allies with substantial sums towards lightening the burdens they are all bearing. Confidence would have been restored in Europe, and for the first time there would have been real peace.

One can see what the alternative has produced. Whatever the final terms may be, Germany is not in a financial position to pay what she was able to offer then. These eighteen months have been devoted to reducing assiduously German capacity to pay Allied debts, and the value of the German security for such payment. At Cannes the mark stood at 770 to the pound sterling. It now stands at 500,00c).¹ Germany will need an extended

¹ It has since gone to 28,000,000 and far beyond.

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moratorium to recover from the clumsy mishandling of the past year and a half. The mark has to be picked up out of the abyss into which it has been thrown by those whose interest it was to lift it out of the depression wherein it lay. A debtor on whose restored health and nerve payment entirely depends has been violently pushed down several flights of stairs. It will take him a long time to recover from the bruises, the shake, and the loss of blood. What an achievement in scientific debt collecting! If Reparations are ever to be paid the Allies must retrace their steps and get back to conference. Once the parties—all the parties—sit round the table I feel assured that the common sense of most will in the end prevail. We shall never get back what has been lost during 1922-23, but we shall get something that will help. It will take some time to set up the tackle for hoisting the mark out of the crevasses and some to do the winding. But the sooner a start is made the less winding there will be to do. So for everybody's sake it is high time to stop the strutting and get back to business.

THE NAPOLEONIC DREAM¹

WHAT a muddle it all is ! France and Germany are both anxious to settle in the Ruhr, but are too proud to admit it. The struggle, therefore, goes on, and will continue to the detriment of both. Belgium is sorry she ever entered the Ruhr, but cannot get out of it. Every time she tries to get away France pulls her back roughly by the tail of her coat, so she has to do sentry-go at Essen whilst her franc is leading a wild life at home. Italy has forgotten that she ever sanctioned the occupation, and her moral indignation is mounting rapidly, although it has not yet risen to a height which is visible across the Alps. Great Britain is growling futile notes of dissatisfaction with everybody—France and Germany alike. The confusion of tongues is deafening and paralysing, and no one is quite happy except the spirit of mischief who is holding his sides with ghoulisn laughter. He never had such a time—not since the Tower of Babel. And this time it may end in a second deluge.

The horror of the Great War seems to have unhinged the European mind. Nations do not think normally. The blood pressure is still very high. The excitement over the Ruhr does not tend to improve it. When some of the articles written and speeches delivered to-day come to be read by

*The Blood
Pressure
still high.*

¹ London, August 6th, 1923.

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the diligent historian a generation hence, he will recognise there the ravings of a continent whose mental equilibrium has been upset by a great shock. The real issue involved in all this struggle is a comparatively simple one. How much can Germany pay and in what way can she pay? America, Britain, Italy and Germany are all agreed that the only way to settle that question is to appoint competent experts to investigate and report upon it. The Pope also has blessed this reasonable suggestion. France, on the contrary, says it is a question to be determined by guns and generals—both equally well fitted for that task. Germany must present her accounts to the mitrailleuse and argue her case before the *soixante-quinze*. It is a mad world.

Everyone is interested in one question—or perhaps two. How will it all end and how soon is that end coming? Although I have nothing to fear from recalling the predictions of my early articles on this subject, I hesitate to hazard a fresh forecast. But one may review the possibilities and note the drift of the whirling currents. In assessing the chances, you must begin with some knowledge of the man who will decide the event. M. Poincare is possessed of undoubted ability and patriotism, but he is also a man who lives in a world of prejudices so dense that they obscure facts. You have but to turn to one statement in his last note where he says the Conferences and Ultimatums of the past four years secured nothing from Germany. What are the facts? During the

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three and a half years that preceded the Ruhr invasion, Germany paid to the Allies in cash and in kind over ten milliards of gold marks,—£500,000,000 in sterling, 2,000,000,000 in dollars—a considerable effort for a country which had but lately emerged out of the most exhausting of wars and whose foreign trade was down sixty to seventy per cent. You might imagine that a man who had taken the grave step of ordering armies to invade a neighbour's territories would also have taken the trouble to ascertain the elementary facts of his case. Part of this gigantic sum went to pay for Armies of Occupation; part for Reparations, but it all came out of German assets. Will the next three and a half years bring anything approximating that figure to the Allied coffers?

It is a safe statement to make that no one in charge of the French movements anticipated a resistance approaching in its stubbornness to that which they have encountered. The friendly Press, both in France and in England, foretold a speedy collapse of the German opposition, and on this assumption all the French plans were based. During the first days of the occupation an Englishman asked a French officer how long he thought it would take. The answer is indicative of the spirit in which the venture started: "Optimists think it will take a fortnight," he said, "pessimists think it may take three weeks." A reference to the January telegrams from Paris and Dusseldorf will show that this officer accurately expressed the general sentiment of those who were responsible

*French
Anticipation and
Realisation.*

THE NAPOLEONIC DREAM

for the Ruhr invasion. Soldiers estimate the chances of resistance in terms of material and trained men, and statesmen too often build their hopes on the same shallow foundation. They never allow for the indomitable reserves of the human heart, which do not figure in Army Lists or Statesmen's Annuals. The resistance of Paris in 1870 was as confounding to Bismarck as the stubbornness of the Ruhr miners is to Poincaré to-day. The last regular army had been destroyed, all docketed food stores exhausted, and still the struggle of the devoted citizens went on for months. There were few men in England who thought the Boer peasants could continue their resistance for more than three months after our armies reached South Africa. The three months ran into three years and only then capitulated on honourable terms. The Northern States of America never contemplated the possibility of a five years' struggle with a blockaded, starved and overwhelmed Confederacy. The War of 1914-18 is littered with miscalculations attributable to the blind refusal of rulers and their advisers to recognise the moral element as a factor in the reckoning. The Ruhr tragedy is not the first, nor indeed may it be the last, to be initiated by facile memoranda framed by General Staffs and civilian functionaries, drawing their inspiration from pigeon-holes.

*DutiCart
Collection.*

Whatever may transpire in the Ruhr it is already clear that the estimates of military men, of transport officials, of intelligence departments,

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and of presiding Ministers, have been hopelessly falsified. Many more soldiers have been sent into the Ruhr than had been thought necessary: a great deal less coal has come out of the Ruhr than had been confidently expected. There are already as many Frenchmen in the Ruhr as Napoleon commanded at Waterloo; and they have succeeded in sending across the frontier in six months only as much coal as the Germans delivered in one month during the period of "default" which provoked the invasion. Desperate efforts have been made at great cost to increase the yield with a view to satisfying French and foreign opinion that resistance is gradually breaking down. Rubbish is shovelled into waggons in order anyhow to swell the quota. Coal is seized anywhere, even in the streets. And Monsieur Trocquer, the bluff and genial Breton in charge of the transport arrangements, breezily challenges all the critics to look at the mounting pyramids of his dust-cart collection and rejoice with him in the triumph of French organisation under his control. Alas, the Celtic fire of Monsieur Trocquer, even when fed by the sweepings of the Ruhr, cannot keep going the blast furnaces of Lorraine 1 So we find disappointment and discontent amongst the forge-masters of France.

But there is a limit to human endurance. Either France or Germany must give way in the end. Which will it be, and when will it come—and how? In answering these questions one must remember that for France the honour of her flag

*Which
will give
way—
France or
Germany f*

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is involved in success. Failure would irretrievably damage her prestige. Every Frenchman knows that. That is why French statesmen who disapprove of the invasion support the Government in all their proposals for bringing it to a successful end. And here France has a legitimate complaint against her Allies. It is useless for Italy now to counsel wisdom, Signor Mussolini was present at the hush Conference which sanctioned the invasion. He fixed the price of assent in coal tonnage. That price has been regularly paid. Belgium is now becoming scared at the swelling magnitude of the venture. But she committed her own honour as well as that of France to carrying it through. I regret to think that Britain is not free from responsibility in the matter. It is true that her representatives disapproved of the enterprise, but not on grounds of right or justice. On the contrary, whilst expressing grave doubt as to the ultimate success of the invasion they wished the French Government well in the undertaking on which they were about to embark. Not one of the Allies is in a position with a clean conscience to urge France to haul down her flag. There is only one course which could be urged on the French Government as being consistent with French honour, and that is the reference of the dispute to the League of Nations. Such a reference would be an enforcement of the Treaty of Versailles. That suggestion the British Government have refused to press on France. The struggle must, therefore, proceed to its destined end.

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It may be assumed that the British Government will not intervene effectively. How about the ministerial declarations? Surely these strong words must be followed by strong action! Those who rely on that inference know nothing of the men who use the words or of the forces upon which they depend for their ministerial existence. It is true that some weeks ago Mr. Snodgrass took off his coat and proclaimed cryptically, but fearlessly, that unless peace was restored on his terms something would happen. The French Government, unperturbed, replied that they meant to persist in their course. So last week Mr. Snodgrass takes off his waistcoat. But do not be alarmed: there will be no blows: his friends will hold him back. Meanwhile, Mr. Winkle has left for Paris in order to lunch with one of the combatants. Next week he will be followed by Mr. Pickwick, who will call on another, and the week after Mr. Tupman proposes to pay another propitiatory visit. It will be an incalculable advantage to M. Poincare that they each represent a different and conflicting point of view. The French have accurately taken the measure of the mind and muscle of those who indulge in these spectacular exhibitions of ball punching in Westminster with cakes and ale at Rambouillet. We may therefore assume that whatever conversations take place at these general gatherings or ensue from them, the French will not be talked out of the Ruhr.

Mr. Snodgrass takes off his Coat.

From the emphatic declarations made by the head of the French Government it is gathered

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that France will insist at all costs on enforcing her will. She has put forward two demands. The first is that Germany shall abandon passive resistance as an essential preliminary to negotiation. The second is that her forces should remain in the Ruhr until the last payment is made. Will the German Government accept these conditions? A settlement on these terms is only possible on two assumptions. The first is that a German Government can be found strong enough to accept them and to survive their acceptance. The second is that there is a French Government wise enough to give a liberal interpretation to these demands. The first depends to a large extent on the second.

The events of the past few months have added immeasurably to the difficulties of negotiation. Incidents inseparable from a foreign occupation in any land have exasperated German opinion and reached depths of hatred which had never been stirred even by the Great War—the deportation of 75,000 Germans from their homes in the Ruhr area, the repression, the shooting, the starving, the holding up of food trains until essential supplies rot. The myriad insolences of unchallengeable force, the passions which make French policy so intractable are entirely attributable to the German occupation of France. Frenchmen are now sowing the same seeds of anger in the German breast. Hatreds are bad negotiators. That is why I despair of a real settlement.

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But Germany may collapse. She might even break up, temporarily. The authority of the Central Government has already largely disappeared. There is practically no collection of taxes. The mark has gone down in a little over a week from 1,000,000 to the £ to 27,000,000.¹ How can any Government collect taxes in such a fugitive and attenuated currency? You might as well try to collect land taxes on the tail of a comet. The state of the currency is but a symptom of the general disintegration. Berlin has ceased to wield any influence in Bavaria, and the Monarchy might be restored in that Province at no distant date. There is a movement in the Rhineland to set up a Republic freed from the dominion of Prussia. This movement is fostered by French agencies and financed by French subventions. If it is declared Prussia will not be allowed to suppress it. We may, therefore, soon witness a Rhineland Republic whose glorious freedom and independence will be jealously guarded against internal as well as external foes by the coloured warriors of Senegal and Cochin-China. Saxony might be captured by Communists and Prussia be torn between Monarchist and Communist. These are not unlikely happenings. Is it too much to say they are not altogether out of the computation of French statesmanship? If Germany dissolves, then the Rhineland and the Ruhr would remain under the dominion of France. France would not secure

*Collecting
Land
Taxes on
the Tail of
a Comet.*

¹ Since this was written the mark has fallen far beyond.

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The
Dream of
Napoleon,

Reparations, but she would enjoy security, and she would, so it is conjectured, enormously enhance her power in the world. An old French dream would be realised. The work of Bismarck would be undone and the achievement of Napoleon would be restored and perpetuated. There is an old Welsh adage which says that it is easy to kindle a fire on an old hearthstone. This idea of a Rhineland under French domination is the old hearthstone of Charlemagne. Mazarin sought to relight its flames. Napoleon the First kindled on it a blaze that scorched Europe. Napoleon the Third had hopes of warming his chilling fortunes at the glow of its embers, and now the great victory of 1918 has set French ambitions once more reviving the fires on the old hearthstone of a Rhineland ruled by the Frank.

Altogether it is a bad look-out for Europe.

IS IT PEACE?¹

THE Charleville speech² and M. Poincaré's reply to Lord Curzon's despatch³ leave things exactly where they were. Rumour said the reply would be long and logical. For once rumour hath not lied. M. Poincaré regards this exchange of bolstered notes as a pillow fight which he is quite prepared to prolong in order to gain time whilst the real struggle is developing to its destined end. The prominence given in the Press to the fact that this rigid reply is "courteous" is significant of the pitiable condition to which the Entente has been brought by these maladroit negotiations.

What will Mr. Stanley Baldwin and Lord Curzon do next? Much depends for Europe on that next step, and something for them also hangs upon their action or inaction. One is reminded of the answer given by Emile Ollivier to the question addressed to him as to his opinion of one of Napoleon the Third's experiments in constitutional government: "Si c'est une fin, vous êtes perdu ; si c'est un commencement, vous êtes fondés"

¹ Criccieth, August 20th, 1923.

² M. Poincaré's speech at Charleville on August 19th, on the subject of French policy in the Ruhr.

³ The British Note was sent to France, August 13th, 1923, and M. Poincaré's reply was received on August 23rd.

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That sage comment is equally applicable to **the eurzon Note**.

*Watch
Germany.*

We can only "Wait and See," first for the French official reply, and second for the decision of the British Government upon that Note. The only new factor in the situation that may have a determining influence on events is the accession of Herr Stresemann to the German Chancellorship.¹ I know nothing of him beyond newspaper report, but he is generally supposed to be a man of energy, courage and resource. If that be true, his appointment to the official leadership of the German people may be an event of the first magnitude. We shall soon know what he is made of. Germany has suffered more from weak or misguided leadership in recent years than any great country in the world. It blundered her into the War, it blundered through the War, it blundered into the armistice, it blundered during the peace negotiations, and it has blundered her affairs badly after the peace. **But** no one can predict what Germany is capable of with a wise and strong leadership. Herr Stresemann has a responsibility cast upon him and an opportunity afforded him such as have not been given to any statesman since the days of Stein and his coadjutors for regenerating his country and lifting her out of the Slough of Despond in which she has been sinking deeper and deeper. Those who ignore the effect which powerful and magnetic personalities may have upon the fortunes of nations

¹ The German Government fell on August 13th, 1923, and Herr Stresemann succeeded Dr. Cuno as Chancellor.

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in despair must have forgotten their history books. The fall of Dr. Cuno and the rise of Herr Stresemann may well turn out to be a more decisive event than the despatch or the publication of the Curzon Note. But if he lacks those rare qualities which alone can inspire a people in an emergency to heroic action and endurance, then there is nothing but chaos ahead of Germany. For the moment it is more important to keep a discerning eye on Herr Stresemann than to watch this endless fencing between Downing Street and the Quai d'Orsay.

It is not often I find myself in agreement with M. Poincare, but when he states that British unemployment is not attributable to the occupation of the Ruhr I am substantially in accord with him. In July last¹ I called the attention of the House of Commons to world conditions which injuriously affected our export trade and made unemployment on a large scale inevitable in the British labour market for some time to come. We are more dependent on our overseas trade, export, entrepôt, shipping and incidental business than any country in the world. Almost half our industrial and commercial activities are associated with outside trade in all its forms. That is not a full statement of the case, for if this important section of our business were to languish, the home trade would also necessarily suffer by the consequential diminution in the purchasing capacity of our people. Before the French ever entered the

*Britain's
Industrial
position.*

¹ House of Commons, July 16th, 1923.

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Ruhr our overseas trade was down to 75 per cent, of its pre-war level. Our population has increased by two millions since 1913 ; our taxation has increased fourfold ; our national debt tenfold; but our business is down 25 per cent. To what is this fall in our outside sales and services attributable? It is the direct consequence of the War. Our customers throughout Europe are impoverished. What is just as bad, our customers' customers are impoverished. So that neither can buy at our stalls the quantities or the qualities which they could be relied upon to purchase before the War. Until Europe can buy, Australia, Canada, India and China cannot pay, as the Prime Minister pointed out in his last speech in the House of Commons. Germany, before the War, bought Australian wool, Canadian grain, Indian jute and tea, and the proceeds as often as not went to pay for goods bought by those countries in British markets. The same observation applies to Russia, Austria, and the Levantine countries. The purchasing capacity of Europe must, therefore, be replenished, a process which will, at best, take years of patient industry. The mischief of the Ruhr lies not in the creation of bad trade, but in retarding the process of recovery. It has undoubtedly had that effect.

*Progress
arrested.*

Before the French entered the Ruhr trade was gradually if slowly improving all round. The prices of 1922 were lower than those of 1921; therefore, the contrast in sterling was not as apparent as it became on the examination of

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weights and measures. The export figures, notably in manufactured goods, show a decided increase on those of the preceding year. This advance is reflected in the statistics of unemployment. During the first ten months of 1922 there was a reduction of over 500,000 in the numbers of the registered unemployed. The succeeding ten months give only a slight improvement. Something has happened to arrest the rate of progress towards better times. This is where the Ruhr comes in. Even if it is not, to quote the Prime Minister, a penknife stuck in the watch and stopping the works, it is certainly more than a grain of dust which has perceptibly slowed the action of the sensitive machinery of trade.

The effect of the Ruhr disturbance would continue for some time if the penknife were removed now. For the moment M. Poincaré is wedging it in more deeply and firmly. Even if he withdrew it now, the works would not recover their normal steadiness for a long while. During these last disturbing months Germany has become appreciably poorer. Her wealth production has been depressed throughout most of her industrial areas. To a certain extent Lorraine and Belgium have also been affected adversely. The reservoir of wealth upon which industry draws has not been filling up as it ought if the world is ever to recover.

These things are hidden from France. She is a more self-contained country than Britain—perhaps also a **more self-centred** country. **Even**

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after the Napoleonic wars, which drained her best manhood and exhausted her fine nervous virility, she suffered from no interval of economic depression. Her great and victorious rival across the Channel lumbered painfully through fifteen years of misery, poverty and distress. Her own population, basking in the sunshine of prosperity, regarded across the narrow waters, with a natural contentment, the dark fogs that enveloped and drenched their old enemies. Commiseration or sympathy from them at that time was not to be expected. We had fought them for twenty years with an inveterate pertinacity and at last beaten them to the ground and occupied their capital. To-day we suffer because we helped to save their capital from foreign occupation and their country from being humbled to the dust by a foreign foe. Neither in French speeches, notes, nor articles is there any appreciation shown of that cardinal fact in the situation.

*Britain to
pay a War
Indemnity?*

All that is clear at the moment is the stubbornness of the French attitude. M. Poincaré has not so far receded one millimetre from his original position. Threats and cajoleries alike are answered by a repetition of the same formulae, with the slight variations in word or phrase which one would expect from a practised writer. But the theme is always the same and the application is identical to the point of monotony. He is not winning much coal out of his discourses and literary exercises, but to do him justice he is getting something for his country. Last year

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Lord Balfour, in the Note he sent to the Allies on behalf of the British Government, offered to forgo all claims for debts and reparations if Britain were secured against payment of the American debt. That meant a surrender of claims aggregating over £3,000,000,000 in return for an assured £1,000,000,000. A very handsome and generous offer. The Curzon Note proposes to surrender all our claims for a precarious return of £710,000,000. The Ruhr occupation has already brought down the British claim against the Allies by £290,000,000. M. Poincare may not be able to extract reparations out of Germany, but in seven months he has succeeded in forcing £290,000,000 out of Great Britain. He will certainly ask for more—and probably receive it.

Mr. Bonar Law was right when he said that under certain conditions Great Britain would be the only country to pay a war indemnity. Those conditions have arisen under his successors.

WHAT NEXT?

*The
Suspended
Joust.*

THE pen-and-ink joust is suspended for a fortnight, whilst the figures of British unemployment are leaping upwards. When the exhausted British knights have been reinvigorated by French waters they will once more charge full tilt at the French champion—at least, they will have made up their minds by then whether they will shiver another fountain-pen against his blotting-pad.

This is the advice ponderously and pompously tendered them in inspired articles. So far, the French nation is jubilant that M. Poincaré has scored heavily on points. He is a defter penman, and, moreover, he does not delegate his draughtsmanship to a Committee of Ministers, all holding irreconcilable views as to how to proceed, when to proceed, and whither to proceed, and amongst whom there is no agreement except on one point—that no one quite knows what action to propose.

Up to this last reply they cherished the vain delusion that the French could be shelled out of the Ruhr by reproaches which were both querulous and apologetic. That is not the way to shift continental statesmanship from its purpose. The French Foreign Office is better informed as to Cabinet divisions in this country than are the

¹ London, August 27th, 1923.

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British public. It knows that the Prime Minister and Foreign Secretary dare not take measures which will hamper French action in the Ruhr.

When the Tory Diehards placed co-operation with France in the forefront of their programme they honestly meant it. For them it was not a mere manoeuvre to unhorse the Coalition. They cannot, therefore, support an attitude of resistance to French pressure on Germany. A refusal to join France in squeezing Germany is to them a continuation of the evil of the Coalition they overthrew with the help of Mr. Stanley Baldwin and Lord Curzon. They will not tolerate it.

*A divided
Cabinet.*

That explains the impotence of British diplomacy in a situation which is so critical to our existence as a great commercial people. The Cabinet can agree on wordy Notes; they are hopelessly divided as to action. They have, therefore, dispersed far and wide to search for fortuitous guidance hither and thither—some in the tranquillity of their English country houses; some in the healing springs of France; some in the mists of Scottish moorlands. Mayhap one of them will bring home a policy acceptable to his colleagues.

It is all very humiliating to the Empire that raised 10 millions of men and spent £10,000,000,000 of its treasure to win the War. The net result of the voluminous correspondence on which our rulers have concentrated months of anxious wisdom and unwearying hesitancy is that the Allies whom we saved from destruction refuse to move one inch out of their road to secure our friendly

WHAT NEXT?

companionship. They are marching resolutely in one direction, whilst we are shambling along in another.

*Poincare
flies his
Falcon,*

We have travelled long distances from each other since January last, and we are now altogether out of sight of the position we held in common when we met the Germans at Cannes early last year.¹ The Entente has never been more cordial than it was then—it has never shown more promise of hopeful partnership for the peace of the world. We were on the point of securing an amicable and businesslike arrangement with Germany for the payment of Reparations and of concluding an agreement for protecting the frontiers of France and Belgium against the possibility of future invasion.

From these starting-points it was proposed that Britain, France, Italy, and Belgium should advance together to a general settlement of European problems in East and West—political, financial, economic and transport. This we had agreed to do and, with the unity and goodwill which then prevailed, could have accomplished.

But M. Poincare had no use for the dove of peace. He wanted to fly his falcon. He had trained and bred it in the French farmyard, and there it had brought down many a domestic bird successfully. When his chance came he flew it at the wounded German eagle. It is poor sport, and somewhat cruel, but it evidently gives great joy to Frenchmen of a sort. The best are ashamed of it,

¹ The Cannes Conference, January, 1922.

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but their voices are drowned in the clamour of the unthinking. If the helpless bird is torn to pieces, there is nothing in that for French or Belgian larders.

Quite unintentionally the hawk has brought down the Entente also. It may not be dead, but it has made its last flight. Henceforth international arrangements will be on a less exclusive basis. France is irrevocably committed to the exploitation of the Ruhr by force. That is what "pay or stay" means. To that policy the majority in this country are definitely opposed. If the Diehards in the Cabinet were by any chance to win, and either Mr. Baldwin surrendered or resigned in favour of a Poincarist Administration in this country, neither he nor any possible successor could carry the country along into the Ruhr venture.

Some of them around the Prime Minister who have so suddenly assumed pro-French sentiments as the shortest cut to higher altitudes than those to which they have yet succeeded in climbing, know full well that, although they may use the Diehards for their own ends, if they succeeded in their somewhat sinister purpose they could not carry out the Diehard policy.

They are, therefore, endeavouring to provide for contingencies by negotiating on their own a fresh understanding with France. But British Premiers are not appointed at Rambouillet nor do they draw their authority from the Quai d'Orsay. Whatever may be thought of Mr. Bonar Law or of Mr. Stanley Baldwin by political partisans, no one

WHAT NEXT?

suggests that they derived their promotion from other than purely British sources.

*More
"Joy-
rides" ?*

But for a fortnight nothing is to happen—except the spread of unemployment in Britain and of despair in Germany. At the end of the fortnight will there be a surrejoinder to M. Poincare's rejoinder? Or will there be another Conference?

Both M. Poincare and the present Parliamentary regime in Britain came into power on the cry of "Enough of these eternal conferences; let us return to the good old diplomatic methods that prevailed before the War"—and, they might add, "which helped to make it possible." Nevertheless, Mr. Bonar Law's Administration during its short tenure of six months participated in four European conferences, and M. Poincard, during his eighteen months' official career, has found it necessary to take part, directly in five conferences, and directly and indirectly in eight. The French Press are urging him on to add another to a record which already beats that of M. Briand in the matter of "joy-riding"—to quote the contemptuous Diehard name for international conferences during Coalition days.

It is a suspicious circumstance that those who were once resentful and scornful of conferences should now be clamouring for one both here and in France. The reason is scarcely concealed by ardent advocates of the resumption of "picnic diplomacy." At the old conferences, so it is contended, France was invariably forced to give way. Now she can and will command the situation,

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There is a new note of confidence ringing through French despatches and echoed in the French Press. France must get what she wants; Britain must take what she is given. The French share of reparations must first be assured—debts due to Britain can come out of what is left. It is rather greedy, but characteristic, of the British that they should expect to be paid what is owing to them! With their smug and hypocritical Puritan temperament and outlook they insist that contracts should be respected! France, for the sake of the Entente, will make a concession even to British cupidity and pharisaism. It will permit the British Empire to collect—not the whole of what is due to her, but a much-reduced claim out of Germany once the French demand for reparations is cashed or as good as cashed!

To me this is a new France. During my years of discussion with French statesmen I never heard this voice. I had three or four talks with M. Poincare, and I never heard him speak in these supercilious tones. Impunity has developed them since to their present pitch of stridency.

Belgium is to suggest a meeting of the Premiers. When it comes the French minimum terms are to be rigid and unequivocal. Here they are:—

*The
French
terms—
Shall we
surrender?*

1. France must be paid her irreducible minimum of £1,300,000,000 in respect of reparations, whatever happens to anyone else.

2. Belgium is also to have her priority of **£100,000,000.**

8. As Germany cannot raise these huge sums

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immediately, France and Belgium are to hold the Ruhr until they are paid. Hints have been thrown out by the more conciliatory French journals that the French Government might consider an early retirement from the Ruhr if the payment of reparations were made the subject of an international guarantee. That implies Britain and America becoming sureties for payment of the German indemnity!

4. As to the rest, France and Belgium have no objection, subject to the above conditions, to Great Britain collecting £700,000,000, *i. e.* about 23 per cent., of her international claims (debts and reparations) from Germany. But this munificent concession is to be made on the distinct understanding that she forgoes entirely the remaining 77 per cent., of her bonds. The Allies and Germany between them owe Great Britain £3,000,000,000. The French and Belgian Governments are willing that Great Britain should collect £700,000,000 of that amount from Germany, provided the remaining £2,800,000,000 is for ever cancelled—and always provided that the £1,400,000,000 due to France and Belgium has been satisfactorily guaranteed.

5. These handsome terms can only be propounded if Germany first of all withdraws all passive resistance in the Ruhr. That is an essential preliminary.

The French Government have stated these terms with such precision and such emphasis, and repeated them with such undeviating insistence that any departure from them on the French side seems

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impossible. **The** hope of a conference rests entirely on the confidence in a British surrender. There is a dismal "joy-ride" in prospect for the British Prime Minister and his Foreign Secretary. Is it conceivable they can contemplate such a capitulation? I do not see how the present Government, after all it has said and written, can so far submit to French dictation as to make it likely that further discussions would lead to agreement.

What is the alternative? Herr Stresemann can alone answer that question. It is not yet clear what he means to do. Perhaps he is feeling his way to a decision.

THE GREAT PERIL AND THE DUTY OF THE CHURCHES¹

*The Re-
turned
Traveller.*

IF a man on a bright July morning in 1914 had sailed abroad and had the misfortune to be wrecked on a desert island, returning to civilisation a week ago, the change which Europe presented to him would be sufficient to induce him to believe that his long solitude had unhinged his mind. To him it would have appeared as the stuff of which dreams are made. He would have remembered a German Empire with an august head, ruling with autocratic sway a population striding with giant steps into prosperity and wealth, possessing a matchless Army, whose tread terrified Europe; with a Fleet that provoked articles and novels and agitations about the invasion of England; with vast possessions across the seas. In its place he would see Germany, instead of being a confident, powerful, arrogant Empire, a timid, nervous, and apologetic Republic presided over by a respectable and intelligent workman, her Minister issuing Notes to propitiate Belgium, and having them sent back like the stupid exercises of a backward schoolboy to be re-written in accordance with the pleasure of the task-master; the great Army reduced to a force one-half the size of that of Serbia; the menacing Fleet at the bottom of the sea; the watch on the Rhine kept by French, British, and

¹ Notes of Address delivered at the General Assemblies, Edinburgh, May 27th, 1923.

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Belgian soldiers. He would see Krupps works in French occupation. Not a German colony left.

Russia he would have recollected as a powerful autocracy rooted in a superstitious belief by the peasantry in the divinity of its head. He would find it now a revolutionary area ruled by the exiles of yesterday, shunned by the rest of the world because of the violence of its Communistic doctrines; Tsardom, with its gilded retinue of splendour, flung into a hideous doom, and the sceptre of Peter the Great enforcing the doctrines of Karl Marx. He would see the Austrian Empire as much a thing of the past as the empire of Nebuchadnezzar, and in its place a poor province lifted out of beggary by the charity of her foes. New States, which had been dead and buried for centuries, risen from the dead, casting off their shrouds, and marching in full panoply; Trieste an Italian port; the Dolomites an Italian bastion. The Turk alone quite unchanged, a few more amputating operations performed upon him, but still preserving sufficient vitality to massacre Christians irrespective of denomination or race, and to become a sore trial and perplexity to the rest of the world.

If our returned voyager travelled through Europe he would find even more fundamental changes in the world of finance, trade and commerce. He would find impoverishment, dislocation; the elaborate and finely-spun web of commerce rent to pieces, and its torn threads floating in the wind. With a few sovereigns in his pocket, he would expect in return 25 francs, 20 marks, and about

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20 lire. Instead of that, with a paper sovereign he would find that he could buy 70 francs, nearly 100 lire, 250,000 German marks,¹ 300,000 Austrian kronen, and millions of Russian roubles; the money-changers who once prospered on decimal fractions now earning a precarious livelihood in the flights of the multiplication table. That would give him a better indication perhaps of the reality of the change than even the fall of empires. On his journeys he would travel through prosperous provinces rutted and overturned as by a gigantic earthquake; he would pass vast cemeteries where 10,000,000 young men fallen in the Great War were having their last sleep; he would see on all hands signs of mutilation of men who had been engaged in the great struggle. Taxation everywhere quintupled with nothing but debt to show for it; industry with its back bent under a burden of taxation which when he left existed only in the nightmares of the dyspeptic rich. He would then be able to realise something of the tremendous upheaval that had taken place in the world.

*The One
Thing Un-
changed.*

But what would surprise him more than all these amazing and bewildering transformations would be the one thing in which there was no change. He would naturally expect that after such terrifying experiences, the world would have learnt its lesson, turned its back finally on war, its crimes and its follies, and set its face resolutely towards peace. But in this one thing he discovers the world has

¹ Since this address was delivered the mark has crashed down to a depth of hundreds of millions to the £.

THE GREAT PERIL

not changed—it has not learned one single syllable of its terrible lesson. Suspicions amongst nations exist just as ever, only more intense; hatreds between races and peoples, only fiercer; combinations forming everywhere for the next war; great armies drilling; conventions and compacts for joint action when the tocsin sounds; general staffs meeting to arrange whether they should march, where they should march, how they should march, and where they should strike when they march; little nations only just hatched, just out of the shell, staggering under the burden of great armaments, and marching along towards unknown battlefields; new machinery of destruction and slaughter being devised and manufactured with feverish anxiety; every day science being brought under contribution to discover new methods to destroy human life—in fact, a deep-laid and powerfully concerted plot against civilisation, openly organised in the light of the sun. And that after the experience of four or five years ago! Man the builder, and man the breaker, working side by side in the same workshop, and apparently on the best of terms with each other, playing their part in the eternal round of creation and dissolution, with characteristic human energy. What a complex creature is man! It is little wonder that God gave him up repeatedly in despair. He is unteachable.

I wonder whether it is realised that if war were to break out again, the calamity would be a hundredfold greater than that of the last experience. Next time, cities will be laid waste. Possible,

The Next War.

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and I am sorry to say, probable enemy nations are more closely intertwined, and the engines of havoc are becoming more and more terrible. I have called attention repeatedly to the developments which took place during the late War, in the variety, the range, and the power of destructive weapons. Compare the aeroplane at the beginning of the War, and its small bomb which could easily be man-handled, with the same machine at the end. By the end of the War machines had been built, and but for the Armistice would have been used, the devastating power of which was terrific. Since then the power of the machine, the weight of the explosive, and the incendiary material it drops have grown, and are still growing. Science is perfecting old methods of destruction, and searching out new methods. One day, in its exploration, it may hit on something that will make the fabric of civilisation rock.

Can anything be done to avert this approaching catastrophe? That is the problem of all problems for those who love their fellow-men. I warn you that it is madness to trust to the hope that mankind, after such an experience, will not be so rash as to court another disaster of the same kind. The memory of the terrors, the losses, the sufferings of the War will not restrain men from precipitating the world into something which is infinitely worse, and those who think so, and, therefore, urge that it is not necessary to engage in a new crusade for Peace, have not studied the perverse, the stubborn, and the reckless nature of man. There is the

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danger that the last war may even make some nations believe in war.

I have talked to many young soldiers who were fortunate enough to have passed unscathed through some of the worst experiences of the War, to many who suffered mutilation in some of these experiences ; they have given me one common impression that the memory of fear is evanescent, and that they cannot now re-create in their own minds the sensations of terror through which they passed. If that is true of those who went through the furnace, what of the multitudes who simply looked on ?—the multitudes of those who were too young to take part, and can only recall the excitement produced by the conflict and the glory of victory ? The recollection of the headaches of an orgy never lasts as long as that of its pleasures. It is useless to recall memories of the terror and torture of the War and expect them to crusade for Peace. Memory is a treacherous crusader. It starts with a right purpose fresh and hot on its path, but its zeal gets fainter as the days roll past, and it ends by handing over its banner to the foe.

*Fear will
not pre-
vent War.*

You can only redeem mankind by appealing to its nobler instincts. Fear is base, and you cannot lift mankind by using it as a lever. The Churches alone can effectively rouse the higher impulses of our nature. That is where their task comes in.

There is another reason why we cannot regard the danger as having passed away. You have all the elements which made for the Great War of 1914

*The Ele-
ments of
War Re-
main.*

THE GREAT PERIL

more potent than ever to-day. The atmosphere of Europe is charged with them.

What made the last War? Armed international dislikes, rivalries, and suspicions. The dislikes were based on age-long racial feuds stimulated by memories of recent wrongs. Celt and Teuton disliking each other; Slav and Teuton suspicious of each other; the hatred of the Slav for the Teuton intensified by the arrogance with which Germany humiliated Russia at the moment of her weakness immediately after the Japanese War, when she was peculiarly sensitive to insult. You will recollect the peremptoriness and the insolence of her gesture over the Bosnian annexation, and insolences are always more painful than wrongs and rankle longer. They corrode the flesh, and burn into the soul of a nation, keeping its anger aflame. I wish nations always remembered that. There was the hatred of the Celt for the Teuton deepened by the annexation of Alsace-Lorraine, and by the incidents inseparable from the invasion of a foreign soil. There was Germany suspecting that every railway constructed by Russia was aimed at her heart. There was France convinced that Germany was only waiting her opportunity to pick a quarrel which would enable her to deprive France of her much-coveted colonies. There was England watching with vigilant insight and increasing anger the growth of Germany's great Fleet, which she was convinced was aimed at her shores. There were great armies in every Continental country ready to march at a moment's notice, fully equipped, each

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commander firmly persuaded that his own legions were irresistible. You had there all the conditions that made for war. Did it come of set purpose? I have read most of the literature concerning the events that led up to that War, and it is full of warning as to how wars happen. They do not come because the majority of those who are concerned are bent upon bloodshed, not even the majority who have the decisive voice if they exercised it in time. Had a plebiscite been taken in every country in Europe a week before war was declared as to whether they wished to engage in a European conflict, the proposal would have been turned down by a majority so overwhelming as to show that the proposition was one that no nation had the slightest idea of entertaining. That is not the reason why it came. But you have always in control of the affairs of nations some men who hesitate ; many who are apathetic, many who are merely inefficient and stupid ; and then most men, even in a Government, have their minds concentrated on their own immediate tasks.

I will give you an illustration of how war is begun, once you have the predisposition to quarrel, without anybody wanting it and with the vast majority of the people who are to be engaged in it opposed to it. Austria issued an ultimatum to Serbia. There is nothing a big bully likes better than to hector a little man who is near the point of his toe. Serbia was so near the boot that Austria was constantly tempted to give it a kick, and in July 1914 the kick came. Austria issued an

*How War
is begun.*

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ultimatum, which was a very insolent one. The Serbian reply was a practical acceptance of the Austrian demands. This is the note the Kaiser wrote on it: "A brilliant performance this. But with it disappears"—listen to this written by the Kaiser of Germany just a few days before war was declared—"but with it disappears every reason for war, and the Austrian Minister ought to have remained quietly in Belgrade. After that I would never have given orders for mobilisation." In three days there was war.

Let me give another illustration. Admiral Tirpitz said he saw Von Jagow two days after the Austrian reply. Von Jagow, the German Foreign Minister, was so little interested in the Austro-Serbian conflict that he confessed to the German Ambassador to Austria on July 27th, two days after the reply had been received, that he had not yet found time to read the Serbian reply to Austria. Here is the document on which ten million young men who had no responsibility for it have been slain, homes have been desolated; and a debt of taxation, confusion and sorrow incurred which will not be wiped out as long as this generation lasts.

It is inconceivable, if one had not some knowledge of the carelessness and the procrastination which are bred in official circles by long practice. That was only three days before war was declared. This high official in the Wilhelmstrasse, whose business it was to advise the Kaiser and his Chancellor and who subsequently agreed to the fateful decision to declare war against Russia, had not even read the

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critical document which ought to have averted the struggle. But there are always the vigilant few, the very few resolute men whose whole mind and energy and skill is engaged ceaselessly in driving forward the chariots of war. Whilst others are awake, they are craftily dodging the traffic, and stealing along unawares, slowly getting their chariots into position for the next push forward. Whilst others are asleep, they lash the fiery steeds along their destructive course. In the Press, on the platform, in the council chambers, in the chancelleries, in society of all kinds, high and low, they are always pressing along. When the precipice is reached, they dash through the feeble resistance of the panic-stricken mob of counsellors and officials, and nations are plunged into the abyss before they know it.

This is the way most wars come. Read the history of the war of 1870. It came about in the same confused, clumsy, purposeless way. In all these cases there is always in the background the sinister figure of that force for mischief which used to be known by our Puritan fathers as the Devil. Have these hatreds and suspicions abated? Are there no rivalries to-day? Are there no men whose one joy is in war? Was the Devil numbered amongst the slain in the last War? I have never seen his name in any casualty list. Look around. His agents are more numerous, more active, more pressing and efficient than ever. Europe to-day is a cauldron of suspicions and hatreds. It is well to speak frankly. Celt and Teuton are now inter-

*The
Power for
Mischief
still
abroad.*

THE GREAT PERIL

locked in a conflict which is none the less desperate because one of the parties is disarmed. There is a suppressed savagery which is but ill concealed, and there are new hatreds which, if they have not been brought into existence during the War, have at any rate come to the surface. Mankind has learnt no lesson from the four or five years of war, although it has been scourged with scorpions. There was nothing that contributed more to the last catastrophe than the annexation by Germany of Alsace-Lorraine. As long as that act of folly remained uncorrected there was no real peace possible in Europe. The nations concerned were just biding their opportunity, and the opportunity came. Now you have two Alsace-Lorraines at least. There is the annexation of Vilna by force ; there is the annexation of Galicia by force, by violence, by the use of arms against the will of the population. Elsewhere you have the German and the Pole quarrelling over Silesia; the Russian and the Pole over doubtful boundaries; the Czech and the Magyar; the Serbian and the Bulgarian; the Russian and the Roumanian; the Roumanian and the Magyar. There is the age-long feud between Greek and Turk. All have an air of biding opportunity, all are armed ready for slaughter. Europe is a seething cauldron of international hates, with powerful men in command of the fuel stores feeding the flames and stoking the fires.

It is no use blaming the Treaty of Versailles. This state of things has nothing to do with treaties.

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Here it is the spirit that killeth and not the letter. Sometimes wrongs are imaginary. Where the wrongs are imaginary time will heal the sense of hurt, but sometimes they are real, and time will fester the wound, but everywhere and always the hatreds are real enough. Can nothing be done? If it can, let it be done in time. Let it be done at once. Yet, once more I remind you that if the gun is loaded—and it is loaded in every land—when the quarrel begins it is apt to go off, not because the trigger is deliberately pulled, but because some clumsy fellow in his excitement stumbles against it.

In a Continent which is nominally Christian, the Churches surely are not impotent. When the West was all Catholic, and it had the good fortune to have a high-minded and capable occupant of the Throne of St. Peter, many a struggle was averted by his intervention. Can the Churches not once more display their power? They can only do so by moving together, not merely every denomination in Britain, but every Christian community throughout Europe—Catholic and Protestant—Catholics even more than Protestants, for the countries where the peril is most imminent are more under the domination of the Catholic Churches than of the Protestant faiths. If all the heroism of millions, their sacrifice and their sufferings, are to be thrown away, it will be the most colossal, criminal and infamous waste ever perpetrated in human history. Millions of men endangered their lives willingly. Millions lost their lives for the sake of establishing peace on

*Inter-
national
Morality.*

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earth on the basis of international right. A temple to human right was built with material quarried out of all that is choicest in the soul of man. But its timbers are being drenched with the kerosene of hatred, and one day a match will be lit by some careless or malignant hand which will set fire to this magnificent edifice; its splendour will be reduced to black embers, and the hope of mankind will be once more laid in ashes. The task of the Churches is to put forth the whole of their united strength to avert that catastrophe.

Peace is only possible when you introduce into the attitude of nations towards each other principles which govern the demeanour of decent people in a community towards their neighbours. If international methods were introduced into the dealings of neighbours with each other life would become intolerable—the unconcealed suspicions, distrusts and ill-will which rule everywhere, the eternal expectancy of and preparation for blows, the readiness of the strong to use violence, either to enforce his will on his weaker neighbour or to deprive him of his liberty or his possessions, or even his life, to satisfy anger, revenge, or greed. Had this been the rule in private affairs, we should all have to live in caves, or in castles, according to our means. As a matter of fact, man is only half civilised. In international matters he is still a savage, in his heart he recognises no law but that of force. The savage has his restraints. His instinct warns him not to pounce save when he thinks he can do so effectively and with impunity,

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and for some purpose which he thinks worth his while. Whether he hates or covets, he has no other restraint. I wish I could say that in essence nations to-day obey any other impulse. Man must be civilised in his international relations, otherwise wars will go on as long as mankind remains on this earth.

I have seen a city wrenched from its people. I have seen a whole province appropriated against the protests of its people, and all within the last four years, since the Great War to establish international right. There was no conceivable justification for either of these depredations except that both the city and the province were desirable, were at hand, were very tempting, and that the owners were too feeble to resist their pillagers.

The lesson must be taught that larceny does not diminish in turpitude as it increases in the scale of its operations. A nation that feloniously steals, takes, and carries away a city or province is just as criminal as the thief sentenced to imprisonment for robbery by violence on the high-road. And these national felonies will assuredly bring trouble one day. They invariably do so, and unfortunately international trouble is never confined to the felon. Human retribution, once it begins, is as indiscriminating and uncontrollable as a prairie fire. The flames consume the wheat as well as the tares. Hell fire administered by the hand of man scorches the innocent equally with the guilty. The doom of Germany involved millions in its tortures who were outside her gates, abominated

*The Need
for Good-
will
amongst
Nations*

THE GREAT PERIL

her crimes, and did all they could to prevent their perpetration. That is why it is written: "'Vengeance is mine, I will repay,' saith the Lord." It is the supreme duty of the Churches to teach nations to understand that the moral law is just as applicable to them in their corporate capacity as it is to the individuals who compose them; to teach them that hatred is just as unseemly between nations as it is between individuals, and far more dangerous. Goodwill must be assiduously cultivated between nations. It must be ingeminated in every way—in schools, in the Press, in sermons, in classes. The men who are always sowing distrust and dislike of men of other races and lands should be picked out, condemned, shown up, hunted by the scorn, the contempt and the wrath of their fellow-men. They are more dangerous than the incendiary who burns down an occasional hay-rick or habitation.

*Dwell
upon the
Best Side
of a
Nation.*

Let the best side of every nation be better known. Each nation has made its contribution to the sum of human greatness. Dwell on that, and not on the failings and the deficiencies, the errors, and the crimes which are unhappily common to all nations. Name me the land that has no stain on its record. There is no end to the resourcefulness of hate. Its variety is infinite. I recollect, not so long ago, a time when you were not a patriot if you were pro-French; the fact that you were pro-French stamped you as a little Englander. France was supposed to be a busy

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and malignant foe of Britain all the world over, scheming everywhere against British interests. She stood for all that was unpleasant and repugnant to the British mind—in her thought, her literature, her politics, and her manners. France heartily reciprocated our dislike. There were at least two occasions when war between the two countries was apprehended, was openly talked of, and was even likely. The atmosphere of the Press in both capitals was charged with brimstone.

Now it is to Germany you must not utter one word of toleration or even fair play. I am not counselling the abandonment of the just measure of our national rights as against either of these two countries, but they are both great nations. They are both nations that have contributed richly of the things that make for the elevation, for the happiness, for the splendour of mankind. If Germany is the land of Bismarck with its blood and iron, all Protestants will remember that she is also the land of Luther and the Reformation. If she fought in the late War for four years to establish a military domination in Europe, she fought for thirty years with enduring valour and much suffering to establish the freedom of conscience in Europe. She has given to the world great literature, great painters, great philosophers, great explorers in all the continents of thought. She is the land of unrivalled song. Even in the middle of the bloody conflict with Germany, every Sunday we praised God in our churches to the

THE GREAT PERIL

notes of German music. Let us give credit for these things, in our efforts to reconstitute the reign of goodwill. And if we feel angry with France, let us remember her dazzling array of great writers, her gigantic struggles for liberty, the penetrating imagination devoted to scientific research, which has brought incalculable blessings to humanity. Let us not judge France by the fussy little men that give expression to her petulance in the fits of temper that overtake every nation, but by the great men who have given noble expression to her immortal soul. France is the land of Victor Hugo, of Pascal, of Renan, and many another teacher who has taken humanity by the hand along the upward road.

*An Appeal
to the
Higher
Instincts.*

Everything depends on a consistent, determined, continuous inculcation of the principles and the ideals of good-fellowship between nations. Goodwill on earth means to think well of and dwell on the best side of others, and goodwill on earth and peace have been linked together. Without the one you will not have the other. Let us, therefore, cultivate the spirit of brotherhood amongst men. The Church must appeal to the noblest sentiments of the human heart. Mankind can only be redeemed by an appeal to those higher instincts; not by an appeal to ignoble fear. War means terror, war means death, war means anguish. That will not prevent war, and never has. Man is the most fearless of God's creatures, and when his passions are roused there is no fear that will restrain him. The fire of his passion burns the

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restraints of self-preservation like bands of tow, so that fear will not restrain the nations and make peace among them. War destroys trade, it brings unemployment. Look at all the losses, reckoning them up in cash. That will not prevent war: it never has. Selfish interests have a means of deluding themselves. Greed has a blind side. Do not trust to selfishness and selfish interest to ensure peace. Selfishness will ensure nothing which is worth keeping in the world. Selfishness pays good dividends, but it wastes the capital. The nation or the individual that makes self-love the managing-director of the soul will end in bankruptcy—bankruptcy of respect, bankruptcy of ideals, bankruptcy of honour, bankruptcy of friendships.

What is it that Germany is suffering from now? Her great tragedy is not her indemnity, not her gigantic casualties, not even the destruction of her trade. The one great tragedy of Germany is that she has lost the respect of mankind. It affects her trade, it affects her business, it makes it difficult for her to climb to the pitch whence she fell. The rope is gone. She has done things of which she herself is now ashamed. Her people—I can see it when I meet them—are ashamed. That is the tragedy. They are a gallant people, they are a brave people, they fought bravely, but they are broken-spirited. Why? They have lost their self-respect because they have done something that they know in their hearts was wrong. These are the things that have to be taught to nations.

THE GREAT PERIL

*Flouting
the
League of
Nations.*

A public opinion must be worked up that will be strong enough to sustain international right. No law is possible without an active public opinion for its enforcement, least of all international law. Without it the League of Nations is a farce. You might as well have a wooden cannon; however splendidly mounted it may be, however imposing its appearance, everyone knows that the moment it is fired it will burst. Unless the world is taught to respect its authority, it will become a butt of derision. It is no use keeping up pretences. Pretences never delude events. The League of Nations may gather together representatives of all the Great Powers of the earth, and yet it may be a futile, barren, costly nothing unless it has behind it that spirit of the people who constitute those nations.

The real danger of the moment is lest the League of Nations should become a mere make-believe, whilst the same old intrigues, the same old schemes, the same old international greed and hatred, should be working their will freely outside. The decision of the League of Nations has been, within the last two or three years, openly flouted by a member of that League, a member which owes its national independence to the treaty which founded that League. Another nation, one of the principal authors of the League, refuses to refer a question in which it is concerned, and in which Europe is concerned, to the arbitrament of the League. Both these nations prefer to resort to force. The rest of the world looks on feebly with

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indifference, accepting the rebuff to their League in each case. Why? Because there is no public opinion in the recalcitrant countries to bring pressure to bear on the respective Governments, and there is no public opinion strong enough outside to exercise the necessary insistence.

The Churches alone can remedy this. There ought to be an international movement of all the Churches, Catholic and Protestant, Protestant and Catholic. I know it is difficult to compass. The divisions in Christendom are too often fatal to common action for the attainment of common aims. They ought to be overcome. They must be overcome. There was a time in the Middle Ages when religion exercised a direct as well as an indirect influence in the domain of Government and social relations. It helped to win for Englishmen their Great Charter. It gradually emancipated the serfs. It preserved the peace of Europe many a time when it was gravely imperilled by the quarrels of kings. In the days of Puritanism, and the days of the Covenant, the partnership between religion and politics won for us the two great boons of parliamentary liberty and liberty of conscience. When Methodism spurred the conscience of England, its influence was felt in the political movement that emancipated the slaves throughout the British Empire.

*The
Church a
Power in
the State.*

That was one of the greatest feats of disinterested righteousness ever exhibited by a nation. The tasks awaiting Religion to-day in the sphere of Government are even greater—emancipation of

THE GREAT PERIL

the worker from the tyrannies of economic greed,
the saving of the nation from the curse of alcohol,
and the spreading of the angels' message heard
on the hills of Bethlehem until the obdurate
heart of man shall at last re-echo it: "Peace on
earth and goodwill amongst men."

THE BRITISH DEBT TO AMERICA¹

As I roll homeward along the coast of Spain a wireless message announces that the British Government have accepted the American debt terms.

Importance of a Good Understanding.

The details which I have received are not sufficient to enable me to form an opinion regarding the character of those terms, or their bearing on Allied indebtedness to Britain as to the terms of payment. I know nothing of the steps taken by Mr. Baldwin and the Government of which he is a member to make this the first step in an all-round settlement of inter-Allied debts. That is a matter of infinite moment to us, and I assume that this is somewhere—and effectively—in the arrangement.

As to the payment of our own debt, the Government represent the real sentiment of the nation as a whole. The British taxpayer is no doubt fully alive to the fact that this heavy debt was incurred by him during the war in the main in order to finance American supplies to our Allies. We could have paid for all the supplies we required for our own use without resort to any loan from the American Government. Nevertheless, the

Debts Incurred for our Allies.

¹ S.S. Kashgar, February 1st, 1923.

THE BRITISH DEBT TO AMERICA

money was advanced by the lender on our credit and our signature.

Our credit as a nation, therefore, demands that we should pay. Whether we can collect enough money from our own debtors to meet this charge becomes increasingly doubtful, as it is becoming more increasingly needful.

*Britain's
Bond a
Sacred
Trust.*

Britain is alone in thinking she is under any moral obligation to pay the external liabilities incurred for the effective prosecution of the War. The attitude of the late and of the present Government is identical in this respect.

Why have the British public taken a different view of their national obligations towards external war debts from that adopted by other Allies? In giving the answer I do not wish to dwell on obvious ethical considerations which must weigh whenever you consider whether you will carry out an engagement which you have entered into with another who has already performed his part of the engagement on the strength of your promise. These ought to be conclusive; but to urge them might be deemed to be an unworthy reflection on the honour of those who take a different view of their national duty. I have no desire to offer censure or criticism upon their decision. They, no doubt, have their reasons for the course they are adopting. We have certainly overwhelming reasons for showing an honest readiness to pay our debts.

The settling up of accounts is always an unpleasant business, especially amongst friends.

THE BRITISH DEBT TO AMERICA

Strangers expect it and prepare for it—and there is no resentment when the bill arrives. But a man hates reminding his friend at the end of a business in which both have been engaged in warm amity that there is "a little balance" to be paid up. He has been expecting the friend to mention the matter to him. So he puts off introducing the unpleasant topic from year to year. But the friend disappoints his expectations. Not a hint comes from that quarter of any realisation that there is anything due. It soon looks as if it had been forgotten altogether.

The friend is most insistent on collecting the business accounts due to himself. He is angry at all delays in payment of his own bills. But his conscience is blind on the side of the debts he himself owes. It is not an uncommon experience, and we are suffering from it to-day. The War left us a creditor nation to the extent of over 2,000 million pounds, and a debtor nation to the extent of about half that amount. We readily accepted an invitation from our creditor to discuss the repayment of the debt we owe. Our debtors have displayed an invincible reluctance to enter into a similar discussion with us.

That ought not to influence our final decision. Britain is the greatest of all international traders, and her credit rests on the reputation she has well earned—that her bond is a sacred trust which her people always honour and redeem without counting the cost in toil and treasure. I remember when war broke out the panic which seized bankers

THE BRITISH DEBT TO AMERICA

and brokers as they contemplated the obligations incurred by British firms with their support to finance world trade. These liabilities ran into hundreds of millions sterling, and the only security for repayment was represented by a bundle of flimsy paper, criss-crossed with the signatures of men most of whom no British banker had ever seen, many of them dwelling in countries with whom we were actually at war.

There was one signature, however, on each paper which was known to bankers and carried with it the good name of Britain throughout the world; and it was that of some well-known British firm. Traders in far-distant lands parted with their produce on the credit of that signature and of the country with which it was associated.

It is true that the Government had no responsibility for any of these transactions; but the honour of Britain was involved in seeing that foreign merchants should not suffer ruin because they put their trust in British commercial integrity. For that reason the British Government of the day shouldered the burden, took all the risk, and although it meant a liability of between four hundred and five hundred millions sterling, not a voice was raised in protest.

The action then taken, though quite unprecedented, was not only honourable ; it was wise. It saved British pride from a reproach; it also saved British credit from a blow from which it would not have recovered for a generation. During that

THE BRITISH DEBT TO AMERICA

generation this lucrative business would have passed into other hands.

As soon as the War was over the people of Britain, with an instinctive impulse that required no persuasion to stimulate its activity, set about the task of restoring their war-battered credit. Government, bankers, merchants, brokers, manufacturers, and workers of all kinds were of one mind. Borrowing must come to an end; Britain must pay her way—whatever the sacrifices. Expenditure was ruthlessly cut down. The Army and Navy were reduced below pre-war dimensions. Other services were curtailed. Heavy taxation was imposed—taxation such as no other country bears. The Budget at home must balance. Debts to other countries must be paid off. Already large sums have been paid abroad. It required courage and constancy to pursue such a policy; but the endurance of the nation was beyond praise. It is now calmly facing the liquidation of its heavy debt to the United States of America; but no party has yet arisen, or is likely to arise, to demand that the hand of the negotiators should be arrested. Britain means to pay the last of her debts without a murmur.

*Britain
Means to
Pay her
Debts.*

We are already reaping some of the reward. The purchasing value of our currency has already risen under its burdens, and, as a consequence, the cost of living has fallen steadily, while other countries who have pursued a different policy find the cost of living for their people ascending month by month.

THE BRITISH DEBT TO AMERICA

A short time ago we were taunted in the French Chamber of Deputies by the President of the Council that our unsound financial policy had been responsible for our unemployment. It is true that if we had gone on borrowing instead of paying our way—if we had defied our foreign creditors instead of paying them—we also, like many other European countries, might have fostered an artificial prosperity by means of a discredited currency. But British credit would have rapidly disappeared beyond recovery and British trade would soon have followed. Meanwhile, the cost of living in Great Britain would have been double what it is to-day. We therefore dismissed that policy from our minds without paying it the tribute of a discussion.

*Necessity
for an All-
round
Settle-
ment.*

Trust is the only soil in which credit flourishes. Had that trust been forfeited British buyers and consequently British consumers would to-day have been paying more for their wheat, their meat, their cotton, and their wool. The burden of repayment to the United States will be infinitely less than that of the indirect burden involved in large purchases with a discredited currency.

The Government are therefore right in arranging with the American Treasury without loss of time for the liquidation of a debt incurred by this country. I am taking for granted that they have made every effort to see that the agreement shall form a part of an all-round settlement of inter-Allied debts. But as to our own debt the moral obligation must remain whatever our Allies do or

THE BRITISH DEBT TO AMERICA

fail to do. Why it was incurred, the circumstances in which it was entered into, the purposes for which the money was advanced, were open to the consideration of the American Government in arranging terms. That, however, was their privilege; ours is to honour our signature.

INTER-ALLIED DEBTS¹

THE FATE OF ISSACHAR

*What
Britain
Expected.*

A COLD shiver ran down the back of England when it was announced officially that the British Government had definitely agreed to pay over £30,000,000 a year for sixty years to the United States in respect of debts incurred by us on behalf of our Allies without seeking a contribution from our debtors to protect the taxpayers of this country. It is not that anyone dreamt the evil dream of repudiation. That was never woven into the texture even of the worst nightmare out of the many that have disturbed our repose since the greatest nightmare of all left the world a quivering nervous wreck.

*The
"Middle
West."*

Nor did we expect remission of our debts. Whenever we were tempted to exaggerate the bounds of human charity paragraphs appeared that reminded us of the attitude of the "Middle West." America was discovered by Europe centuries ago, but the "Middle West," as a political entity, is to untutored Europeans a discovery of the War. We were then told by returning explorers that it was the seat of the American conscience—inexorable, intractable, but irresistible when engaged in any enterprise. How potent this conscience was, as a world force, the War demonstrated.

i London, February 17th, 1923.

INTER-ALLIED DEBTS

From the heights it hurled an avalanche of force against Germany that overwhelmed the last hope of resistance. Unfortunately for us, when it came to debts we struck against the hard side of the Middle West conscience.

Our hope was therefore not in remission. There were, however, many other possibilities. We were not the only debtors of the American Government. Other Allies had borrowed not merely indirectly through us, but directly from America. We had every confidence that the United States Government would not mete out to Britain severer treatment than it was prepared to accord to our Allies. We had to contend, it is true, with legends of our inexhaustible wealth. Apart from our great coal deposits, and a climate which leaves those who endure it no alternative but activity, we have no treasure except the industry, the resources and the inherited skill of our people. We have nothing like the rich plains and the fertilising and ripening sunshine of France, which maintain sixty per cent, of its population. Our sources of wealth—apart from coal—are precarious, for they depend more largely than any other country on conditions outside our own. We are international providers, merchants and earners. A sixty-year contract to pay large sums across the seas is in many respects, a more serious consideration for us than for countries whose riches are inherent in their soil and are, therefore, more self-contained. The demoralised conditions of world markets has left us with a larger proportion of our industrial

*Britain's
Heavy
Burden.*

INTER-ALLIED DEBTS

population unemployed than any other European country. I hear tales of unemployment in the United States of America, but the reports that reach us here on American unemployment are so contradictory that I can build no argument upon them. But as to the gigantic dimensions of our own unemployed problem there can be no doubt. We have 1,400,000 workmen on the unemployed register drawing unemployment pay in one form or another. The annual cost to the nation of feeding its workless population runs to over £100,000,000—almost the figure of the annuity demanded from Germany as a War indemnity.

Although there are signs of improvement the omens point to a prolonged period of subnormal trade. Continuous depression for years will mean that Britain will suffer more from the devastation to her trade caused by the War than France from the devastation of her provinces. Our country, anxious about its means of livelihood, with a million and a half of its workmen walking the streets in a vain search for work, has to bear the heaviest burden of taxation in the world. Why? Because it has not only to pay interest on its own heavy War debts, but also on £3,000,000,000 which it either advanced to the Allies or incurred on their behalf. That is why we felt hopeful that the United States would not discriminate against a nation so situated.

*Equal
Pressure
on All.*

When I talk of debts the Allies owe to us, I want to emphasise the fact that these debts are not paper myths nor tricks of accountancy. They

INTER-ALLIED DEBTS

are onerous facts representing a real burden borne at this hour by the bent and panting taxpayer of Britain. If these loans had never been made the weight on his shoulders to-day would have been lighter by over two shillings in the pound. He is every year paying to the actual lenders—some British, some American—that proportion of his income. It is a weight he undertook to carry for his Allies during the War on the sacred pledge of those Allies that they would take it over after the War. The American Government borrowed from their public to make advances to Great Britain, and have called upon the British taxpayer to redeem his pledge. We make no complaint, for the demand is a mitigation of the strict letter of the bond. But that amount is in substance part of the debt owing by the Allies to Britain. And the British taxpayer naturally feels it is hard on him to have to bear not only his own legitimate burdens but that he should in addition have to carry the debts of his less heavily taxed brethren in Continental countries. He naturally inferred that if equal pressure had been administered on all debtors alike it would have forced an all-round consultation which would have terminated in an all-round settlement.

That was the real purport of the Balfour Note. The true significance of that great document has been entirely misunderstood—sometimes carelessly, sometimes purposely, sometimes insolently. I guarantee that not one per cent, of its critics if confronted suddenly with an examination on its

*The Bal-
four Note.*

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contents would secure one mark out of a hundred. It has suffered the same fate as the Treaty of Versailles. Opinion is sharply divided as to both between those who rend without reading and those who read without rending. Most men have received their impressions of the Balfour Note from denunciatory phrases penned by writers who received their ideas about it from men who gave instructions to condemn it without ever reading it. The men who really understood both the Versailles Treaty and the Balfour Note have been too busy to find time to inform, to interpret, and to explain.

*A Great
Offer.*

But the time has come when the public attention should be once more drawn to the remarkable and far-reaching proposals of the Balfour Note. They constitute an offer on the part of Britain to measure the amount of her claims against her Allies by the extent of her obligations to the United States of America. The British Government even offered to include the claim of their country against Germany in this generous concession. What does that mean in reference to present conditions? That if the Allies and Germany between them found the £30,000,000 a year which Britain has undertaken to pay America, she would forgo her claim to the £3,800,000,000 due to her under contract and treaty. It was a great offer and if accepted would have produced results beneficent beyond computation. Britain, who would have been the heaviest direct loser, would have profited indirectly through the world recovery that would have ensued.

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How was it received? Some criticised it because it asked too little—some because it demanded too much. Many criticised because they were determined to approve nothing that emanated from such a Government; but most of its censors condemned it because they never took the trouble to understand it, and the shrillest among the street cries happened to denounce it. The Government that propounded it soon after left the seat of authority, and the Administration that succeeded put forward a new scheme which attracted even less acceptance. So this great project which would have settled for ever the question which above all others is vexing peace and unsettling minds in Europe was pigeon-holed where it was not already basketed.

A Gerry-mandered Jubilee.

But surely this is not the end of all endeavours to reach a settlement of the question of inter-Allied debts. We cannot rest satisfied with an arrangement which effectively binds us to pay without prospect of the slightest contribution from our debtors. What America cannot indulge in we cannot afford. The gold of Europe now lies in its coffers. Who are we—plunged in the mire of debt up to our nostrils—to give ourselves airs of generosity superior to the only golden land left in this war-stripped earth?

If there is to be a general jubilee in which all alike participate in order to give the world a new start, then I feel sure Britain will play her part bravely and nobly. But a gerrymandered jubilee which frees France, Italy and Belgium from all

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their debts whilst leaving Britain sweating to pay off debts incurred for her Allies on the strength of their bond—that we cannot bear.

*Safe-guard
against
Loss.*

I trust the Government will insist on an arrangement with our Allies which, even if it is not a replica of our contract with the American Government, will at any rate ensure us a contribution that will safeguard us against loss under that contract. It is, I fear, hopeless to expect that we should be recouped the 2s. in the pound which interest on Allied debts costs our taxpayers, but at any rate we might be guaranteed against the 6d. in the pound which the American instalments involve. I feel the effort is beset with difficulties and that the outlook is not hopeful. There have of late been a few discouraging symptoms. One is the reception accorded at the recent Paris Conference to the British Prime Minister's liberal offer regarding inter-Allied debts. It was a tactical error to open the Conference with such a scheme and the effect was singularly unfortunate.

*Britain's
Isolation.*

Had I been disposed to press my criticisms on the conduct of the recent negotiations in Paris it would have been that they were so managed that for the first time since the War Britain has been completely isolated at a European Conference. That is a misfortune, for it encouraged the French Government to rash action. Up to the last Conference Britain and Italy had remained in substantial accord even when France and Belgium took a different view, and Belgium had never before quitted any of the gatherings in complete

INTER-ALLIED DEBTS

disagreement with Great Britain. So France, always tempted as she was to occupy the Ruhr, hesitated to do so in the face of so formidable an Allied resistance. What is relevant, however, to the subject of this article is the cause of our unwonted isolation on the occasion of the last Conference. The British Premier started the negotiations by tabling proposals which promised forgiveness of most of the indebtedness of these countries to Britain, but which implied immediate arrangements for beginning repayment of the rest. This suggestion of repayment instantly consolidated opposition to the whole of the British plan. It became clear that existing Governments on the Continent had no intention, unless firmly pressed, of paying the smallest percentage of the debt they incurred on the faith of a solemn engagement to repay the loan when that was possible, and to pay interest meanwhile. If we point to the fact as we did in the Balfour Note, that we have undertaken to repay the United States of America the heavy debt incurred by us on behalf of the Allies, they simply shrug their shoulders and say in effect: "That is your affair. We repay neither Britain nor America, and there is an end of it."

The other unpleasant incident is a speech delivered by M. Poincaré in the French Chamber in the course of which he dealt casually with the subject of inter-Allied indebtedness. The French Prime Minister then announced categorically that France had no intention of paying her debts until she has first received her share of Reparations from

*Poincaré
no Inten-
tion of
Paying.*

INTER-ALLIED DEBTS

Germany. What does that mean in effect? That the France represented by M. Poincaré has no intention of ever paying her debts. When the colossal figure of German Reparations is taken into account thirty years is a moderate estimate of the period required for its liquidation. Is the French debt to lie dormant carrying no interest meanwhile? If it is, then the debt is practically wiped out, for the present value of a £500,000,000 debt payable thirty years hence without interest is insignificant. The present Government of France have therefore declared they do not mean to pay what France owes. Surely the time to dictate the conditions of your repayment of a loan—when you propose to pay, how much you propose to pay, or whether you mean to pay at all—is when you are borrowing and not after you have spent the money.

*We Must
Know
Where We
Are.*

And yet in the same speech in which M. Poincaré serves up hot platitudes for Senatorial palates about the sanctity of national obligations, he dismisses France's faithful Ally with the cold comfort that France is too busy collecting the accounts due to her to attend to the debts she owes. I believe in my heart that there is a France of which he is not the spokesman—a great France which will not treat shabbily a faithful friend who stood by her in the hour of despair and who is now staggering under unparalleled burdens incurred in the discharge of the obligations of friendship.

All this makes it more necessary that the situation should be cleared up without undue delay. Having just completed negotiations for

INTER-ALLIED DEBTS

liquidating our own War indebtedness to America we are in a position to insist on a settlement with those on whose behalf we incurred that indebtedness. If nothing is done the conditions will harden against us. We shall be assumed to have accepted the Poincaré repudiation. I do not know what conditions the Government have made with the United States Government as to the marketability of the securities to be created in funding our debt. If they are to be placed on the market the chance of any future deal is destroyed. Ere that be done we must know where we are in reference to our own claims. I trust the Government will act promptly. Delay was justifiable so long as we were in the same position in reference to what we owed as to what we claimed. The Baldwin settlement has altered all that. If we do not insist on an arrangement now the British taxpayer will have the fate of Issachar—that of the poor beast between two burdens—his own and that of the Allies.

THE BRITISH ELECTIONS¹

A two-fifths Vote of Confidence.

IT is the duty of every patriotic citizen, in view of the difficulties with which the country is confronted, to assist the Government of the day by every means at his disposal. Factious criticism disturbs judgment and tends to unnerve. Governments to-day require full command of mind and nerve to enable them to arrive at sound decisions and to persevere in them. Faction is, therefore, treason to the country.

That does not, however, preclude a calm survey of the elections and their meaning. Quite the contrary, for we must think of the future and prepare for it.

The result of the elections has fully justified those who maintained that no party standing alone could hope to secure the measure of public support which will guarantee stable government. It is true that the Conservatives have succeeded in obtaining the return of a majority of members to the new Parliament. But the most notable feature

¹ This article was written on November 20th, 1922. The result of the General Election held on November 15th, 1922, was the return of the Conservative Government under Mr. Bonar Law with a working majority over all parties. The strength of the parties in the new House was:

Conservative.	347
L a b o u r	142
Liberal and National Liberal	117
Others.	9
Total	<u>615</u>

THE BRITISH ELECTIONS

of the elections is the return of a decisive majority of members by a very definite minority of the electors.

I observe that the Prime Minister, in returning thanks to the nation, claims that he has received a vote of confidence from the people of this country. Out of a total poll of fifteen millions his candidates secured less than six million votes.

That means that only two-fifths of the electorate voted confidence in the Administration, whilst three-fifths voted confidence in other leaders or groups. A party which has a majority of three millions recorded against it on a national referendum can hardly claim to have received a national vote of confidence.

It might be argued that when the question of confidence or no confidence comes to be stated, the National Liberals having promised co-operation, the votes recorded by them ought not to be placed on the debit side of the confidence account. The basis of the appeal made by the National Liberal candidates for support is practically that stated by me in my Manchester speech¹:—

*The Position of
National
Liberals.*

" The supreme task of statesmanship at this hour is the pacification of the nations, so that the people shall have leisure to devote themselves to the peaceful avocations of life, to fill up the depleted reservoirs from which we all draw.

" My course is a clear one. I will support with all my might any Government that devotes itself and lends its energy to that task

¹ October 14th, 1922.

THE BRITISH ELECTIONS

with single-mindedness, fearlessness, and with resolution—provided it does not embark upon measures which inflict permanent injury upon the country, whether these measures be reactionary or revolutionary. That does not mean that I pledge myself to support inefficiency, vacillation, or infirmity in any Government or in any party. But any Government that does not pursue that course I will resist with all my might. That is my policy."

I have perused the addresses of many National Liberal candidates and I have addressed many meetings in their constituencies, and I find that their attitude towards the Government is defined in these terms, with purely verbal variations. The address of Mr. J. D. Gilbert, who won Central Southwark, is a very fair sample taken out of the hulk:—

"If you honour me again with your confidence I will support any progressive measures brought forward by the present Government or any other Government. I shall not offer factious opposition or nagging criticism while our country is in difficulties at home or abroad."

There may be one or two who went further, but none expressed confidence.

*National
Liberals
and Con-
servative
Votes.*

I have made some inquiries as to the number of Conservative votes polled by National Liberal candidates. I am informed that on an average it represents less than one-third of the total. At the last election 167 National Liberal candidates were

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put up. They polled an aggregate of 1,652,823 votes, that is, an average of 9,897 per candidate. What proportion of this vote was Conservative? There is a good practical method of testing this question. In sixty-two seats National Liberals were fought by Conservative as well as by other candidates. In these cases the average vote polled by National Liberals was 6,820. That means that where the Conservatives supported National Liberal candidates their votes would represent about 30 per cent, of the poll for these candidates. On the other hand, the number of Liberal votes polled by Conservatives, where a compact existed, at least balances this account, for although the total in each constituency does not equal the figures of the Conservative support in National Liberal constituencies, still, that support was spread over many more constituencies.

The Prime Minister and his chief electioneering manager both emphatically repudiated the suggestion that there was any pact between Conservatives and National Liberals, and urged that there were only local arrangements made between the candidates of the two parties for their mutual convenience.

As the head of the National Liberal group I expressed grave doubts as to the composition of the Ministry, and much apprehension as to the language in which its policy was defined. That represents the general attitude of the National Liberals towards the Government. Their support, therefore, cannot be claimed in totalling the votes **recorded** for the Government.

THE BRITISH ELECTIONS

The fact, therefore, remains that those who voted confidence in the Government represent only 40 per cent, of those who went to the poll and 25 per cent, of the total electorate.

*Moral
authority
of the
Govern-
ment
weakened.*

I place this fact in the forefront, because it is bound to have a profound effect upon the course of events during—maybe beyond—the lifetime of this Parliament. It is the first time, certainly since the Reform Act, that a pronounced minority of the electorate has succeeded in securing the control of Parliament and the government of the country.

It would be idle to pretend that in a democratic country like ours, thoroughly imbued with the spirit of representative government, this does not weaken the moral authority of the Government of the day. Therefore, if the Government is wise it will bear that fact in mind and will not commit itself to policies which challenge the nine millions who between them represent a majority of the people of this country.

It is not a very good beginning to claim these striking figures as a vote of confidence. I sincerely trust it does not indicate a resolve to ignore, if not to defy, what is an obvious and ought to be a governing factor in the policy of the Government.

*Danger of
the Pre-
sent Sys-
tem.*

A corollary to this curious working of our electoral system is to be found in the under-representation of the other parties in the present Parliament, and unless representative government is to be discredited altogether, the present Parliament ought at once to devote its mind and direct its energies to the discovery of some method and machinery which will avert the danger which

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clearly arises from the working of the present system.

The Parliament of 1918 undoubtedly gave a larger majority to the Government than the figures warranted. But the majority of votes cast for Government candidates was so overwhelming that under any system of voting there would have been a larger working majority for the Government than that which the present Government can command. So when trouble arose it was not open to any section of the community to object that the Government had no authority because it did not represent the electorate of this country.

We are faced with a new danger to constitutional government. What has happened at this election may be repeated at the next—but not necessarily in favour of the same party.

If we are to be governed by a succession of administrations who rule in spite of the protest of a majority of the people, the authority of government will be weakened beyond repair.

The luck of the electoral table has this time favoured the Conservatives. Next time it may turn in favour of the Labour Party. They have at this election secured 55 of their seats out of a total of 141 by a minority of votes.

*Labour's
Prospects**

The conditions were, in many respects, against them. Their funds were exhausted by the prolonged period of heavy unemployment. The Trade Union movement was passing through an ebb tide in its prosperity, both in funds and in members. There was a good deal of discontent

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with the Trade Union leaders. Many workmen felt they had been let down badly by some of their activities in industrial disputes. Moreover, Labour has been committed by visionaries to a rash experiment which handicapped it severely in the election.

Next time may be the spring tide of Labour. They have learnt their lesson at the polls, and are not likely to repeat the blunder of November, 1922. This time the votes cast for them have attained the gigantic aggregate of four millions and a quarter. Supposing under those conditions they add another two millions to their poll. Although the other groups may secure between them nine millions of votes, Labour may have the same luck as the Conservatives at the last election and be placed in power by a decisive majority of members elected by a minority of votes.

I am not going to speculate as to what may happen under those conditions; the kind of legislation that may be proposed; the action of the House of Lords in reference to it, provoking, as it undoubtedly will, a fierce class conflict; or the turn given to administration in the various departments of Government.

Of one thing I am, however, certain. That is, that as a minority administration in 1922 and onwards will help to discredit government with certain classes of the community, a minority Labour administration would weaken the respect of other classes for representative government, and between them an atmosphere will be created

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inimical to the moral authority of all government in this country.

I have many a time warned the public that, in spite of appearances, this country is in many respects very top-heavy. It is over-industrialised. Its means of livelihood are in some ways precarious, and depend on conditions over which we have very little control, and once something happens which may have the effect of causing a lean-over either in one direction or in the other, it will be more difficult to recover than in lands where the population depends in the main for its livelihood upon the cultivation of the soil and the development of the natural resources of the country.

I therefore earnestly trust that in the interests of stability and good government, which must be based on the goodwill and co-operation of the community as a whole, this Parliament will apply its mind seriously to finding some means of preventing a repetition either in one direction or another of this freak of representative government.

Another feature of the election is the heavy vote polled by Liberal candidates in spite of untoward circumstances.

*The Unfortunate
Position of
Liberal-
ism.*

Whatever the difficulties of the Labour Party might be in this election they were not comparable to those under which Liberalism fought the campaign. It was divided by bitter internecine conflicts. The leaders of one section seemed to be more intent on keeping representatives of the other section out of Parliament than on fighting

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for the common cause. The bulk of their speeches was devoted to attacks on the leaders of the other Liberal group, and there was not much room left for a statement of the Liberal case.

What happened in Manchester is typical. Here the rank and file took the matter in hand and enforced agreement. Lord Grey was brought down to bless it. But the whole of his benedictory speech consisted of a thin and dreary drip of querulous comment on the leaders of the other group, with a distinct hint that the return of a Conservative Government would be by no means a bad thing in the interests of the country.

The speech was hailed by a Tory journal with the heading "Lord Grey supports Mr. Bonar Law." He then went straight to support Mr. McKinnon Wood's candidature with a repetition of the game speech. Thence he rushed off to reiterate the same performance at Bedford in support of Lady Lawson, and he finished off by reciting it for two days at meetings in support of Mr. Walter Runciman.

No wonder that he succeeded in damping Liberal enthusiasm to such an extent that his unfortunate protégés surprised even their opponents in the poverty of the support given them at the polls.

As soon as the Coalition broke up the leaders of this Liberal section met to consider the situation. The one positive result of their deliberations was not the issue of a ringing appeal for unity on the basis of Liberal principles, but a peevish intimation

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through the Press that efforts at unity were to be discouraged at the election. It was clearly ordained that the Coalition liberals should be crushed out. The Conservatives spurned them, and the Independent Liberals gave notice that they had no use for them. They were destined for extinction. Lord Crewe's speech proceeded on the same lines. May I say how sincerely I rejoice in the tribute to the "amateur diplomatist" which is implied in the conferring by a Conservative Government of the blue ribbon of diplomacy upon the leader of the Independent Liberals in the House of Lords?

This precipitate and lamentable decision lost at least forty Liberal seats, gave to the Conservatives their majority, and what is equally important established the Labour Party as His Majesty's official Opposition in the House of Commons. The latter is much the most serious practical result of the decisions of the Independent leaders to debar united action at the last election. If Liberals had united when the Coalition came to an end, Liberalism might have polled five million votes. It would have now held a powerful second position in Parliament, and the country and the nation would have looked to it in the future as it has hitherto done in the past for the alternative to "Toryism." Instead of that it is a poor split third. How could it expect to win at the polls? The National Liberals were pursued into their constituencies. Thirty-five National Liberal seats were assailed by Independent Liberal candi-

*If Liberals
had
United.*

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dates. I am not making a complaint, but offering an explanation. Whatever the views of the National Liberal leaders might have been on the subject of Liberal unity they were given no chance to effect it, and although they entered into no national compact with the Conservatives their followers in certain areas had no option but to negotiate local arrangements with the Conservatives for mutual support. The implacable attitude of the Independent Liberals left them no choice in the matter.

What was the inevitable result? No real fight was put up for Liberal principles on either side. The Independent Liberals were tangled by the personal preoccupation of their leaders. They had accumulated enormous dumps of ammunition for the day of battle on the assumption that the main attack would be on the Coalition Liberals, and, although the Conservatives now lined the opposite trenches, anger dominated strategy, and the guns were still fired at their old foes, whilst the Tory Government was only bombarded with bouquets. On the other hand, the National Liberal leaders were embarrassed by the engagements into which their followers had been driven by the action of the Independent Liberal leaders and the two warring factions.

*Co-operation
or
Conflict!*

The National Liberals, in spite of their enormous difficulties, have not been exterminated. I am not going to enter into a barren inquiry as to whether their numbers are or are not greater than those of Mr. Asquith's followers. Let it be assumed that

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they are equal. The marvel is that under these fratricidal conditions so many Liberals of any complexion have been returned.

I am not setting forth these unhappy facts in order to prolong the controversy which has poisoned Liberalism for years, but in order to call attention to the vitality which, in spite of these depressing conditions, can bring up 4,100,000 voters to the polls. Electorally Liberalism is the balancing power, and if it casts its united strength against either reaction or subversion its influence must be decisive, whatever the composition of this Parliament may be.

It is common knowledge that the Independent Liberals confidently anticipated the return of at least 120 members of their group. The fact that they only succeeded in securing the return of about fifty is naturally to them a source of deep disappointment.

If the failure of high hopes leads to contemplation of the real causes of that failure and a sincere desire is manifested to substitute co-operation for conflict my colleagues and I will welcome it. We cannot force our society on an unwilling company.

During the campaign I repeatedly expressed the hope that one outcome of this election would be to bring moderate men of progressive outlook in all parties to see the wisdom of acting together.

But progressive minds are by no means confined to the Liberal Party. I have met and worked with them in the Conservative Party, and the election will have taught many men and women

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in the Labour Party that violent and extravagant proposals impede progress. If the limits are not too narrowly drawn, this Parliament may witness the effective association of men of many parties who are genuinely concerned in the advancement of mankind along the paths of peace and progress for the attainment of their common ideals. If that end is achieved, the coming years will not be spent in vain.

*National
Liberals
without a
Machine.*

One word as to the National Liberals. When the dissolution came no party was ever placed in a more embarrassing and even desperate situation.

The Conservatives have at their disposal a great political machine. The Labour Party could command the support of all the trade unions, with their elaborate machinery for organising the wage-earning population. The Independent Liberals had in England and in Scotland captured the Liberal machine almost in its entirety, and had spent six years in perfecting it, their leaders having no other occupation.

The National Liberal leaders inherited no political machinery, and were too preoccupied with great world affairs to be able to devote any time to the improvisation of an effective new organisation.

Conservatives, Independent Liberals, and Labour all alike attacked National Liberal seats where they thought any advantage might be gained for their respective parties by doing so. The Conservatives only refrained from attack in cases where they thought there was more to be gained by arrangement.

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There was a great volume of popular sentiment behind our group. I visited Britain, North, South, East, West, and I have never witnessed such crowds nor such enthusiasm at any electoral contest in which I have ever taken part; but there was no organisation to convert acclamation into electoral power, and you could not build up a vast political machine in three weeks. Our supporters were not provided with an opportunity to test their strength in two-thirds of the constituencies. In nearly three hundred constituencies they could not do so without impairing the chances of Liberal candidates. A compact with Conservatives ruled them out of others.

It is a wonder that, in spite of these adverse and even paralysing conditions, our numbers are twice those of the Independent Liberals in 1918.

We have now for the first time full opportunity for placing our case and point of view before the country and organising support for them. It is our duty to do so.

Every month will contribute its justification for the course we have hitherto pursued, and for the counsel we have steadfastly given to a country struggling through abnormal difficulties.

HOW DEMOCRACY WORKS¹

*Britain
Behind-
hand with
Enfranchi-
sement.*

THE startling English bye-elections of the last few weeks have called attention to the working of the new electorate in Great Britain and set men pondering about its possibilities in a way a General Election failed to make them think. Democracy in the sense of government of a great State by the absolute and unfettered authority of the majority of its own citizens of all ranks and conditions is a modern experiment. The United States of America are the oldest democracy in the world to-day. How many realise that Britain became a democracy for the first time in 1917? Until then the majority of its adult population had no voice in the making or administration of the laws that ruled their lives.

The United States of America, France and Italy have adopted universal suffrage as the basis of authority for many a year. So have the British Dominions, but Britain herself, the pioneer of representative institutions, until recently shrank from the experiment of adult suffrage. Before the Reform Act of 1832 the total electorate of this country numbered only 3 per cent, of the population. The distribution of power amongst this small percentage was so arranged that even the 3

¹ London, March 19th, 1923.

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per cent, represented in effect no more than at best 1 per cent.

A generation of turmoil and agitation, almost culminating in revolution, succeeded in forcing through a measure which increased the 3 per cent, to 4·5 per cent, of the population ! It is true that the distribution of votes was more equitable, but even with that improvement, to call this ridiculous percentage a democracy would be absurd. Another generation of growing agitation ensued. This also ended in violence. Then Mr. Disraeli, one of the boldest and most venturesome of British statesmen, in 1867 doubled the electorate. His measure increased the number of voters to 10 per cent, of the population.

*A Sham
Democracy.*

Disraeli's audacious plunge horrified some of his aristocratic supporters and shocked many Whigs. "Bob" Lowe had already foretold calamities that would follow Gladstone's more cautious proposals. Seven years later saw the election of the first Tory Parliament since 1841. So much for the prophecies of the men who always fear evil must flow from justice.

Fifteen years after the Disraeli measure the Gladstone administration added another 7 per cent, to the electorate. The Gladstone proposals, which raised the number of voters to 16 per cent., were so vehemently contested that they nearly precipitated a Constitutional crisis of the first magnitude. Ultimately, however, they were carried, and there the franchise remained until the War.

The electorate that, through its representatives,

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accepted the German challenge in 1914, and was therefore responsible for involving the country in the most costly and sanguinary war it ever waged, represented one-sixth of the population and about one-third of the adults. The Conscription Act converted the country to a realisation of the injustice of this state of things. Millions of men were forced to risk their lives for a policy which they had no share in fashioning. Millions of women faced anxieties and tortures worse than death in pursuit of the same policy, and yet no woman was allowed to express any opinion as to the selection of the rulers who led them to this sacrifice.

It was felt to be so unjust that in the exaltation of war, which lifted men to a higher plane of equity, this obvious wrong was redressed. Hence the greatest of all the Enfranchisement Acts, the Act of 1917, that for the first time converted the British system of government into a democracy.

*A New
Electorate.*

How has it worked? It is too early to speak of its results. Mr. Austen Chamberlain in his letter¹ last week has called attention to one aspect of its operation. He emphasises a fact which is already known to every man who has passed through the experience of a contested election, that nearly one-half the new electorate is unattached to any political party.

If you deduct out of the total the numbers of the old electorate which had already formed ties of a party character, you will find from the result of the elections that more than half the new

¹ See *The Times*, March 14th, 1923.

HOW DEMOCRACY WORKS

electorate is free and floating about without any anchor or rudder and ready to be towed by the first party that succeeds in roping them. Millions of the new electors are too indifferent or too undecided about political issues to take sides at the polling booths.

In the hotly contested election of January, 1910, 92 per cent, of the voters went to the poll. At the second election which took place in the same year the percentage was 89. The slight difference between the two elections would be accounted for by the fact that in the second election the register was old. Compare these results with the two elections which have occurred since the 1917 enfranchisement. At the 1918 election 04 per cent, only of the voters could be induced to make the acquaintance of the ballot-boxes. This might be explained by the inevitable political apathy which follows a great war. The pulse of party beat feebly and irregularly. The old party organisations had, through five years of neglect, fallen into complete disrepair—the new party had not yet had time to perfect its machinery. Hence the failure of competitive effort to induce at least 6,000,000 of the new voters to take a sufficient interest in their new privileges to exercise them at the election.

The next four years were a period of growing political activity. The new party was especially energetic. Their chief organiser, Mr. Arthur Henderson, M.P., is one of the most gifted party managers of this generation, and his achievement is an outstanding feature of political organisation

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in this country. The old parties also had time to repair their machinery; by the time the election was called their organisations were in full working order. The only party which had no organisation worth speaking of was the National Liberal party. The others were ready for the struggle.

Five Million Absentees.

Nevertheless, when the election came in November nearly 5,000,000 of the electors were not sufficiently interested in the contest to take the trouble to record their votes. It showed an improvement of 10 per cent, on the previous election, but there still remained nearly 20 per cent.—making allowance for death, sickness, removals, etc.—who stayed at home, and could not be persuaded by personal or public appeal or pressure exercised by three or four great organisations, to walk a few hundred yards out of their way in order to place a simple cross on the ballot paper that was awaiting them.

The municipal elections tell a still more dismal story of apathy. But that is an old story. It was with difficulty that the old electorate, with all its long training, could be cajoled to visit the polling booths where the good government of the towns in which they breathed, lived, toiled, enjoyed themselves, and rested was being determined. At their worst, however, they made a better show than the newly enfranchised voters.

How does this record compare with democracy in other lands? France is no better. On the whole, I understand it is worse. The voting in

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the United States of America fluctuates according to the interest excited by the particular election. In this respect America does not differ from Britain. I cannot lay my hand on the percentage of the poll at the last Presidential election, but I gather it was higher than ours at the General Election. The Germans polled at their last election 89 per cent, of their electorate; in Italy the percentage was much lower.

With an unpolled and unticketed electorate of over 4,000,000 anything may happen. They have clearly no interest in the ordinary political conflicts that engage the minds of their fellow-citizens; otherwise, the excitement of two General Elections would have roused them to such faint exhibition of partisanship as is implied in the choosing of a candidate out of the two or three who have taken the trouble to send along their pictures.

But one day an issue may arise which will wake up the most lethargic. What will it be? And what view will they take of it when it comes? And who will succeed in catching the eye of the slumbering multitude when it opens? Much depends on the answer to these questions. They may rally to the defence of property menaced by rapacious creeds. They may rush to the protection of their homes threatened by avaricious wealth.

Even those who have already voted are liable to sudden and devastating changes of opinion. Witness Mitcham, Willesden, and Edgehill.¹ These

¹ See p. 81.

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three seats were regarded as being amongst the safest in England, and were selected for that very reason.

The Danger of the Group System.

Amongst many disquieting factors there is one which ought to be dealt with ere another election arrive. Under the present system a minority of electors may usurp absolute dominion over the fortunes of this kingdom for fully five years.

This is one of the freaks of the group system. The present Parliamentary majority has been elected by an aggregate vote which represents something a little better than one-fourth of the total electorate and one-third of those who recorded their votes. If Mitcham and Edgehill are a fore-taste of what is to happen at the "General," Labour will be the lucky third. A similar turn-over of votes in every constituency would place them easily in that position.

America has brought its vast electorate under what seems to us to be a perfect discipline. But in the process it has passed through much tribulation, including the furnace of a terrible civil war. Italy has been impelled to correct the working of democratic institutions by a display of force. Britain may mobilise and drill its electoral forces with less trouble. But it has a Socialist party, which has grown by millions within less than a decade—and is still growing. This week its most eloquent member has proposed, in the House of Commons, a solemn motion for the abolition of private property. Deputies chosen by four and a quarter million of British electors will vote for

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this proposal, and if, four years hence, they add another million and a half to their poll, they will be in a position to place that motion on the Statute Book. Their increase between 1918 and 1922 was greater than that number.

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*Disputes
which leave
the Nation
Cold.*

A FEW weeks ago I predicted that the comparative calm which has prevailed in the political seas of Britain during the past few years was coming to an end. Recent Parliamentary scenes leave no doubt that the prolonged political depression is to be followed by a period of storms—it may be hurricanes.

No amount of organisation or propaganda can excite real feeling in an electorate over trivial and unreal issues. Why did the Coalition of 1915 fall? And why did the Liberal Party split in 1910? Who was responsible? Should the General Election have taken place in 1918 or 1919? Ought open and declared opponents of the Government of the day to have then received Government support or at least Government neutrality? These are questions which agitate a few who are personally interested, but they leave the nation cold.

The War was real enough. But the War was supported by men of all parties, and, therefore, provoked no political controversy. The minority which opposed it was negligible, and challenged no Parliamentary discussion on the question. The Treaty of Peace was, on the whole, accepted by all parties when it was first submitted to Parliament. The leaders of the Opposition parties in

¹ London, April 16th, 1923.

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the Lords and Commons at the time of its presentation offered no serious criticism of its provisions.

The legislation proposed by the Coalition, although in ordinary seasons much of it would have aroused angry passions, coming as it did after the War had exhausted emotion, passed with no more than a feeble murmur of protest. Take, for instance, such controversial topics as adult suffrage, the enfranchisement of women, the wholesale reductions in hours of labour, representative government in India, and notably the conferring upon Ireland of a measure of Home Rule more complete than any proposed by Gladstone.

Any one of these measures proposed before the War would have led to heated discussion throughout the land. The case of Ireland is perhaps the most significant of the changed temper of the nation immediately after the Great War. The conflict over Irish Home Rule has now culminated in a treaty accepted by the nation as a whole and acquiesced in by the most violent amongst its opponents. But fiercer political passions were stirred up by the struggle between parties over Ireland than by any political question of modern times. The causes underlying the conflict dealt with two of the most powerful motives which make the human heart throb—race and religion. There was the old feud between Saxon and Gael extending over at least seven centuries. It drenched the moors of Ireland with the blood of both races before a keener edge was given to its

*The Irish
Cauldron.*

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hatreds by the introduction of an acute religious quarrel. After the Reformation the religious differences which rent Europe with fratricidal wars added fresh fury to the racial enmities which made poor Ireland a cauldron of perpetual strife. When Mr. Gladstone proposed to settle this raging tumult by wresting supremacy from a race which had been dominant in that island for 700 years and a faith which had been supreme there for 400 years and transferring it to the race and religion which all that time had been in a condition of servitude, and when in order to attain his ends he had to secure the adhesion of men of the ruling blood and creed to his proposals, the passions raised were deeper and angrier than any witnessed in British politics for many a day. It led for the first time in the history of Parliament to scenes of physical violence on the floor of the House. It shows what we may expect when there are genuine divisions of opinion which profoundly move masses of men and women in a democracy. Those who recall the tropical heat of Parliamentary debates in 1893 naturally regard their voyage through the frigid proceedings of the last Parliament as they would a sail through Arctic seas. That voyage is now over, and there are signs that the waters will soon be lashed into fury.

*Omens of
Coming
Struggle,*

For years political controversy between parties has been suspended in the presence of a common danger. Reaction was inevitable, and the greater the suppression the more violent the rebound. That does not, however, altogether account for the

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visible omens of a coming struggle unprecedented in its gravity. Fundamental issues have been raised of such moment to millions that they cannot be settled without a struggle that will rock Society.

The scene enacted in the Commons a few days ago was by no means as exciting as that which some of us witnessed in 1803. But it gave me an uneasy feeling that the period of calm is definitely over, and that Parliament henceforth must expect gusts and gales—and worse. Emotions are once more welling up, and there are signs of a great stir coming in British politics.

The cause is easily explained. The sense of exhaustion is passing away, and issues containing a serious challenge to the privileges and rights of powerful classes in the community and vital to the interests of all classes have been raised by one of the great political parties that divide Britain. The momentous character of that challenge may be gathered from the terms of the motion submitted by Mr. Philip Snowden to the judgment of the House of Commons:—

*Challenge
to the
Capitalist
System.*

" That in view of the failure of the Capitalist system to adequately utilise and organise natural resources and productive power, or to provide the necessary standard of life for vast numbers of the population, and believing that the cause of this failure lies in the private ownership and control of the means of production and distribution, this House declares that legislative effort should be directed to the

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gradual supersession of the Capitalist system by an industrial and social order based on the public ownership and democratic control of the instruments of production and distribution."

This motion will receive the full support of every member of the Labour party. A few men outside the Socialist party who have acquainted themselves with the publications of that party were quite prepared for this demand of a complete change in the organisation of Society. And as they saw that party grow with startling rapidity they knew we should not have long to wait before these subversive ideas would be formulated in the House of Commons. Still, even for the students of Socialist literature, the actual tabling of the resolution on behalf of the second largest party in the State came as a surprise and a shock. Too much credit was given to the restraining influence of the Trade Union section of the party. Sir Lynden Macassey, in his informing book on "Labour Policy, False and True," points out that it was in 1885 that the avowed advocates of this proposal for the abolition of private property and for the nationalisation of all the means of production and distribution first stood for Parliament. There were only two candidates standing on this platform, and they polled 32 and 29 votes respectively. Last election the aggregate Socialist poll reached the imposing figure of 4,251,011 votes. The party that secured a majority of members in the House of Commons only polled 5,457,871

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votes. Mr. Ramsay MacDonald states categorically that he knows that the Independent Liberal members—exclusive of their leaders—favour nationalisation and the capital levy. If that be an accurate statement of the views of the majority of these gentlemen, and of those who elect them, nearly one-half the British electorate are already prepared to assent to Socialism by easy stages—which is the purport of Mr. Philip Snowden's motion.

On that assumption we are on the eve of greater and more fundamental changes affecting the lives of every class and condition of men and women than have yet been seen in this country. Hence the new sense of struggle with which the political atmosphere is palpitating. Capitalism is to be arraigned before the Supreme Court of the Nation, condemned, sentenced, and executed by instalments—Chinese fashion. The composition of that Court is not to-day favourable to the prosecution. But who will be the judges after the next General Election? It is customary in political controversy to state that the election which is for the moment impending will be the most epoch-making in history. Without exaggeration, the next British Election may well turn out to be so. The British people, with their inherited political instinct, are beginning to realise that grave decisions must then be taken. Hence the greater keenness shown by the voters at bye-elections—hence the new interest taken by the public in the proceedings of the Parliament. There is still a good deal of apathy and

*On the Eve
of Funda-
mental
Changes.*

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indifference. The average comfortable citizen is still inclined to think these Socialist schemes so crazy as to be impossible. They cannot believe that 21,000,000 of sane people can possibly contemplate giving their sanction to such fantasies.

There are two cardinal facts which are constantly overlooked by the complacent. The men and women who have no property for the State to seize constitute an overwhelming majority of the electors of the country. The second fact to note is the great preponderance of the industrial population over the steadier and more stolid agricultural population. America, in spite of its gigantic manufacturing and distributing industries, still retains 60 per cent, of its population on the land. The same proportion of the French and Italian populations is agrarian. Barely 10 per cent, of the British workers are engaged in cultivating the soil. Most of our workers breathe and have their being in the crowded and excitable atmosphere of factories, workshops, and mines. The air is filled with germs of all kinds, and isolation in these thronging areas is impossible. Hence the rapidity with which the fever has spread.

*Arresting
the Flood.*

Can it be arrested? Nothing will be done until the danger is visible to every eye. To vary the metaphor, no one will believe in the flood until it is upon us. Trained weather prophets who forecast its coming will be laughed at or told they have a personal or party interest in ark building. It is an old tale—as old as the dawn of history. "As in the days before the flood, they were eating and

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drinking and knew not until the flood came and took them all away."

The trouble can only be averted in two ways. One is by the systematic inculcation of sound doctrines of economic truth into the minds of the working people of this country. The second, and the more important, is by the rooting out of the social evils which furnish the revolutionary with striking and indisputable object-lessons of the failure of the capitalistic system as an agent of human happiness. Without the latter the former effort will be futile. Arguments in favour of the existing order will be refuted by glaring and painful facts. Meanwhile, let the champions of that order take note of the efforts put forth by the Socialists to advertise their eagerness to redress the wrongs of the ex-Service men and to soften the asperities of discipline for the soldier. The Socialist leaders have shrewdly taken note of the causes that produced the overthrow of their Italian brethren, and they mean to take such steps as will ensure that if Fascism comes in Britain it will be an ally, and not a foe.

IS THE LEAGUE OF NATIONS A SUCCESS?¹

*The
League's
Achieve-
ments.*

Is the League of Nations a success? It is impossible to answer the question candidly without giving offence to rival partisans. If you indicate successes already placed to the account of the League, opponents deny or minimise these triumphs, and suggest that you are blinded by attachment to a chimera. If you point to shortcomings, the extreme zealots of the League get angry and hint that you are a secret enemy.

I mean nevertheless to attempt an answer, for much depends on a fearless examination of progress made or missed.

My first answer would be that it is scarcely fair to pose this question just yet. The League was founded only three years ago—much too short a period to afford a test of the working of a gigantic, complex, but very delicate and sensitive human machine. There has been hardly time enough even to catalogue and chart the myriads of nerves that thread its system. You cannot move a finger at the councils of Geneva without touching some hidden nerve and setting it in a condition of quivering protest. The League has, however, been long enough in existence to reveal its strength and

¹ London, April 2nd, 1923.

IS LEAGUE OF NATIONS A SUCCESS?

its weaknesses, its power, its potentialities and its perils.

It has already achieved triumphs of which its founders may well be proud. The restoration of Austria to life when it seemed to have been hopelessly submerged in the deluge of economic, financial and political disaster which had overwhelmed it, is a notable feat of artificial respiration. The successful effort organised by the League to stamp out typhus in Eastern Europe and prevent its spread to the West is also a success worthy of record. But for this intelligently conducted campaign that terrible disease would have ravaged Russia and Central Europe and laid low millions out of populations so enfeebled by hunger and privation as to become easy victims to its devastating assaults.

The Labour branch of the League has also been specially active and energetic, and its persistent endeavours to raise and co-ordinate the standards of toil in all countries are producing marked and important results. In addition great credit is due to the League for the splendid work it has accomplished in alleviating the distress which prevailed amongst the famine-stricken areas of Eastern Europe and amongst the refugees who fled from the horrors of victorious Bolshevism in Russia, and the still greater horrors of Turkish savagery in Asia Minor.

But these humanitarian tasks, praiseworthy though they be, were not the primary objects of the foundation of the League. Its main purpose was

*iu
Triumphs.*

*Its
Failures.*

IS LEAGUE OF NATIONS A SUCCESS?

the averting of future wars by the setting up of some tribunal to which nations would be bound to resort by their own covenant and the pressure of other nations in order to settle their differences. Its failure or success as an experiment will be judged by this test alone. How does it stand in this respect?

It succeeded in effecting a settlement of a dangerous dispute between Sweden and Finland over the possession of the Aaland Islands. That success was on the line of its main purpose. Here the methods of the League gave confidence in its complete impartiality.

*The
Silesian
Award.*

So much unfortunately cannot be said of another question where it was called in and gave its decision. Its Silesian award has been acted upon but hardly accepted by both parties as a fair settlement. That is due to the manner adopted in reaching judgment. Instead of following the Aaland precedent in the choice of a tribunal, it pursued a course which engendered suspicion of its motives. It created a regrettable impression of anxiety to retain a certain measure of control over the decision. There was a suspicion of intrigue in the choice of the tribunal and the conduct of the proceedings. In the Aaland case no great Power was particularly interested in influencing the conclusions arrived at either way. But here two Powers of great authority in the League—France and Poland—were passionately engaged in securing a result adverse to Germany. The other party to the dispute had no friends, and was moreover not a member of the League.

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Britain stood for fair play, but she was not a protagonist of the claims of Germany. Poland had a powerful advocate on the League—a country with a vital interest in securing a pro-Polish decision. In these circumstances the League ought to have exercised the most scrupulous care to avoid any shadow of doubt as to its freedom from all bias. Had it chosen distinguished jurists outside its own body to undertake at least a preliminary investigation as it did in the Aaland case, all would have been well. It preferred, however, to retain the matter in its own hands. Hence the doubts and misgivings with which the judgment of the League has been received not only by the whole of Germany, but by many outside Germany.

This decision, and the way Poland has flouted the League over Vilna served to confirm the idea which prevails in Russia and Germany that France and Poland dominate the League. The Silesian award may be just, but the fact remains that it will take a long series of decisions beyond cavil to restore or rather to establish German and Russian confidence in the League.¹

*Distrusted
by Russia
and
Germany.*

It is unfortunate that countries which cover more than half Europe should feel thus about a body whose success depends entirely on the confidence reposed in its impartiality by all the nations which may be called upon to carry out its decrees,

¹ Since the above was written there has been the dramatic repudiation of the authority of the League by the Italian Prime Minister over the Corfu incident, and the tame acquiescence of the other Powers in that repudiation. This is the climax of disaster for the League's prestige.

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even though these may be adverse to their views or supposed interests. The Vilna fiasco, the Armenian failure, the suspicions that surround the Silesian award, the timidity which prevents the tackling of Reparations, which is the one question disturbing the peace of Europe to-day, the futile conversations and committees on disarmament which everyone knows will not succeed in scrapping one flight of aeroplanes or one company of infantry, all these disappointments arise from one predominating cause. What is it?

*Half a
League.*

Undoubtedly the great weakness of the League comes from the fact that it only represents one half the Great Powers of the world. Until the others join you might as well call the Holy Alliance a League of Nations.

The ostensible purpose of that combination was also to prevent a recurrence of the wars that had for years scorched Europe, and to establish European peace on the firm basis of a joint guarantee of delimited frontiers. But certain Powers with selfish ambitions dictated its policy. They terrorised Europe into submission and called that peace.

No historical parallel is quite complete, but there is enough material in the occurrences of to-day to justify the reference. The League to be a reality must represent the whole civilised world. That is necessary to give it balance as well as authority. That was the original conception. To ask why that failed is to provoke a bitter and a barren controversy.

*America
and the
League.*

I do not propose to express any opinion as to the merits of the manoeuvres which led to the defeat

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of the Treaty in America. Whether the Senate should have honoured the signature of an American President given in the name of his country at an International Conference, or whether the commitment was too fundamentally at variance with American ideas to justify sanction—whether the amendments demanded as the condition of approval would have crippled the League and ought to have been rejected, or whether they were harmless and ought to have been accepted—these are issues which it would serve no helpful purpose for me to discuss.

But as to the effect of the American refusal to adhere to the League, there can be no doubt. It robbed that body of all chance of dominating success in the immediate future. It is true that three Great Powers remained in the League, but Russia was excluded, Germany was not included, and when America decided not to go in, of the Great Powers, Britain, France and Italy alone remained.

The effect has been paralysing. Where these three Powers disagree on important issues upon which action is required, nothing is done. The smaller Powers cannot, on questions where one or more of the Great Powers have deep and acute feeling, impose their will; and no two Great Powers will take the responsibility of overruling the third.

*Hobbling
the
League.*

Hence questions like Reparations which constitute a standing menace to European peace are not dealt with by the League. Had America been in, even with an amended and expurgated Constitu-

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tion, the situation would have been transformed. America and Britain, acting in concert with an openly sympathetic Italy and a secretly assenting Belgium, would have brought such pressure to bear on France as to make it inevitable that the League should act.

The success of the League depends upon the readiness of nations great and small to discuss all their differences at the council table. But no Great Power has so far permitted any international question in which it has a direct and vital interest to be submitted to the League for decision.

It has been allowed to adjudicate upon the destiny of the Aaland Islands, over the fate of which Sweden and Finland had a controversy. It has taken cognisance of disputes between Poland and Lithuania about Vilna, although even here its decision has been ignored by the parties. But the acute and threatening quarrel which has broken out between France and Germany over the question of Reparations the former resolutely declines to submit to consideration by the League.

The Treaty of Versailles is so wide in its application and so comprehensive and far-reaching in its character that it touches international interests almost at every point. So that the French refusal to agree to a reference of any problem in which they are directly concerned and which may arise out of this Treaty has had the effect of hobbling the League. As long as that attitude is maintained, the League is impotent to discharge its main function of restoring and keeping peace.

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The dispute over Reparations clouds the sky to-day, and until it is finally settled it will cause grave atmospheric disturbances for a whole generation. It is not an impossibility that it may end in the most destructive conflict that ever broke over the earth. It is churning up deadly passions. If ever there was an occasion which called for the intervention of an organisation set up for the express purpose of finding peaceable solutions for trouble-charged international feuds, surely this is pre-eminently such a case. Not only do the French Government decline to entertain the idea of putting the Covenant which constitutes the first and foremost part of the Treaty of Versailles into operation: they have gone so far as to intimate that they will treat any proposal of the kind as an unfriendly act. The Constitution of the League stipulates that it will be the friendly duty of any Power to move that any international dispute which threatens peace shall be referred to the League. Nevertheless, one leading signatory rules out of the Covenant all the questions which vitally affect its own interests. This is the Power which has invaded the territory of another because the latter has failed to carry out one of the provisions of the same Treaty!

*The
League
and
Repara-
tions.*

This emphatic repudiation of a solemn contract by one of its promoters has been acquiesced in by all the other signatories. Repudiation and acquiescence complete the electrocuting circuit. This limitation of the activities of the League is the gravest check which it has yet sustained in its

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career. I do not believe it would have occurred had America, with or without Clause 10, been an active member of this body. Its great authority, added to that of Britain and Italy, would have made the pressure irresistible, and its presence on the Council would have helped materially to give such confidence in the stability and impartiality of the League that Germany would have accepted the conclusions arrived at without demur and acted upon them without chicane. A rational settlement of the Reparations problem by the League would have established its authority throughout the world. Germany, Russia and Turkey, who now treat its deliberations with distrust and dislike tinged with contempt, would be forced to respect its power, and would soon be pleading for incorporation in its councils. The Covenant would thus become a Charter—respected, feared, honoured and obeyed by all. There would still be injustice, but redress would be sought and fought for in the halls of the League. There would still be oppression, but freedom would be wrung from the clauses of the Covenant. Argument, debate and intercession would be the recognised substitutes for shot, shell and sword. Wars would cease unto the ends of the earth, and the reign of law would be supreme.

Eliminating the Arbitration of the Sword.

Wherein lies the real power of the League, or to be more accurate, its possibility of power? It brings together leading citizens of most of the civilised States of the world to discuss all questions affecting or likely to affect peace and concord

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amongst nations. The men assembled at Geneva do not come there of their own initiative, nor do they merely represent propagandist societies engaged in preaching the gospel of peace. They are the chosen emissaries of their respective Governments. They are the authorised spokesmen of these Governments. When in doubt they refer to their Governments and receive their instructions, and the proceedings are reported direct to the Governments. They meet often and regularly, and they debate their problems with complete candour as well as courtesy.

It is in itself a good thing to accustom nations to discuss their difficulties face to face in a public assembly where reasons have to be sought and given for their attitude which will persuade and satisfy neutral minds of its justice and fairness. It is a practice to be cultivated. It is the practice that ended in eliminating the arbitrament of the sword in the internal affairs of nations. It is only thus that international disputes will gradually drift for settlement into the debating chamber instead of on to the battlefield. Wars are precipitated by motives which the statesmen responsible for them dare not publicly avow. A public discussion would drag these motives in their nudity into the open where they would die of exposure to the withering contempt of humanity. The League by developing the habit amongst nations of debating their differences in the presence of the world, and of courting the judgment of the world upon the merits of their case, is gradually edging out war as

*Substitu-
tion of
Debating
Hall for
Battlefield.*

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a settler of quarrels. That is the greatest service it can render mankind. Will it be allowed to render that service? If not, then it will perish like many another laudable experiment attempted by mankind in the effort to save itself.

But if it dies, the hope of establishing peace on earth will be buried in the same tomb.

THE TREATY OF VERSAILLES AND ITS CRITICS¹

I HAVE had recently special opportunities for appreciating the extent to which the Treaty of Versailles has not been read by those who have formed very definite opinions concerning its qualities. There is no justification for a failure to peruse this great international instrument. It is the most important document of modern times. It has reshaped for better or for worse much of the geography of Europe. It has resurrected dead and buried nationalities. It constitutes the deed of manumission of tens of millions of Europeans who, up to the year of victory, 1918, were the bondsmen of other races. It affects profoundly the economics, the finance, the industrial and trade conditions of the world; it contains clauses upon the efficacy of which may depend the very existence of our civilisation.

A much-discussed Document.

Nevertheless there are few who can tell you what is in the Treaty of Versailles. You might have thought that although men differed widely as to its merits, there would have been no difficulty in securing some measure of agreement as to its actual contents. Every endeavour was made to give full publicity to the draft when it was first presented to the Germans,

¹ London, June 25th, 1923.

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and to the final document when signed. Even before the form of the draft was ever settled, the actual decisions were published from day to day. Never was a Treaty so reported and so discussed in every article and every particle of its constitution, and to-day you can procure an official copy of it from any bookseller for the moderate price of 2s. 6rf. In spite of that no two men who happen to profess diverse opinions as to its justice or injustice can agree as to its contents.

A visitor to England in the year 1713 probably experienced the same perplexity in seeking information from a Whig and a Tory respectively as to the Treaty of Utrecht. So this Treaty has become one of those fiercely debated subjects, as to which the contestants deliberately refuse to regard any testimony, or recognise the existence of any fact, which is in the least inconsistent with their particular point of view. It has therefore come to pass that the real Treaty of Versailles has already disappeared, and several imaginary versions have emerged. It is around these that the conflict rages.

*Conflict-
ing
Schools of
Thought.*

In France there exist at least two or three schools of thought concerning the Versailles Treaty. There is one powerful section which has always regarded it as a treasonable pact, in which M. Clemenceau gave away solid French rights and interests in a moment of weakness under pressure from President Wilson and myself. That is the Poincare-Barthou-Pertinax school. That is why they are now, whilst in form engaged in

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enforcing the Treaty, in fact carrying out a gigantic operation for amending it without consulting the other signatories. This has come out very clearly in the remarkable report from a French official in the Rhineland which was disclosed in last Sunday's *Observer*.¹ It is obvious from this paper that whilst the French Government have worked their public into a frenzied state of indignation over the failure of Germany to carry out the Treaty of Versailles, they were the whole time deliberately organising a plot to overthrow that Treaty themselves. Their representative on the Rhine was spending French money with the consent of the French Government to promote a conspiracy for setting up an independent republic on the Rhine under the protection of France. It was a deliberate attempt by those who disapproved of the moderation of the Treaty of Versailles to re-write its clauses in the terms of the militarist demands put forward by Marshal Foch at the Peace Conference. Marshal Foch, the soul of honour, wanted to see this done openly and straightforwardly. What he would have done like the gentleman he is, these conspirators would have accomplished by deceit—by deceiving their Allies and by being faithless to the Treaty to which their country had appended its signature. That is one French school of thought on the Treaty of Versailles. It is the one which has brought Europe to its present state of confusion and despair,

¹ *The Observer*, June 24th, 1923.

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There is the second school which reads into the Treaty powers and provisions which it does not contain, and never contemplated. These critics maintain stoutly that M. Briand, and all other French Prime Ministers, with the exception of M. Poincaré, betrayed their trust by failing to enforce these imaginary stipulations. They still honestly believe that M. Poincaré is the first French Minister to have made a genuine attempt to enforce French rights under the Treaty.

In the background there is a third school which knows exactly what the Treaty means, but dare not say so in the present state of French opinion. Perhaps they think it is better to bide their time. That time will come, and when it does arrive, let us hope it will not be too late to save Europe from the welter.

In America there are also two or three divergent trends of opinion about this Treaty. One regards it as an insidious attempt to trap America into the European cockpit, so as to pluck its feathers to line French and English bolsters. If anything could justify so insular an estimate it would be the entirely selfish interpretation which is put upon the Treaty by one or two of the Allied Governments. The other American party, I understand, defends it with vigour as a great human instrument second only in importance to the Declaration of Independence. There may be a third which thinks that on the whole it is not a bad settlement, and that the pity is a little more tact was not displayed in passing it through the

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various stages of approval and ratification. This party is not as vocal as the others.

In England we find at least three schools. There are the critics who denounce it as a brutal outrage upon international justice. It is to them a device for extorting incalculable sums out of an impoverished Germany as reparation for damages artificially worked up. Then there is the other extreme—the "Die-Hard" section—more influential since it became less numerous, who think the Treaty let Germany *off* much too lightly. In fact they are in complete agreement with the French Chauvinists as to the reprehensible moderation of its terms. In Britain also there is a third party which regards its provisions as constituting the best settlement, when you take into account the conflicting aims, interests, and traditions of the parties who had to negotiate and come to an agreement.

But take all these variegated schools together, or separately, and you will find not one in a thousand of their pupils could give you an intelligent and comprehensive summary of the main principles of the Treaty. I doubt whether I should be far wrong in saying there would not be one in ten thousand. Controversialists generally are satisfied to concentrate on the articles in the Treaty which are obnoxious or pleasing to them as the case may be, and ignore the rest completely, however essential they may be to a true judgment of the whole. Most of the disputants are content to take their views from Press comments and

*Unexplored
Provinces.*

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denunciatory speeches. Unhappily the explanatory speeches have been few. Some there are who have in their possession the full text—nominally for reference; but you will find parts of the Reparations clauses in their copies black with the thumb-marks which denote the perspiring dilettante searching for projectiles to hurl at the object of his fury. But the clauses which ease and modify the full demand are treated with stern neglect, and the remainder of the pages are pure as the untrodden snow. You can trace no footprints of politicians, publicists, or journalists, in whole provinces of this unexplored Treaty. The Covenant of the League of Nations is lifted bodily out of the text, and is delivered to the public as a separate testament for the faithful so that the saints may not defile their hands with the polluted print which exacts justice. They have now come to believe that it never was incorporated in the Treaty of Versailles, and that it has nothing to do with that vile and sanguinary instrument.

*League of
Nations
founded
by Treaty.*

And yet the first words of this Treaty are the following:—

" The High Contracting Parties,

In order to promote international co-operation and to achieve international peace and security

by the acceptance of obligations not to resort to war,

by the prescription of open, just and honourable relations between nations,

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by the firm establishment of the understandings of international law as the actual rule of conduct among Governments, and

by the maintenance of justice and a scrupulous respect for all treaty obligations in the dealings of organised peoples with one another,

Agree to this Covenant of the League of Nations."

Then follow the Articles of the debated Covenant.

A speaker who took part recently in a University debate on the subject told me that the undergraduates exhibited the greatest surprise when he informed them that the League of Nations was founded by the Versailles Treaty. A few days ago I had a similar experience at the Oxford Union. I was speaking against a motion framed to condemn the principles of the Treaty as unwise and unjust. In its defence I recalled some of its outstanding features. But as most of my narrative had no bearing on Reparations it was greeted with impatience and cries of " Question " from a group of anti-Versaillists. They honestly thought I was travelling outside the motion in giving a short summary of the other sections of the Treaty. To them it is all condensed in Mr. Keynes's book, and other hostile commentaries. Anything which is inconsistent with these, or supplements the scanty or misleading statements they make, is deemed to be tainted and biased. To refer to the text itself they regard as unfair, and as playing into the hands

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of the defenders of a wicked and oppressive Pact. The actual Treaty has been already put by them out of bounds, and you wander into its forbidden clauses on pain of being put into the guardroom by one or other of the intolerant factions who patrol the highways and byways of international politics.

In all the debates on the subject in the House of Commons I have only once heard the Treaty itself quoted by a critic, and strangely enough that was by way of approval.

*Great
Charter of
the
Worker.*

I have indicated one important section of the Treaty to which is accorded something of the reverence due to Holy Writ by an influential section of the public. This section would be shocked were they reminded that their devotion is given to a chapter in the hateful Treaty. There is yet another large and important section which is completely ignored by the critics—that which reconstructs Central Europe on the basis of nationality and the free choice of the people instead of on the basis of strategy and military convenience. This is the section that liberated Poland from the claws of the three carnivorous empires that were preying on its vitals, and restored it to life, liberty and independence. It is the section that frees the Danes of Schleswig and the Frenchmen of Alsace-Lorraine. For these oppressed provinces the Treaty of Versailles is the title-deed of freedom. Why are these clauses all suppressed in controversial literature? Here is another of the ignored provisions—that which sets up permanent machinery for dealing with labour problems throughout the

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world, and for raising the standard of life amongst the industrial workers by means of a great international effort. No more beneficent or more fruitful provision was ever made in any treaty. It is so momentous and so completely overlooked in general discussion, that I think it worth while to quote at length the general principles laid down by a provision which will one day be claimed as the first great international charter of the worker.

" The High Contracting Parties recognise that differences of climate, habits and customs, of economic opportunity and industrial tradition, make strict uniformity in the conditions of labour difficult of immediate attainment. But holding, as they do, that labour should not be regarded merely as an article of commerce, they think that there are methods and principles for regulating labour conditions which all industrial communities should endeavour to apply so far as their special circumstances will permit.

" Among these methods and principles, the following seem to the High Contracting Parties to be of special and urgent importance :—

First.—The guiding principle above enunciated that labour should not be regarded merely as a commodity or article of commerce.

Second.—The right of association for all lawful purposes by the employed as well as by the employers.

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Third.—The payment to the employed of a wage adequate to maintain a reasonable standard of life as this is understood in their time and country.

Fourth.—The adoption of an eight-hours day or a forty-eight hours week as the standard to be aimed at where it has not already been attained.

Fifth.—The adoption of a weekly rest of at least twenty-four hours, which should include Sunday wherever practicable.

Sixth.—The abolition of child labour and the imposition of such limitations on the labour of young persons as shall permit the continuation of their education and assure their proper physical development.

Seventh.—The principle that men and women should receive equal remuneration for work of equal value.

Eighth.—The standard set by law in each country with respect to the conditions of labour should have due regard to the equitable economic treatment of all workers lawfully resident therein.

Ninth.—Each State should make provision for a system of inspection in which women should take part, in order to ensure the enforcement of the laws and regulations for the protection of the employed."

*The
Pharisee
of Contro-
versy.*

It will take long before the principles propounded in the Covenant of the League under the labour articles are fully and faithfully carried out, but in both a good deal of quiet and steady progress has

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already been attained. M. Albert Thomas is an admirable chief for the Labour Bureau. He has zeal, sympathy, tact, energy and great organising talent. He is pressing along with patience, as well as persistence. But that is another question. It raises grave issues as to the execution of the Treaty. What I have to deal with to-day is the misunderstandings which exist as to the character of the Treaty itself. The British public are certainly being deliberately misled on this point. Why are those sections which emancipate oppressed races, which seek to lift the worker to a condition above destitution and degradation, and which build up a break-water against the raging passions which make for war, never placed to the credit of the Treaty of Versailles? The type of controversialist who is always advertising his idealism has made a point of withholding these salient facts from the public which he professes to enlighten and instruct. There is no more unscrupulous debater in the ring than the one who affects to be particularly high-minded. I do not mean the man who is possessed of a really high mind, but the man who is always posing as having been exalted by grace above his fellows. He is the Pharisee of controversy. Beware of him, for he garbles and misquotes and suppresses to suit his arguments or prejudices in a way that would make a child of this world blush.

That is why I venture to put in a humble, although I fear belated, plea for the reading of the

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text, the whole text, and nothing but the text *of* the Treaty of Versailles. Herein lies the only fair way of arriving at a just conclusion on the merits of a Treaty which holds in its hands the destiny of Europe for many a generation.

SHOULD WE MAKE PEACE WITH RUSSIA?¹

I AM frankly delighted that negotiations between Lord Curzon and the Soviet Government seem to indicate a genuine desire on the part of both parties to establish a more satisfactory understanding between this country and Russia. The Bolshevik episode, like all revolutionary terrors, has been at times a shrieking nightmare which has made the world shudder. It did render one supreme service to civilisation—it terrified democracy back into sanity just at the time when the nervous excitability that followed the War was bordering on mental instability. In our attitude towards the Soviet Government we must, however, constantly bear in mind one consideration. What matters to us is not so much the Russian Government as the people of Russia, and for the moment the Bolshevik administration represents the only medium for dealing with that mighty nation. As long as it remains the only constituted authority in Russia, every act of hostility against it injures Russia. As we discovered in 1919, you cannot wage war against the Government for the time being of a country without devastating the land and alienating its people. You cannot refuse to trade

*The
Nation
Goes on
for Ever.*

¹ London, June 2nd, 1922.

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with it now without depriving its people of commodities—and especially of equipments—essential to their well-being. It is the people, therefore, who would suffer, and it is the people who would ultimately resent that suffering. Governments come and go, but the nation goes on for ever.

The Russian people deserve—especially at the hands of all the Allied nations—every sympathetic consideration we can extend to them: not only because they have to endure the sway of a tyrannical oligarchy imposing its will by ruthless violence, but even more for the reasons that led to the establishment of that tyranny. If the fruit is bitter we must bear in mind how the tree came to be planted in the soil. It may sound like quoting ancient history to revert to the events of eight or nine years ago, but no one can understand Russia, or do justice to its unhappy people, without recalling the incidents that led to the great catastrophe.

*Pre-revolutionary
Russia.*

Those who denounce any dealings with the existing order seem to have persuaded themselves that pre-revolutionary Russia was governed by a gentle and beneficent despotism which conferred the blessings of a tolerant and kindly fatherhood upon a well-ruled household. In no particular is this a true picture of the *ancien rigime*. The fortress of Peter and Paul was not erected, nor were its dungeons dug, by the Bolsheviks. Siberia was not set up as a penal settlement for political offenders for the first time—if at all—by the Bolsheviks. In 1906 alone 45,000 political offenders

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were deported to endure the severities of Siberia. Persecution of suspected religious leaders was not started by the Soviets. To them does not belong the discredit of initiating the methods of Pogromism. Under the "paternal" reign of the Tsars dissent from the Orthodox faith was proscribed and persecuted, and the Jews were hunted like vermin.

Let us not forget also that beyond all these circumstances the revolution was rendered inevitable by the ineptitude and corruption of the old system, and especially by the terrible suffering and humiliation which that state of things inflicted on Russia in the Great War.

Corruption of the old regime.

Anyone who has read the *Memoirs of an Ambassador*, by M. Paleologue,¹ will find a complete explanation in its pages of the savage hatred with which the Russian revolutionaries view all those who were associated in any degree with the old order. He tells the story of how the gallant army found itself at the critical hour without ammunition, rifles, transport, and often without food. No braver or more devoted men ever fought for their country than the young peasants who made up the Russian armies of 1914-15-16. With little and often no artillery support, they faced without faltering the best-equipped heavy artillery in the world. They were mown down by shell fire and machine guns by the million. Their aggregate casualties up to September, 1916, even according to the reluctant admissions of the Tsarist;

¹ M. Paleologue was the French Ambassador to Russia during the early part of the war.

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generals of the day, were five millions. In reality they were much heavier. Often they went into action with sticks, as the Russian War Office had no rifles with which to arm them. They picked up as they advanced rifles dropped by fallen comrades. There is nothing in the War comparable to the trustful heroism of these poor peasants. We know now why there were no rifles, or shells, or wagons. The wholesale corruption of the *régime* has been exposed to the world by irrefutable documentary evidence.

Here are a few extracts from M. Paleologue's interesting book. Early in 1915 his diary reads:—

"The lack of ammunition means that the rôle of the artillery in battle is necessarily insignificant. The whole burden of the fighting falls on the infantry and the result is a ghastly expenditure of human life. A day or two ago one of the Grand Duke Sergius's collaborators, Colonel Englehardt, said to Major Wehrlin, my second military attache: 'We're paying for the crimes of our administration with the blood of our men.'"

About the same date talking about the deplorable state of things, the Grand Duke Sergius, who was Inspector-General of Artillery, said to the French Ambassador, "When I think that this exhibition of impotence is all that our aristocratic system has to show, it makes me want to be a Republican."

When a Grand Duke talked like that early in 1915, what must a peasant soldier have thought by the spring of 1917, after many more millions

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of his comrades had been slaughtered as a result of the same "exhibition of impotence."

It is no use pointing to the fact that our army was also short of ammunition at that date. The British army was a small army organised on the basis of a maximum expeditionary force of six divisions. The Russian army was a great conscript force organised on the basis of a hundred divisions in the field.

I recollect well our own military reports from the Russian fronts. They provided much distressing reading. They filled you with compassion for the millions of gallant men who were the victims of corruption and stupidity in high places. I recall one statement made to our General which betrays the callous indifference with which men in authority seemed to treat the appalling sacrifice of life amongst loyal soldiers who were facing death without a murmur, because the "Little Father" willed it. Whenever anxious inquiries were directed by our officer as to the gigantic losses in men which filled him with dismay as well as horror, the usual reply was, "Don't worry yourself. Thank God, of men at all events we have enough." An answer which sends a thrill of horror through you when you read it. That is why at the end of two and a half years the patient men in the field at last mutinied. That is why their parents and brothers in the fields supported them. The "Little Father" had failed them, and his minions had betrayed them. It is a sordid and horrid tale of peculation, mal-

*War-time
Corruption—a
Nation
Betrayed,*

PEACE WITH RUSSIA

administration, and cruel treachery. Millions of British and French money went in shameless and open bribery, whilst the soldiers in the field, for need of what the money could buy, were opposing bare breasts covering brave hearts to the most terrible artillery in the world. If the rest of the money had been well spent, what was left after providing for profuse graft would still have sufficed to save that gallant army from destruction. But unhappily no real interest was taken in anything beyond the amount and the payment of the pocket-money. That seemed to be the main purpose of the transaction. Nothing was well managed except the inevitable bribe. There were honourable and upright men who did their duty by their distracted and plundered country, but they were helpless in the torrent of corruption.

No wonder a great Russian industrialist engaged in the Ministry of War, in dwelling on the sad failure of Tsarism and its probable results in June, 1905, predicted a revolution with "ten years of the most frightful anarchy." "We shall," he added, "see the days of Pugatchef¹ again and perhaps worse." A striking prophecy verified with appalling accuracy.

It is not pleasant to recall these dreadful episodes, which reveal the betrayal of a devotion faithful unto death. But this story is essential to the right appreciation of events. There is no savagery

¹ Pugatchef was the Pretender who led a revolt of the peasants in the reign of Catherine and spread rapine and carnage through the provinces bordering the Volga and Ural.

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like that of a trustful people which finds that its trust was being imposed upon the whole time. Here the retribution has been hideous in all its aspects. But the provocation was also revolting from every point of view. To judge Russia fairly that must be taken into account.

I think the Government are, therefore, taking the right view of their responsibilities when through their Foreign Secretary they open negotiations with the representative of the Soviet Government in this country. You can easily evoke resounding cheers amongst the thoughtless by declaring melodramatically that you will never "shake hands with murder." In practice this policy has always been a failure. Mr. Pitt in a famous passage declined to assent to that doctrine when he was attacked for trying to open negotiations with the "assassins" of the French Revolution. He was driven out of this calm and rational attitude by the inflammable rhetoric of Burke, aided by the arrogance of the victorious revolutionaries. Nevertheless, the sequel proved he was right. French Bolshevism was not defeated by foreign armies, nor starved out by the British blockade. But it was driven into the arms of Napoleon, and Europe suffered bitterly for the folly of the hotheads on both sides. It would have been better for that generation had it listened to the wise counsel of William Pitt.

*We Must
Make
Peace.*

If you decline to treat with Russia as long as its present rulers remain in power, then you ought to place Turkey in the same category. The

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military junta that governed Turkey has been guilty of atrocities at least as vile as any committed by the Bolsheviks. But at Lausanne we ostentatiously stretched the friendly hand of Britain to the authors of the Armenian massacres. And France, Italy—yes, and America also—tendered the same warm handshake. I am not criticising the offer of amity made as a condition of peace. We must make peace in the world, and you cannot do so if you put whole nations off your visiting list because of the misconduct of those who govern them. Once you begin you are not quite sure where it will end.

In these cases the innocent suffer the most. A refusal to trade with Russia would not deprive the Soviet Commissaries of a single necessity or comfort of life. The Communists are quite strong enough to take care of themselves. But the peasants—who are not Communists—would continue to suffer, and their sufferings would increase as their reserves of clothing and other essentials became completely exhausted. And the people of this country who need the produce of Russia for their own use would also suffer to a certain extent. America can afford this exalted aloofness. She does not need the Russian grain and timber. She is an exporter of those commodities. But we cannot do as well without them, and we also sadly need Russian flax for our linen industries, which are languishing for the want of it. Last year there were quite considerable imports of Russian produce into this country. This year owing to the prospects

PEACE WITH RUSSIA

of an improved harvest these imports will be much larger. They are greatly needed here for our own consumption, and they pay for exports of machinery and textiles which the Russian on his part urgently requires.

But beyond and above all these material considerations, the world needs peace. In the old days conveyancing attorneys in this country kept a property transaction going by interminable requisitions on the title of the other party. They exercised all their ingenuity, and invoked the added ingenuity of trained counsel to probe for defects in the right of the vendor to deal. Those were leisurely days, and men could afford to dawdle. Even then these exercises often ended in ruinous litigation. To-day time presses and the atmosphere is dangerous for the plying of irritating interrogatories. It is time we made up our minds that the Soviets have come to stay, whether we like it or no, and that one or other of the formidable men who rule Russia to-day are likely to rule it for some time to come. The sooner we have the courage to recognise this fact, the sooner will real peace be established.

PROHIBITION!

*A Dis-
parity in
Outlook.*

FOUR years ago the United States of America, by a two-thirds majority, voted prohibition of the sale of alcoholic liquors. The British House of Commons have just voted down a Bill for the same purpose by a majority of 236 to 14. America treats prohibition as one of its greatest moral triumphs. Britain treats it as a joke.

What accounts for this remarkable disparity in the attitude of the two great English-speaking communities towards one of the most baffling and elusive problems civilisation has to deal with? It cannot be a fundamental difference in temperament or in moral outlook. The men who engineered prohibition in America are of our own race and kind, bred in the Puritan traditions that came originally from our shores.

If the evils of excessive drinking had been more apparent in America than in Britain I could understand the States of the Union deciding to take more drastic action than has been thought necessary in our country. But the facts are exactly the reverse. Some years before the War the consumption of alcohol in the United Kingdom per head of the population was higher than that of the United States. The poverty, disease, and squalor caused

¹ London, May 1st, 1923.

PROHIBITION

by alcohol was much greater in Britain than in America.

What, then, accounts for the readiness of America to forbid the sale, and the reluctance of Britain even seriously to restrict it?

I would not care to dogmatise on the subject, but I will hazard two or three possible explanations. *Alcohol and Revolution.*

I set aside the suggestion that property owners are frightened by the sequel to prohibition in Russia. I have heard it argued that the prohibition ukase of the Tsar was responsible for the Russian revolution. That is probably true, for a people stupefied by alcohol will stand anything. The inefficiency and corruption of the Tsarist *régime* was so appalling that no sober nation could have tolerated it without rebellion for a single year, and when the fumes of vodka ceased to muddle and blind the *moujik*, he rebelled against the autocracy that had betrayed his country into disaster. The Russian experiment in drink, therefore, contains no warning against prohibition, except the very limited one, that those who wish to misrule a country in safety must first of all drench it with alcohol.

There is, of course, the ready explanation that old countries are very conservative, and do not take kindly to change. Their joints are stiff with age, and they creak along well-worn paths slowly and painfully, but they lack the suppleness of limb that tempts younger communities to sprint across untrodden country. That is the argument. I am afraid this explanation will not hold. Old countries when thoroughly moved can leap like the hart. The *Britain not yet Convinced.*

PROHIBITION

French Revolution demonstrated how vigorously one of the oldest nations of Europe could tear along unbroken tracks when impelled by a new passion. And I saw Britain spring to arms in 1914, when five millions of men joined the colours without the lash of compulsion to stir their blood. England renewed her youth, and her movements had the energy, the audacity, and the endurance of a people untired by the march of centuries. This people, if stirred by a call which reaches its heart or conscience, is capable of action as bold as that which wrested Magna Charta out of a despot in the twelfth century, overthrew an ancient religion in the fifteenth century, led a king to the scaffold in the seventeenth century, or challenged and defeated the greatest military empires in the world in the sixteenth, the nineteenth, and the twentieth centuries. And if they were convinced that the liquor traffic must be destroyed, they would execute it with as little compunction or hesitation as they displayed in suppressing the Mass or in decapitating Charles I.

At the present moment the British people are not in the least persuaded that the evils of alcohol for a minority of the population cannot be dealt with effectively without resorting to the very drastic expedient of forbidding its consumption by the majority who use it in moderation. Are they likely to be convinced? That depends on the failure or success of all other expedients to exterminate the evil of alcoholism.

*The Path
of Experiment.*

That brings me to another explanation. America reached prohibition by the path of experiment.

PROHIBITION

The Federal system lent itself to the trial of every form of remedy, including prohibition. For well over half a century you have had almost every form of temperance expedient ever suggested in actual working in some State or other of the American Republic.

When I was a lad I heard debates and addresses in Welsh about the comparative merits of the "Maine Law" and High Licence. High Licence, reduction of licences, local option, prohibition have each been tried. They have all been in operation quite long enough to enable the American public to form a judgment on their merits. Statistical results over long periods constitute a reliable basis for inference. American federalism furnished the opportunity, and the States took full advantage of it. Hence the Prohibition Law.

To the practical man the figures in the Prohibition States looked attractive from a business point of view. He hesitated, but the moral wave that swept over America carried him over the bar. But without the experience at his door I doubt whether the American business man would have assented to prohibition.

The British Constitution does not lend itself to these valuable experiments. Otherwise London might have tried one experiment, Lancashire another, Yorkshire a third, Scotland a fourth, and Wales a fifth. The whole legislative power of the United Kingdom was until quite recently vested in the Imperial Parliament. Ireland has now a Legislature of its own. In theory, what suited

*The
British
Constitu-
tion
hampers
experi-
ment.*

PROHIBITION

one part of the kingdom must do for the whole, and what did not suit the more populous parts could not be permitted to others.

As far as Scotland, Ireland, and Wales are concerned, there was in practice a certain relaxation of this rule. But as far as the Liquor Laws went, any serious alteration in any part of the kingdom was difficult to secure if it offended the prejudices or damaged the interests of the rest. It took years to get it through Parliament even in a mutilated condition.

There was no real freedom of experiment. The Scottish Local Veto Act is a compromise modified to suit English sentiment. Even as it is, it took thirty years of Scottish insistence to carry. Wales has been unable to secure local option, although it has been demanded by four-fifths of its representatives for over a generation. We have, therefore, been denied in this country the practical experience which has guided America to so dramatic a conclusion.

*Difficulty
of Securing
Unanimity.*

In the absence of such experience it has been found impossible to educate and organise public opinion throughout Britain to the point of concentrating attention and pressure on this one issue. Other issues always cut across and jam the current. You cannot secure unanimity of action on temperance reform even amongst the religious forces. If they were united in their demand, and prepared to enforce it at elections, nothing could resist their power. Between elections they seem agreed in their policy; but no sooner does the

PROHIBITION

party bugle sound than they all fall into rank in opposite armies, and the temperance banner is hurriedly packed into the cupboard for use after the polls have been declared. It is then once more brought out to wave over the tabernacle, and its wrinkles are straightened out in the breeze.

I have seen the fiercest champions of local option supporting brewers at elections because they were the official opponents of Irish Home Rule in the contest. I remember being told by an eminent Scottish divine, who was a strong temperance advocate, but who had hitherto supported anti-temperance candidates because of his inveterate opposition to Gladstone's Home Rule, that, unless his party earned a measure of local option for Scotland soon, he would have to abandon them, Home Rule or no Home Rule. He died without redeeming his promise. The time never came for him. The Irish issue dominated elections for nearly a generation. Free Trade played a great part also.

If the exigencies of party conflict had permitted the same consistent propaganda work, extending over the same number of years, to be devoted to the drink problem as was given to the wrongs of Ireland or Free Trade, no doubt public opinion could have been educated up to the point of supporting drastic reform. But this has not been found practicable by political parties owing to the distraction of other issues.

This is the main reason why British opinion is

PROHIBITION

so far behind American opinion on the temperance question. In America the battle of sobriety was fought on the State platform, whilst the national platform was left free for other conflicts.

*Measures of
War*

The War, however, enabled the British Government to effect reforms which have materially reduced the consumption of alcohol in this kingdom. These results have been achieved by an enormous increase in the taxation of alcoholic liquors, and by a considerable reduction in the hours of sale. The taxation of beer was raised from £13,000,000 in 1913 to £123,000,000 in 1921. The duty on spirits in 1913 yielded £22,000,000; in 1921 it gave the revenue £71,000,000.

One of the effects has been an appreciable reduction in the alcoholic strength of the beverage sold. The hours of sale in the morning and afternoon have also been curtailed appreciably. By this measure the workman is prevented from starting his day by drinking alcohol, and the afternoon break prevents the drinker from soddening all day.

The effect of these combined measures has been highly beneficial. The quantity of beer sold fell from 34,152,739 barrels of 36 gallons at standard gravity of 10·55 in 1913, to 23,885,472 standard barrels in 1921. Spirits fell from 30,736,088 proof gallons in 1913 to 20,162,395 in 1921. These figures represent a remarkable and almost sensational reduction in the quantity of alcohol consumed by the population. Convictions for drunkenness fell from 188,877 in 1913 to 77,789 in 1921.

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Deaths from alcoholic diseases were more than halved during the same period. This is the most distinct advance in the direction of effective temperance reform hitherto taken by the British Parliament, and the effect is striking in its encouragement.

It would be a serious national misfortune if the admirable results attained by these War measures were lost by relaxations. Most of the pressure exerted upon Parliament has up to the present been in the direction of easing the grip of the State on the traffic. Most candidates in all parties at the last election were forced to pledge themselves to support reduction in the beer duty. Clubs, even more than "pubs.," have urged extensions in drinking hours. The beer duty has already been reduced. It is anticipated that the reduction will have the effect of increasing consumption. This is regrettable, for it means so much reclaimed land once more sinking into the malarial swamp.

*Danger of
Relaxa-
tions.*

There is one consolation, however, that the women will claim the next turn in reduction of taxation. Sugar and tea will then provide effective barriers in the way of a further cheapening of alcoholic liquors just yet. But all this is a long, long way off prohibition. A majority of 20 to 1 against Mr. Scrymgeour's Prohibition Bill, and a majority of 4 to 1 in favour of cheaper beer—both recorded in the same Parliamentary week—is not encouraging to those who would suppress alcohol in Britain.

PROHIBITION

Temperance reformers here are, therefore, watching the progress of America's bold bid for sobriety with hopeful, if anxious, eyes, and with longing hearts. What Britain does next will depend entirely on the success or failure of what America is doing now.

UNOFFICIAL PUBLICATION OF
OFFICIAL INFORMATION¹

A STORM is working up over the publication by public servants of information which came into their possession in the course of their official careers. The immediate occasion is Mr. Winston Churchill's story of the War. Angry questions are being asked in Parliament, and it is publicly announced that the Cabinet have appointed a Committee of its members to consider the whole problem.

*A Flood of
Revela-
tions*

It is rather late in the day to make all this fuss about the publication of War documents, for Generals, Admirals, and Ministers in all lands, including ours, have during the last three years been inundating the European and American public with a flood of reminiscences, explanations, criticisms, attacks and defences on the conduct of operations, either of the Great War or the Great Peace, in which they were engaged. Warriors on land and on sea have displayed an unprecedented eagerness to inform the public as to their own share in the great victory, and as to how much more brilliant that share would have been but for the wrongheadedness or stupidity of some collaborator. Like Julius Caesar, they mean to live in history not merely through their battles, but also through

¹ London, March 17th, 1923.

UNOFFICIAL PUBLICATION

their commentaries upon them. On the other hand, statesmen have been engaged in disclaiming responsibility for particular parts of the Treaty of Versailles, and where blame has been attached to them, either by opponents or supporters, for the form in which those parts were cast, they have striven hard to prove that it was attributable to pressure which they were unable to resist from other actors in the drama. In each case highly confidential information is disclosed, secret documents are used, Cabinet and Council proceedings are published, without the slightest regard to precedent. One disclosure has led to another, one revelation has rendered another inevitable.

A General, Admiral or Minister criticises on the strength of half-disclosed minutes or documents some other public functionary, military, naval, or political. What is the latter to do? His reputation is at stake. Is he not to be allowed to repair the omission, or to correct the misquotation? Take the case of Ministers who played an important part in the conduct of the War or the Peace, and whose actions have been subjected to malignant and persistent misrepresentation. In attacking these Ministers statements are made which, if accepted by the public, would irretrievably damage or even destroy their reputation. In formulating the attack a document is partially quoted, or the report of a Council or Cabinet meeting is misquoted. The Minister knows that a full and fair quotation would clear his good name of the imputation sought to be cast upon it. Is he not to be

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allowed, in those circumstances, to publish it? A mere denial would carry no weight. A full revelation would settle the dispute in his favour. The publication cannot conceivably affect any public interest, it would supply no information which could serve any possible enemy of his country. Is he not to be allowed to use the only means available to redeem his credit from the ruin of accepted calumny? His critic has been allowed to disclose secret information without protest. Is he to be forbidden to do so in self-defence? He claims that he served his country faithfully to the best of his powers in time of crisis and peril. For that he is defamed by men who had access to secret information and use it freely without criticism, censure or demur. Why should his country deny him the same privilege for his protection?

That is the case which the Cabinet Committee will have to consider. Whatever general rules may be laid down they must in all fairness take into account these exceptional circumstances. Those who are now taking a prominent part in emphasising the enormity of giving to the public documents which were acquired in the public service had not a word to say when portions of those documents were used for purposes with which they were in sympathy. Is it not rather late for them to protest now? There is such a thing as fair play even when politicians are attacked.

So far as the British are concerned the writing of the books of the type alluded to was started, I think, by Field-Marshal Lord French of Ypres, in

Some Examples of Dis-closures,

his book, 1914. This work is of the nature of an apologia; and the writer, to assist in establishing his case, alludes to discussions with the Cabinet and does not hesitate to quote textually secret memoranda and despatches written by himself and others. The late Admiral of the Fleet, Lord Fisher, gives in his book, *Memories*, examples of his own intervention at the War Council meetings. In his autobiography, *From Private to Field-Marshal*, which appeared some time later, Field-Marshal Sir William Robertson, who was for over two years the confidential adviser of the Cabinet and as such attended all War Councils and most War Cabinet meetings, when it suits his argument gives to the public his version of what passed at these highly secret conclaves. Though he does not quote secret documents textually, he describes the proceedings and deliberations of the Supreme War Council, Inter-Allied Conferences and the War Cabinet, and refers to the opinions of individuals. In his recent speeches he has gone even further. A still more recent work, *Sir Douglas Haig's Command*, is the result of collaboration by two authors of whom one, at least, held an official position during the War, being Sir Douglas Haig's private secretary when he was Commander-in-Chief of the British army in France. This book is even less reticent. It, also, is essentially an apologia and justification of an individual. To establish their case, the writers not only summarise some of the secret proceedings of the Supreme War Council and War Cabinet, but give extracts

from their decisions. These extracts are freely used as the basis of animadversion on the Council and Cabinet of that day. It is true that some of the quotations are stated to be taken from French books previously published, but others are not, which arouses curiosity as to the source of the knowledge displayed.

In addition there have been endless articles in magazines and newspapers, some signed, some written anonymously, all attacking either Ministers, Generals or Admirals, and most of them clearly supplied with secret information by men who must have acquired it in their official capacity. As to all these disclosures protest has hitherto been silent. But when it is indicated that replies are forthcoming and that these replies will reveal the real nature of the misquoted documents or proceedings, the wrath of the assailants and their sympathisers knows no bounds.

What happened in reference to the consultations held in connection with the framing of the Peace Treaty affords an illustration of the way these revelations occur. The question of the publication of these proceedings was definitely discussed at Versailles, after the signature of the Peace Treaty with Germany on the 28th June, 1919, by President Wilson, representing the United States, M. Clemenceau and M. Simon, representing France, M. Sonnino, representing Italy, M. Makino, representing Japan, and myself. This is what occurred on that occasion. For the first time I quote from my own notes written at the time.

*The Versailles
Decisions*

UNOFFICIAL PUBLICATION

" President Wilson was strongly of opinion that these documents ought to be treated as purely private conversation, and he objected to the communication of the accounts given in the Notes of the private conversations, in which all present had spoken their minds with great freedom, as improper use might afterwards be made of these documents. On the other hand, he did not object to the Notes being communicated to special individuals in the personal confidence of members of the Council. Though he looked upon certain statements, the conclusions and the actions as being official, and therefore available in the appropriate offices, the actual conversations were private. In the United States no one had the right to claim documents of this kind. President Wilson's view was that each Government should take the course traditional in its own country with the clear and distinct understanding that no one should under any circumstances make the *procès verbal* public. M. Clemenceau did not think that such documents could be regarded as private property, whilst M. Sonnino thought they need not be considered as official documents.

" For my own part I was anxious to know what the precedents were. I also felt bound to enter a caveat that if attacks should be made on the political heads I might be forced in particular cases to refer to these Notes, and I gave warning that I might have to do so unless a protest was then made. M. Clemenceau agreed so far, that it might be impossible to refuse extracts from the *procès Verbeaux* to prove particular facts."

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It will be observed from this record that I was the first to safeguard the interest of persons who, I felt certain, would be attacked for their share in the Treaty. I am the last to take advantage of the proviso.

What followed? Al. Clemenceau was bitterly attacked by his political opponents for surrendering French rights in the Treaty. President Wilson was also attacked by his political opponents for his assent to other provisions of the Treaty. In self-defence they authorised the publication of the secret reports of the Paris meeting.

Al. Clemenceau entrusted his defence to Al. Tardieu. Al. Tardieu, in his book *The Truth about the Treaty*, gives most of his attention to the drawing up of that international instrument, but deals with the last portion of the war period and quotes from the proceedings of Inter-Allied Conferences, and also of the Supreme War Council, giving the opinions of individuals. He does the same with the deliberations of the Peace Conference. In fact the whole book is based on international proceedings of a secret nature. M. Poincare in maligning his rivals, has not refrained from making full use of information which came to his knowledge as President of the Republic. For example, in his article, "*Souvenirs et Documents*", in the *Temps* of the 12th September, 1921, he quotes *in extenso* a letter of April, 1919, from himself as President of the Republic, to the President of the Council, M. Clemenceau, and a letter from me in reply to

Publication in Self-Defence.

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the President of the Council. My consent was not even asked to the publication of my letter. This correspondence referred to the period proposed to be placed on the occupation by the Allies of the left bank of the Rhine. According to Signor Nitti, AI. Poincare makes somewhat similar disclosures in his articles published in the *Revue des Deuce Mondes*. All these disclosures were partial, truncated and, therefore, misleading. They did not give the public a complete account of what occurred. The impression created was, therefore, unfair to the other actors in that great drama. That is undoubtedly what impelled ex-President Wilson to hand over his documents to Mr. Ray Baker with a view to the presentation of the case from the standpoint of the American delegation. Hence his book, *Woodrow Wilson and World Settlement*. It is mostly based on the secret Minutes of the Supreme War Council, numerous extracts from which are given. Signor Nitti, the late Italian Premier, on the other hand, expressly states that he does not publish any document which was not intended for publication. Nevertheless, he prints a Memorandum written by myself for the Peace Conference in March, 1919, under the title of *Some Considerations for the Peace Conference before they finally Draft their Terms*, and also M. Clemenceau's reply, both of which are secret documents. But he excuses his action in this case because extracts from this Memorandum had already been published.

I only mention these matters, not by way of arraignment of these various distinguished men for divulging secrets they ought to have kept under lock and key. That is not in the least my object. I do so in order to point out that general rules as to the conditions under which confidential material can be used are not applicable to the circumstances of the Great War and the Peace that ensued. Disclosures already made largely for purposes of criticism and aspersion upon individuals or bodies of individuals have given the assailed parties a special position which cannot in justice be overlooked. *A Special Case.*

PALESTINE AND THE JEWS¹

"What's his reason? I am a Jew."

The Merchant of Venice.

*Jew Bait-
ing.*

OF all the bigotries that savage the human temper there is none so stupid as the anti-Semitic. It has no basis in reason; it is not rooted in faith; it aspires to no ideal; it is just one of those dank and unwholesome weeds that grow in the morass of racial hatred. How utterly devoid of reason it is may be gathered from the fact that it is almost entirely confined to nations who worship Jewish prophets and apostles, revere the national literature of the Hebrews as the only inspired message delivered by the Deity to mankind, and whose only hope of salvation rests on the precepts and promises of the great teachers of Judah. Yet, in the sight of these fanatics the Jews of to-day can do nothing right. If they are rich they are birds of prey. If they are poor they are vermin. If they are in favour of a war it is because they want to exploit the bloody feuds of the Gentiles to their own profit. If they are anxious for peace they are either instinctive cowards or traitors. If they give generously—and there are no more liberal givers than the Jews—they are doing it for some selfish purpose of their own. If they do not give—then what could one expect of a Jew

¹ London, July 9th, 1923.

PALESTINE AND THE JEWS

but avarice? If labour is oppressed by great capital, the greed of the Jew is held responsible. If labour revolts against capital—as it did in Russia—the Jew is blamed for that also. If he lives in a strange land he must be persecuted and pogrommed out of it. If he wants to go back to his own he must be prevented. Through the centuries in every land, whatever he does, or intends, or fails to do, he has been pursued by the echo of the brutal cry of the rabble of Jerusalem against the greatest of all Jews—"Crucify Him!"

No good has ever come of nations that crucified Jews. It is poor and pusillanimous sport, lacking all the true qualities of manliness, and those who indulge in it would be the first to run away were there any element of danger in it. Jew-baiters are generally of the type that found good reasons for evading military service when their own country was in danger.

The latest exhibition of this wretched indulgence is the agitation against settling poor Jews in the land their fathers made famous. Palestine under Jewish rule once maintained a population of 5,000,000. Under the blighting rule of the Turk it barely supported a population of 700,000. The land flowing with milk and honey is now largely a stony and unsightly desert. To quote one of the ablest and most far-sighted business men of to-day, "It is a land of immense possibilities, in spite of the terrible neglect of its resources resulting from Turkish misrule. It is a glorious estate let down by centuries of neglect. The Turks cut down the

*Jewish
Settlement
in Pales-
line.*

PALESTINE AND THE JEWS

forests and never troubled to replant them. They slaughtered the cattle and never troubled to replace them." It is one of the peculiarities of the Jew-hunter that he adores the Turk.

If Palestine is to be restored to a condition even approximating to its ancient prosperity, it must be by settling Jews on its soil. The condition to which the land has been reduced by centuries of the most devastating oppression in the world is such that restoration is only possible by a race that is prepared for sentimental reasons to make and endure sacrifices for the purpose. What is the history of the Jewish settlement in Palestine? It did not begin with the Balfour Declaration. A century ago there were barely 10,000 Jews in the whole of Palestine. Before the War there were 100,000. The War considerably reduced these numbers, and immigration since 1918 has barely filled up the gaps. At the present timorous rate of progress it will be many years before it reaches 200,000.

Jewish settlement started practically seventy years ago, with Sir Moses Montefiore's experiment in 1854—another War year. The Sultan had good reasons for propitiating the Jews in that year, as the Allies had in 1917. So the Jewish resettlement of Palestine began. From that day onward it has proceeded slowly but steadily. The land available was not of the best. Prejudices and fears had to be negotiated. Anything in the nature of wholesale expropriation of Arab cultivators, even for cash, had to be carefully avoided. The Jews were,

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therefore, often driven to settle on barren sand dunes and malarial swamps. The result can best be given by quoting from an article written by Mrs. Fawcett, the famous woman leader. She visited Palestine in 1921 and again in 1922, and this is her account of the Jewish settlements:—

" So far from the colonies and the colonists draining the country of its resources they have created resources which were previously non-existent; they have planted and skilfully cultivated desert sands and converted them into fruitful vineyards and orange and lemon orchards; in other parts they have created valuable agricultural land out of what were ¹previously dismal swamps producing nothing but malaria and other diseases. The colonists have not shrunk from the tremendous work and the heavy sacrifices required. Many of the early arrivals laid down their lives over their work; the survivors went on bravely, draining the swamps, planting eucalyptus trees by the hundred thousand so that at length the swamp became a fruitful garden, and the desert once more blossomed like the rose."

Everywhere the Jew cultivator produces heavier and richer crops than his Arab neighbour. He has introduced into Palestine more scientific methods of cultivation, and his example is producing a beneficent effect on the crude tillage of the Arab peasant. It will be long ere Canaan becomes once more a land flowing with milk and honey. The effects of the neglect and misrule of centuries cannot be effaced by the issue of a

*A Land
Flowing
with Milk
and Honey*

PALESTINE AND THE JEWS

Declaration. The cutting down of the trees has left the soil unprotected against the heavy rains and the rocks which were once green with vineyards and olive groves have been swept bare. The terraces which ages of patient industry built up have been destroyed by a few generations of Turkish stupidity. They cannot be restored in a single generation. Great irrigation works must be constructed if settlement is to proceed on a satisfactory scale. Palestine possesses in some respects advantages for the modern settler which to its ancient inhabitants were a detriment. Its one great river and its tributaries are rapid and have a great fall. For power this is admirable. Whether for irrigation, or for the setting up of new industries, this gift of nature to Palestine is only rendered capable of exploitation by the scientific discoveries of the last century. The tableland of Judea has a rainfall which if caught in reservoirs at appropriate centres would make of the "desert of Judea" a garden. If this be done Arab and Jew alike share in the prosperity.

There are few countries on earth which have made less of their possibilities. Take its special attractions for the tourist. I was amazed to find that the visitors to Palestine in the whole course of a year only aggregate 15,000. It contains the most famous shrines in the world. Its history is of more absorbing interest to the richest peoples on earth, and is better taught to their children, than even that of their own country. Some of its smallest villages are better known to countless

PALESTINE AND THE JEWS

millions than many a prosperous modern city. Hundreds of thousands ought to be treading this sacred ground every year. Why are they not doing so? The answer is: Turkish misrule scared away the pilgrim. Those who went there came back disillusioned and disappointed. The modern "spies" on their return did not carry with them the luscious grapes of Escol to thrill the multitude with a desire to follow their example. They brought home depressing tales of squalor, discomfort, and exaction which dispelled the glamour and discouraged further pilgrimages. Settled government gives the Holy Land its first chance for 1900 years. But there is so much undeveloped country demanding the attention of civilisation that Palestine will lose that chance unless it is made the special charge of some powerful influence. The Jews alone can redeem it from the wilderness and restore its ancient glory.

In that trust there is no injustice to any other race. The Arabs have neither the means, the energy, nor the ambition to discharge this duty. The British Empire has too many burdens on its shoulders to carry this experiment through successfully. The Jewish race with its genius, its resourcefulness, its tenacity, and not least its wealth, can alone perform this essential task. The Balfour Declaration is not an expropriating but an enabling clause. It is only a charter of equality for the Jews. Here are its terms:—

*A Charter
of Equality.*

"His Majesty's Government view with favour the establishment in Palestine of a

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National Home for the Jewish People, and will use their best endeavours to facilitate the achievement of this object, it being clearly understood that nothing shall be done which may prejudice the civil and religious rights of existing non-Jewish communities in Palestine, or the rights and political status enjoyed by Jews in any other country."

The Declaration was subsequently endorsed and adopted by President Wilson and the French and Italian Foreign Ministers.

The Zionists ask for no more. It has been suggested by their enemies that they are seeking to establish a Jewish oligarchy in Palestine that will reduce the Arab inhabitant to a condition of servitude to a favoured Hebrew minority. The best answer to that charge is to be found in the Memorandum submitted by the Zionist Association to the League of Nations.

"The Jews demand no privilege, unless it be the privilege of rebuilding by their own efforts and sacrifices a land which, once the seat of a thriving and productive civilisation, has long been suffered to remain derelict. They expect no favoured treatment in the matter of political or religious rights. They assume, as a matter of course, that all the inhabitants of Palestine, be they Jews or non-Jews, will be in every respect on a footing of perfect equality. They seek no share in the Government beyond that to which they may be entitled under the Constitution as citizens of the country. They solicit no favours. They

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ask, in short, no more than an assured opportunity of peacefully building up their National Home by their own exertions and of succeeding on their merits."

It is a modest request which these exiles from Zion propound to the nations. And surely it is just that it should be conceded, and if conceded then carried out in the way men of honour fulfil their bond. There are fourteen millions of Jews in the world. They belong to a race which for at least 1900 years has been subjected to proscription, pillage, massacre, and the torments of endless derision—a race that has endured persecution, which for the variety of torture, physical, material and mental, inflicted on its victims, for the virulence and malignity with which it has been sustained, for the length of time it has lasted, and more than all for the fortitude and patience with which it has been suffered, is without parallel in the history of any other people. Is it too much to ask that those amongst them whose sufferings are the worst shall be able to find refuge in the land their fathers made holy by the splendour of their genius, by the loftiness of their thoughts, by the consecration of their lives, and by the inspiration of their message to mankind ?

THE TREATY OF LAUSANNE¹

*The
Angler of
Lake
Leman.*

THE vanquished have returned to their spiritual home at Angora throwing their fezzes in the air. The victors have returned with their tails well between their legs. All tragedies have their scenes of comedy, and the Lausanne Conference is one of those amusing episodes interpolated by fate to relieve the poignancy of one of its greatest tragic pieces—the Turk and civilisation.

The Turk may be a bad ruler, but he is the prince of anglers. The cunning and the patience with which he lands the most refractory fish once he has hooked it is beyond compare. What inimitable play we have witnessed for six months on the shores of Lake Lemman! Once the fish seemed to have broken the tackle—that was when the first Conference came to an abrupt end. It simply meant, however, that the wily Oriental was giving out plenty of line. Time never worries him, he can sit and wait. He knew the moment would come when they would return with the hook well in their gullets, and the play begin once more—the reeling in and the reeling out, the line sometimes taut and strained but never snapping. Time and patience rewarded him. At last the

¹ London, July 25th, 1923. The Treaty of Lausanne, between the Allies and the Turks, was signed on July 24th, 1923.

THE TREATY OF LAUSANNE

huge tarpon are all lying beached on the banks—Britain, France, Italy, and the United States of America—high and dry, landed and helpless, without a swish left in their tails, glistening and gasping in the summer sun.

It is little wonder that Ismet had a smile on his face when all was over. Reports from Angora state that the peace is hailed there as a great Turkish triumph; and so it is. The Turk is truly a great fisherman. If he could govern as well as he angles, his would be the most formidable Empire in the world. Unfortunately he is the worst of rulers, hence the trouble—his own and that of those who unhappily have drawn him as governor in the lottery of life.

The able correspondent of the *Daily Telegraph* at the Lausanne Conference has supplied us from time to time with vivid pen pictures of the four greatest Powers of the world struggling in the toils of the squalid and broken remains of an Empire with an aggregate population equal to that of a couple of English counties that I could name. This is what he wrote about this Conference, which constitutes one of the most humiliating incidents in the history of Western civilisation:—

"The records of the present Conference present an even more marvellous series of concessions and surrenders. What was frayed before is threadbare now. The Allies have whittled away their own rights with a lavish hand in the cause of peace. They have also—and this is a graver matter, for which it seems

THE TREATY OF LAUSANNE

they will have to give an account in the not distant future—gone back on their promises to small races, which are none the less promises because the small races have not the power to enforce their performance. The figure that the European delegates are cutting in Lausanne, and the agents of the *concessionnaires* in Angora—all alike representatives of the West—has been rendered undignified as much by the manner as the matter of their worsting."

Since those distressing words were written the Powers have sunk yet deeper into the slough of humiliation.

The Times correspondent wiring after the agreement writes in a strain of deep indignation at the blow inflicted on the prestige of the West by this extraordinary Treaty. In order to gauge the extent of the disaster to civilisation which this Treaty implies it is only necessary to give a short summary of the war aims of the Allies in Turkey.

*The Allied
War Aims
in Turkey.*

They were stated by Mr. Asquith with his usual succinctness and clarity in a speech which he delivered when Prime Minister at the Guildhall on November 9th, 1914:—

"It is not the Turkish people—it is the Ottoman Government that has drawn the sword, and which, I venture to predict, will perish by the sword. It is they and not we who have rung the death-knell of Ottoman dominion, not only in Europe but in Asia. With their disappearance will disappear as I,

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at least, hope and believe, the blight which for generations past has withered some of the fairest regions of the earth."

In pursuance of the policy thus declared by the British Premier on behalf of the Allies a series of Agreements was entered into in the early months of 1915 between France, Russia, and ourselves, by which the greater part of Turkey, with its conglomerate population, was to be partitioned at the end of the War. Cilicia and Syria were allocated to France; Mesopotamia to Britain; Armenia and Constantinople to Russia. Palestine was to be placed under the joint control of Britain and France. Arabia was to be declared independent and a territory carved largely out of the desert—but including some famous cities of the East, Damascus, Hama and Aleppo—was to be constituted into a new Arab State, partly under the protection of France and partly of Britain. Smyrna and its precincts were to be allotted to Greece if she joined her forces with those of the Allies in the war. The Straits were to be demilitarised and garrisoned. When Italy came into the war later on in 1915, it was stipulated that in the event of the partition of Turkey being carried out in pursuance of these agreements, territories in Southern Anatolia should be assigned to Italy for development.

*The Justification
for the
Breaking
Up of an
Empire.*

What was the justification for breaking up the Turkish Empire? The portions to be cut out of Turkey have a population the majority of which

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is non-Turkish. Cilicia and Southern Anatolia might constitute a possible exception. In these territories massacres and misgovernment had perhaps succeeded at last in turning the balance in favour of the Turk. But in the main the distributed regions were being cultivated and developed before the war by a population which was Western and not Turanian in its origin and outlook. This population represented the original inhabitants of the soil.

*Turkish
Bar-
barities.*

The experiences, more especially of the past century, had demonstrated clearly that the Turk could no longer be entrusted with the property, the honour, or the lives of any Christian race within his dominions. Whole communities of Armenians had been massacred under circumstances of the most appalling cruelty in lands which their ancestors had occupied since the dawn of history. And even after the war began 700,000 of these wretched people had been done to death by these savages, to whom, it must be remembered, the Great Powers so ostentatiously proffered the hand of friendship at the first Lausanne Conference. Even while the Conference was in session, and the handshaking was going on, the Turks were torturing to death scores of thousands of young Greeks whom they deported into the interior. As "a precautionary measure" 150,000 Greeks of military age, of whom 30,000 were military prisoners, were last year driven inland to the mountains of Anatolia. On the way they were stripped of their clothes, and in this condition were herded across

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the icy mountains. It is not surprising that when an agreement was arrived at for the exchange of military prisoners, the Turks found the greatest difficulty in producing 11,000, and of the total 150,000 it is estimated that two-thirds perished. The Allied Powers had every good reason for determining, as they hoped for all time, that this barbarian should cease to shock the world by repeated exhibitions of savagery against helpless and unarmed people committed to his charge by a cruel fate.

Apart from these atrocities the fact that great tracts of country, once the most fertile and populous in the world, have been reduced by Turkish misrule and neglect to a condition which is indistinguishable from the wilderness, alone proves that the Turk is a blight and a curse wherever he pitches his tent, and that he ought in the interests of humanity to be treated as such. When a race which has no title to its lands other than conquest, so mismanages the territories it holds by violence as to deprive the world of an essential contribution to its well-being, the nations have a right—nay, a duty—to intervene in order to restore these devastated areas to civilisation. This same duty constitutes the reason and justification for the white settlers of America overriding the prior claims of the Indian to the prairies and forests of the great West.

On the shores of the Mediterranean are two races with a surplus population of hard-working, intelligent cultivators, both of them belonging to

*Italian
and Greek
Claims on
Asia
Minor.*

THE TREATY OF LAUSANNE

countries which had themselves in the past been responsible for the government of the doomed lands covered by the Turkish Empire. Greece and Italy could claim that under their rule this vast territory thrived and prospered mightily. They now pour their overflow of population into lands far away from the motherland. Yet they are essentially Mediterranean peoples. The history of the Mediterranean will for ever be associated with their achievements on its shores and its waters. The derelict wastes of Asia Minor need them. Valleys formerly crowded with tillers are now practically abandoned to the desert weeds. Irrigation has been destroyed or neglected. The Italian engineers are amongst the best in the world, and once they were introduced into Asia Minor would make cultivation again possible. There is plenty of scope in the deserts of Anatolia for both Italian and Greek. I was hoping for a peace that would set them both working. Had such a settlement been attained, a generation hence would have witnessed gardens thronging with happy men, women, and children, where now you have a wilderness across which men, women, and children are periodically hunted down into nameless horror.

*Turkish
Ingrati-
tude.*

Yet another reason for the Allied decision was the bitter resentment that existed at the ingratitude displayed by the Turk towards Britain and France. They were naturally indignant that he should have joined their foes and slammed the gate of the Dardanelles in their face, and by that means complicated and prolonged their campaign and

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added enormously to their burdens, their losses, and their dangers. But he had not the thankfulness even of the beast of prey in the legend towards the man who had cured his wounded limb. France and Britain had many a time extracted the thorn from the Turkish paw when he was limping along in impotent misery. They had done more. They had often saved the life of that Empire when the Russian bear was on the point of crushing it out of existence ; and yet without provocation, without even a quarrel, he had betrayed them to their enemies.

I have set out shortly what the war policy of the Allies was in reference to Turkey. The Treaty of Sèvres considerably modified that policy in many vital aspects. By that Treaty, Constantinople, Cilicia, and Southern Anatolia were left to the Turk ; Armenia was created into an independent State. There were many objections which could be raised to the original proposals of 1915, as it might be argued that they contemplated handing over in Cilicia and Southern Anatolia populations which in the main were Turkish and Moslem to Christian rulers. But in substance the modified plan of Sevres was sound, and if carried out would have conduced to the well-being of the millions to be liberated by its terms for ever from Turkish rule. The world at large also would have benefited by the opportunity afforded to the industrious and intelligent Armenian and Greek populations of Turkey to renew the fertility of this land, once so bountiful in its gifts, thus enriching man's

*From
Steros
to
Lausanne.*

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store of good things. The barbarian invasion which withered that fertility was pushed back into the interior by the Treaty of Sevres. The Treaty of Lausanne has extended and perpetuated its sway from the Black Sea to the Mediterranean. I have explained the why and wherefore of Sevres. But why Lausanne? It is a long and painful story—a compound of shortsightedness, disloyalty, selfishness, and pusillanimity amongst nations and their statesmen. And more than all, Fate happened to be in its grimmest mood when dealing with this problem. The Russian Revolution eliminated that great country from the solution of the problem on the lines of protection for the oppressed races of Turkey, and instead cast its might on the side of the oppressor. President Wilson was inclined to recommend that the United States of America should undertake the mandate for the Armenians. Had he succeeded, what a different story would now have been told! What a different story the generations to come would also tell! But his health broke down at the vital moment and America would have none of his humanitarian schemes. Then came the departure of Sonnino from the Quirinal. With him went for a momentous while the old dreams of Italian colonisation, which in the past had done so much to spread civilisation in three continents. His successors were homelier men. I have still my doubts as to whether they served Italy best by the less adventurous and more domesticated policy they pursued. The future

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may decide that issue. But whatever the decision, the time for action passed away, and unless and until there is another break up in Turkey, the chance Italy has lost since 1919 will not be recovered. Will it ever come back ?

There followed the French check in Cilicia, and the negotiations at Angora with Mustapha Kemal, which were both single-handed and under-handed ; for the Allies were not even informed of what was going on. This was a fatal step, for it broke up the unity which alone would enable the Western Powers to deal effectively with the Turk. This unity was never fully recreated. There can be no reunion without confidence. There can be no trust in the West that is broken in the East. Much of the recent mischief in the Entente came from the clandestine negotiations at Angora.

The last fatal change was the Greek revolt against Venizelos. It is often said that he is the greatest statesman thrown up by that race since Pericles. In all he has undertaken he has never failed his people. Disaster has always come to them when they refused to follow his guidance. When King Alexander was killed by a monkey, the Greeks were called upon to decide between Constantine and Venizelos. Their choice was ruinous to their country. No greater evil can befall a nation than to choose for its ruler a stubborn man with no common sense. Before the advent of Constantine, Greece, with no aid and little countenance from the Powers, was able to hold the forces of Mustapha Kemal easily at bay and

*The Greek
Disaster.*

THE TREATY OF LAUSANNE

even to drive him back into the fastnesses of Anatolia, In encounter after encounter the Greek army, led by men chosen for their military gifts and sufficiently well equipped, inflicted defeat after defeat on the armies of Angora. But with Constantine came a change. In the Greek army, courtiers were substituted for soldiers in the high command. French, British and Italian public opinion, with the memory of Constantine's treachery during the war still fresh in their minds, altered their attitude towards the Greeks who had elevated him to the throne in defiance of Allied sentiment. Indifferent Powers became hostile; hostile Powers became active. The final catastrophe began with the heroic but foolish march of the Greek army into the defiles of Asia Minor, followed by the inevitable retreat. It was consummated when Constantine for dynastic reasons appointed to the command of the troops in Asia Minor a crazy general whose mental condition had been under medical review. The Greeks fight valiantly when well led, but like the French, once they know they are not well led, confidence goes, and with confidence courage. Before the Kemalist attack reached their lines the Greek army was beaten and in full retreat. With attack came panic, with panic the complete destruction of what was once a fine army. With the disappearance of that army vanished the last hope for the salvation of Anatolia. That the history of the East, and probably of the West, should have been changed by the bite of a monkey is just another grimace

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of the comic spirit which bursts now and again into the pages of every great tragedy.

All that could be done afterwards was to save the remnants of a great policy. Western civilisation put up its last fight against the return of savagery into Europe, when in September and October of last year British soldiers and sailors, deserted by allies and associates alike, saved Constantinople from hideous carnage. The Pact of Mudania was not Sèvres, but it certainly was better than Lausanne. From Sèvres to Mudania was a retreat. From Mudania to Lausanne is a rout.

What next? Lausanne is not a terminus, it is only a milestone. Where is the next? No one claims that this Treaty is peace with honour. It is not even peace. If one were dealing with a regenerated Turk, there might be hope. But the burning of Smyrna, and the cold-blooded murders of tens of thousands of young Greeks in the interior, prove that the Turk is still unchanged. To quote again from the correspondent of *The Times* at Lausanne:—

*Lausanne
not a
Terminus.*

"All such evidence as can be obtained here confirms the belief that the new Turk is but the old, and that the coming era of enlightenment and brotherly love in Turkey, for which it is the correct thing officially to hope, will be from the foreigners' point of view at best a humiliating, and at worst a bloody, chaos."

The amazing legend that the Turk is a gentleman is dying hard. That legend has saved him many a time when he was on the brink of destruction. It

*The Turk
a Gentle-
man.*

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came to his aid in October last when the policy of this country was changed by the revolt of the Turcophile against the Coalition. The Turk has massacred hundreds of thousands of Armenians, and dishonoured myriads of Christian women who trusted to his protection. Nevertheless the Turk is a gentleman! By his indolence, his shiftiness, his stupidity, and his wantonness, he has reduced a garden to a desert. What better proof can there be that he is a real gentleman? For a German bribe he sold the friends who had repeatedly saved his wretched life. All the same, what a gentleman he is! He treated British prisoners with a barbarous neglect that killed them off in hundreds. Still, he is such a gentleman! He plunders, he slays, and outrages those who are unable to defend themselves. He misgoverns, cheats, lies, and betrays. For all that, the Turk is a gentleman! So an agitation was engineered with perverse tenacity to save this fine old Oriental gentleman from the plebeian hands that sought his destruction. Hence the black Treaty of Lausanne.

SOME IRISH MEMORIES¹

WHEN a few days ago I was half-way through the speech I delivered in the House of Commons on the Land System the faithful Commons were summoned in the manner consecrated by centuries of tradition to the Bar of the House of Lords to hear the Royal Assent being given to the Bill for the Constitution of the Irish Free State. Notwithstanding a natural preoccupation with my interrupted speech, two scenes came to my mind during my short journey to and from the Upper Chamber.

The first was the spectacle of a crowded House of Commons nearly thirty years ago. When the doors were opened for prayers there was the unwonted sight of a throng of hustling M.P.'s pressing through the swing doors to secure seats. I need hardly say this was not the symptom or the outcome of any religious revival amongst our legislators. It was entirely due to the ancient custom that confers upon a member occupying a seat at prayers the unchallengeable right to that seat for the rest of the sitting. Rows of chairs were arrayed on the floor of the House. That was an innovation never since followed. What was it all about? There sat in the middle of the Treasury Bench huddled up and almost hidden by more

*W.E.
Gladstone
in 1893.*

¹ London, December 16th, 1923.

SOME IRISH MEMORIES

stalwart and upright figures an old man of 83 years, to all appearances in the last stage of physical decrepitude and mental lassitude. His name was William Ewart Gladstone, the greatest parliamentary gladiator of all time. The lifelong champion of oppressed nationalities was to-day to inaugurate his final effort to give freedom to the Irish race trodden for centuries by ruthless force. The last remnant of his strength was to be consecrated to the achievement of Irish liberty, and hundreds of eager legislators to whom Peel and Russell, Palmerston and Disraeli were but historical names, were avid competitors for seats from which they could better listen to a man who had sat in Governments with the first three and crossed swords with the fourth. It was a memorable sight.

The preliminary questions which precede all Parliamentary business were by common consent postponed, and a deep and solemn silence thrilling with expectancy fell upon the humming assembly as Mr. Speaker Peel in his sonorous voice called out "The Prime Minister." The inert heap which was the centre of all gaze sprang to the table an erect and alert figure. The decrepitude was cast off like a cloak—the lassitude vanished as by a magician's wand, the shoulders were thrown back, the chest was thrown forward, and in deep, ringing tones full of music and force the proposed new Irish Charter was expounded for three unwearying hours by the transfigured octogenarian rejuvenated by the magic of an inspired soul. I had a seat

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just opposite the great orator. I was one of the multitude who on that occasion listened with marvel to that feat of intellectual command and physical endurance. It was more than that. It was an unrivalled display of moral courage, rare in political conflict. Mr. Gladstone had only just emerged out of a general election where, in spite of six years of his eloquent advocacy, the voice of Great Britain had declared emphatically against his Irish policy, and the poor Parliamentary majority at his back was made up out of the preponderating Irish vote in favour of Home Rule. He was confronted with the most formidable Parliamentary Opposition ever ranged against a Minister, redoubtable in debating quality, still more redoubtable in its hold on British pride. He was 83 years of age, but he never quailed, and through the sultry summer months of 1893 he fought night by night with mighty strokes the battle of Irish emancipation. He did not live to carry the cause through to victory, but he planted the banner so firmly in the soil that no assault could succeed in tearing it down, and on the day when I stood with Mr. Bonar Law at the Bar of the House of Lords I saw this banner flourished in triumph from the steps of the Throne by a Unionist Lord Chancellor. That was the first memory that flashed through my brain.

The next was of a dreary December night just one year ago when on one side of the Cabinet table in 10, Downing Street sat four representatives of Great Britain and on the other five Irish leaders.

*The 1921
Treaty.*

SOME IRISH MEMORIES

It was the famous room wherein British Cabinets have for generations forged their Irish policies. Coercion and concession alike issued from that chamber. Pitt's Act of Union was discussed there, and so were Gladstone's Home Rule Bills; the decision to use British soldiers to throw Irish tenants out of their houses with battering ram and torch and equally the Bill which made every Irish tenant lord and master of his home at the expense of the British Treasury—all issued forth from this simple and unadorned council chamber. And now came the final treaty of peace. Would it be signed ? It was an anxious moment charged with destiny for the two great races who confronted each other at that green table.

The British representatives who were associated with me on the occasion were Mr. Austen Chamberlain ; [I recall now how he sat by the side of his doughty father, Mr. Joseph Chamberlain, in 1893 during the famous nightly duel between him and Mr. Gladstone. How strangely little thirty arduous years have changed his personal appearance !] Lord Birkenhead, who in 1893 was carving for himself a brilliant career as a student at Oxford and as a debater in the Union; Mr. Winston Churchill who was then a Cadet at Sandhurst whilst his father was engaged in the last great Parliamentary struggle of his dazzling but tragic career; Sir Gordon Hewart, now Lord Hewart, the man who has risen on the pinions of a powerful intelligence to the height of Lord Chief Justice of England. My recollection is that the other two British

SOME IRISH MEMORIES

delegates—Sir Laming Worthington-Evans and Sir Hamar Greenwood—were stricken with illness and were unable to be present. After weeks of close investigation the climax of decision had been reached. Britain had gone to the limit of concession. No British statesman could have faced any assembly of his countrymen had he appended his signature to a convention that placed Ireland outside that fraternity of free nations known as the British Empire or freed her from that bond of union which is represented by a common fealty to the Sovereign. It is not easy to interpret the potency of this invisible bond to those who are brought up to venerate other systems. It is nevertheless invincible. Would the Irish leaders have the courage to make peace on the only conditions under which peace was attainable—liberty within the Empire?

Opposite me sat a dark, short, but sturdy figure with the face of a thinker. That was Mr. Arthur Griffith, the most un-Irish leader that ever led Ireland, quiet to the point of gentleness, reserved almost to the point of appearing saturnine. A man of laconic utterance, he answered in monosyllables where most men would have considered an oratorical deliverance to be demanded by the dignity of the occasion. But we found in our few weeks' acquaintance that his yea was yea and his nay meant nay. He led the Irish deputation. He was asked whether he would sign. In his abrupt, staccato manner he replied, "Speaking on my own behalf, I mean to sign."

*Mr.
Arthur
Griffith
and Mr.
Michael
Coffins.*

SOME IRISH MEMORIES

By his side sat a handsome young Irishman. No one could mistake his nationality. He was Irish through and through, in every respect a contrast to his taciturn neighbour. Vivacious, buoyant, highly strung, gay, impulsive, but passing readily from gaiety to grimness and back again to gaiety, full of fascination and charm—but also of dangerous fire. That was Michael Collins, one of the most courageous leaders ever produced by a valiant race. Nevertheless he hesitated painfully when the quiet and gentle little figure on his left had taken his resolve. Both saw the shadow of doom clouding over that fateful paper—their own doom. They knew that the pen which affixed their signature at the same moment signed their death-warrant. The little man saw beyond his own fall Ireland rising out of her troubles a free nation and that sufficed for him. Michael Collins was not appalled by the spectre of death, but he had the Irishman's fear of encountering that charge which comes so readily to the lips of the oppressed—that of having succumbed to alien wile and betrayed their country. Patriots who cheerfully face the tyrant's steel lose their nerve before that dread accusation. It was the first time Michael Collins ever showed fear. It was also the last. I knew the reason why he halted, although he never uttered a word which revealed his mind, and I addressed my appeal to an effort to demonstrate how the treaty gave Ireland more than Daniel O'Connell and Parnell had ever hoped for, and how his countrymen would be ever grateful to him

SOME IRISH MEMORIES

not only for the courage which won such an offer, but for the wisdom that accepted it.

He asked for a few hours to consider, promising a reply by nine o'clock. Nine passed, but the Irish leaders did not return. Ten. Eleven, and they were not yet back. We had doubts as to whether we should see them again. Then came a message from the Secretary of the Irish Delegation that they were on their way to Downing Street. When they marched in it was clear from their faces that they had come to a great decision after a prolonged struggle. But there were still difficulties to overcome. They were, however, difficulties not of principle but of detail. These were discussed in a businesslike way, and soon after one o'clock in the morning the Treaty was complete. A friendly chat full of cheerful goodwill occupied the time whilst the stenographers were engaged in copying the draft so disfigured with the corrections, interpolations and additions, each of which represented so many hours of hammering discussion.

Outside in the lobby sat a man who had used all the resources of an ingenious and well-trained mind backed by a tenacious will to wreck every endeavour to reach agreement—Mr. Erskine Childers; a man whose slight figure, whose kindly, refined and intellectual countenance, whose calm and courteous demeanour offered no clue to the fierce passions which raged inside his breast. At every crucial point in the negotiations he played a sinister part. He was clearly Mr. de Valera's emissary, and faithfully did he fulfil the trust reposed in him by

*Mr.
Erskine
Childers.*

SOME IRISH MEMORIES

that visionary. Every draft that emanated from his pen—and all the first drafts were written by him—challenged every fundamental position to which the British delegates were irrevocably committed. He was one of those men who by temperament are incapable of compromise. Brave and resolute he undoubtedly was, but unhappily for himself he was also rigid and fanatical. When we walked out of the room where we had sat for hours together, worn with tense and anxious labour, but all happy that our great task of reconciliation had been achieved, we met Mr. Erskine Childers outside sullen with disappointment and compressed wrath at what he conceived to be the surrender of principles he had fought for.

I never saw him after that morning. Michael Collins and Arthur Griffith I met repeatedly after the signature of the Treaty, to discuss the many obstacles that surged up in the way of its execution, and I acquired for both a great affection. Poor Collins was shot by one of his own countrymen on a bleak Irish roadside, whilst he was engaged in restoring to the country he had loved so well the order and good government which alone enable nations to enjoy the blessings of freedom. Arthur Griffith died worn out by anxiety and toil in the cause he had done so much to carry to the summit of victory. Erskine Childers was shot at dawn for rebellion against the liberties he had helped to win.

Truly the path of Irish freedom right up to the goal is paved with tragedy. But the bloodstained

SOME IRISH MEMORIES

wilderness is almost through, the verdant plains of freedom are stretched before the eyes of this tortured nation. Ireland will soon honour the name of the Green Isle, and I am proud to have had a hand in erecting the pillar which will for ever mark the boundaiy between the squalor of the past and the hope of the future.

THE ERUPTION IN THE MEDITERRANEAN ¹

THE shores of the Mediterranean have from time immemorial been the scene of eruptions and earthquakes. They generally break out without warning. Sometimes they are devastating in their effects, destroying life and property over wide areas and on a vast scale. Sometimes they provide a brilliant spectacular display, terrifying in appearance, but not causing much destruction. To which of these two categories does the last eruption of Mussolini belong? To drop hot cinders in the Balkans is a dangerous experiment. The soil is everywhere soaked with naphtha and it floats about in unchartered pools and runlets which easily catch fire. A cinder flung from Vienna started a conflagration which spread over Continents. That was only nine years ago. The ground is still hot—the smoke blinds and stifles. You cannot see clearly or breathe freely. Now and again there is a suspicious ruddiness in the banks of smoke which proves that the fire is not yet out. And yet there are statesmen flinging burning faggots about with reckless swagger.

*The
Illusion
of War.*

The temper of Europe may be gauged from the reception accorded to these heedless pyrotechnics

¹ London, September 3rd, 192a

ERUPTION IN MEDITERRANEAN

on the part of national leaders by their own countrymen. Every time it occurs, whether in France, Italy or Turkey, and whether it be Poincare, Mussolini, or Mustapha Kemal who directs the show, applause greets the exhibition. I remember the first days of the Great War. There was not a belligerent capital where great and enthusiastic crowds did not parade the streets to cheer for war. In those days men did not know what war meant. Their conception of it was formed from the pictures of heroic—and always victorious—feats, hung in national galleries and reproduced in the form of the cheap chromos, engravings, and prints, which adorn the walls in every cottage throughout most lands. The triumphant warriors on horseback with the gleaming eye and the flourishing sabre are their own countrymen; the poor vanquished under the crashing hoofs are the foe. Hurrah for more pictures! The Crown Prince denies that he ever used the phrase "This jolly war." His denial ought to be accepted in the absence of better proof than is yet forthcoming as to the statement ever having been made. But the phrase represented the temper of millions in those fateful days. It used to be said that in wars one lot cheered and the other fought. But the cheering mobs who filled the streets in August were filling the trenches in September, and multitudes were filling graves ere the year was out. But when they cheered they had no realisation of the actualities of war. They idealised it. They only saw it in pictures.

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But the cheerers of to-day know what **war** means. France lost well over a million lives in the last fight. Italy lost 600,000, and there are men in every workshop in both countries who know something of the miseries as well as the horrors of war and can tell those who do not. What, then, accounts for the readiness, at the slightest provocation, to rush into all the same wretchedness over again? The infinite capacity of mankind for deluding itself. Last time, it is true, it was a ghastly affair. This time it will be an easy victory. Then you had to fight a perfectly armed Germany, or Austria; now it is a very small affair indeed—in one case a disarmed Germany which cannot fight, or, in the other case, a miserable little country like Greece with no Army or Navy to talk of. So hurrah for the guns! A bloodless victory, except, of course, to the vanquished. More pictures for the walls to show our children what terrible people we are when provoked!

*Different
Inter-
national
Laws for
the Strong
and the
Weak.*

This episode may end peaceably, but it was a risk to take, and quite an unnecessary risk under the circumstances of the case. Italy was indignant, and naturally indignant, at the murder of her emissaries in cold blood on Greek territory and, although it took place in a well-known murder area—on the Albanian border where comitadjis and other forms of banditti reign—still, Greece was responsible for giving adequate protection to all the Boundary Commissioners who were **operating** within her frontiers. **Italy is, therefore,**

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entitled to demand stern reparation for this outrage. This Greece promptly concedes. Not merely has Greece shown her readiness to pay a full indemnity, but she has offered to salute the Italian flag by way of making amends for the offence involved to the Italian nation in this failure to protect Italian officers transacting legitimate business on Greek soil. Mussolini's answer to the Greek acknowledgment of liability is to bombard a defenceless town, kill a few unarmed citizens, and enter into occupation of a Greek island. Does anyone imagine, if the incident had occurred on French soil, and the French Government had displayed the same willingness to express regret and offer reparation, that, without further parley, he would have bombarded Ajaccio? Or, had it been Britain, would he have shelled Cowes and occupied the Isle of Wight? But Greece has no Navy. That, I suppose, alters the merits of the case! Force is still the supreme arbiter of right and wrong in international affairs in Europe. It is worth noting how a new code of international law is coming into existence since the War. The French armies invade a neighbour's territory, occupy it, establish martial law, seize and run the railways, regulate its Press, deport tens of thousands of its inhabitants, imprison or shoot down all who resist, and then proclaim that this is not an act of war. It is only a peaceful occupation to enforce rights under a peace treaty. Signor Mussolini shells a town belonging to a country with whom he is at peace, and forcibly occupies part of its territory, and then

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solemnly declares that it is not an act of war, but just a reasonable measure of diplomatic precaution. Once force decides the issue it also settles the rules. There was a time when English and Spaniards fought each other in the West Indies whilst their Governments at home were ostensibly at peace. And French and English fought in India without any diplomatic rupture between Versailles and St. James's. But in those days these lands were very remote and the control of the centre over events at these distances was intermittent and occasionally feeble. And sometimes it suited Governments to ignore what was taking place on the fringe of Empire. But even in those days an attack on the homeland meant war, and it would mean war to-day were the attacked countries not powerless. I have heard it said that there is one law for the rich and another for the poor. There is no doubt one international law for the strong and another for the weak.

Discrediting the Treaty of Versailles.

What about the League of Nations? This is pre-eminently a case for action under the Covenant. Italy and Greece are both parties. How can they, consistently with the terms of the Treaty they so recently signed, refuse to leave this dispute to be dealt with by the League? Italy had a special part in drafting the Treaty and in imposing it upon Germany and Austria. She cannot now in decency repudiate its clauses. It is suggested in some quarters that, the dignity of Italy being involved in the dispute, she cannot possibly consent

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to leave it in the hands of the League. That surely is a fatal limitation on the activities of the League of Nations. Every dispute involving right implicates the national honour and as every nation is the judge of its own honour, ultimately all differences would be ruled out of the Covenant which it did not suit one country or the other to refer. The League is not allowed to touch Reparations. If this quarrel also is excluded from the consideration of the League, it is no exaggeration to say that this valuable part of the Treaty of Versailles becomes a dead letter. It is one of the gross ironies of the European situation that the Treaty of Versailles is being gradually torn to pieces by the countries which are not only the authors but have most to gain by its provisions. France has already repudiated the first and most important part of the Treaty by declaring that it will refer no question arising between herself and her neighbours under the Treaty itself to the League of Nations. She has further invaded and occupied her neighbour's territory in defiance of the provisions of the Treaty. If Italy also declines to respect the first part of that Treaty, then nothing is left of it except what it suits nations to enforce or obey. And if the framers do not owe allegiance to the Treaty they drafted, why should those who only accepted it under duress bow to its behests? The victors are busily engaged in discrediting their own charter. It would have been a more honourable course for the nations to pursue if they had followed the example of

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America by refusing to ratify the whole Treaty. To sign a contract and then to pick and choose for execution the parts of it that suit you is unworthy of the honour of great nations which profess to lead the world towards a higher civilisation.

*Inflam-
matory
Symptoms.*

There are ugly rumours of possible complications arising out of this unfortunate incident. It does not need a vivid imagination to foretell one or two possible results of a disastrous character. In this country they would be deplored, not only for their effect on European peace, but for the damage they must inevitably inflict on the best interests of Italy. She has had enough of victory. What she needs now—what we all need—is peace. There is no country which has more genuine goodwill for Italy's prosperity and greatness than Great Britain. It is an old and a tried friendship. The two nations have many common interests: they have no rivalries. Hence, the deep anxiety of Britain that Italy should not commit a mistake which will mortgage her future even if it does not imperil her present.

There are no doubt strategic advantages for Italy in holding Corfu. It enables them to "bottle up" the Adriatic. But it is Greek and it menaces Slavonia, and this introduction of foreign elements into the body of a State for strategic reasons always provokes inflammatory symptoms injurious to the general health of a community. They tend to become malignant and sooner or later they bring disaster, Bosnia ultimately proved to be the death of the Austrian

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Empire. When the Bosnian cancer became active the evil of Italia Irredenta broke out once more, and between them they laid the Empire of the Hapsburgs in the dust. Italy has played a great part in the work of civilisation, and so has Greece. They have still greater tasks awaiting them—one on a great and the other necessarily on a smaller scale. It would be a misfortune to humanity if they spent their fine enthusiasm on hating and thwarting each other.

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